

## NON-FINANCIAL REPORT

### Separate non-financial report for Heidelberger Druckmaschinen Aktiengesellschaft and the Group

#### About this report

In accordance with sections 315b and 315c in conjunction with sections 289b to 289e of the German Commercial Code (HGB) and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter: “EU Taxonomy Regulation”), Heidelberger Druckmaschinen Aktiengesellschaft is publishing a separate combined non-financial report (hereinafter: “non-financial report”) for the financial year 2021/2022 (April 1, 2021, to March 31, 2022). Unless stated otherwise, the disclosures made in this report relate to the companies included in the scope of consolidation of the consolidated financial statements. These disclosures therefore apply equally, unless otherwise indicated, to Heidelberger Druckmaschinen Aktiengesellschaft and the Group (“Heidelberg”, “Heidelberg Group”, the “Company”).

References to information outside of the combined management report constitute information beyond the mandatory disclosures required by the HGB and do not form part of this non-financial report.

Due to the quantity and heterogeneity of the existing frameworks and the fact that the Company has not yet completed the reorientation of its ESG activities, this non-financial report for the financial year 2021/2022 has been compiled independently of frameworks on the basis of the statutory requirements. The future application of a suitable framework will be examined in the financial year 2022/2023. In its reorientation and analysis of the existing and future ESG activities and focal points, Heidelberg also referred to the United Nations Sustainable Development Goals. Details can be found on page 4.

The non-financial report for 2021/2022 was subject to a voluntary business audit with limited assurance according to ISAE 3000 (Revised). Selected voluntary report contents in the previous years, such as water consumption, CO<sub>2</sub>

emissions, waste and the recycling rate, were not part of the audit, and are clearly identified by an asterisk. The scope of the audit and the audit opinion are described in the auditor’s report on page 25 and 26.

#### Risk measurement

Heidelberg’s risk management system complies with statutory requirements and also takes into account non-financial ESG risks and opportunities. Risks and opportunities are assessed as deviations from the planned results. Compared with the previous year, a purely quantitative perspective has now been established for the financial year 2021/2022. ESG risks are discussed and evaluated as separate risk records in various workshops and are also included in risk aggregation, and hence in Heidelberg’s overall risk portfolio.

In conjunction with the future requirements of the German Supply Chain Due Diligence Act, Heidelberg has initiated a corresponding project that will be reflected in the existing risk management system and the internal control system as regards its own area of business. Details of the supplier-related risk analysis and evaluation can be found in the “Respect for human rights” section.

Based on the Group-wide risk management system and after accounting for risk mitigation measures, no material reportable non-financial risks were identified in the current forecast period that are associated with the Company’s own business activities, business relationships, products or services, and have a negative impact on the non-financial aspects.

Since the outbreak of the COVID-19 pandemic began in the first quarter of the 2020 calendar year, Heidelberg has focused on guaranteeing the safety and health of its employees, ensuring the functionality of its operating networks and fulfilling the needs of its customers as well as possible under the difficult circumstances. With infection rates continuing to develop dynamically, it is difficult to predict the impact in terms of staff availability and other restrictions. Based on the experience obtained since it began, however, the COVID-19 pandemic is not considered as having a significant negative impact on the material aspects of this report.

At the time this report was prepared, it was not yet possible to quantify the potential impact of the Russian war with Ukraine on the material aspects of this report, especially with regard to the cost and availability of raw materials and energy. Further information can be found in the risk and opportunity report on pages 56 and 57 of our Annual Report 2021/2022.

The description of our risk and opportunity management system and the Group's risk and opportunity report can be found in the combined management report of the Annual Report 2021/2022 on pages 53 to 63.

## Business model

Heidelberger Druckmaschinen Aktiengesellschaft is a global technology group with a leading position in the printing industry. As a reliable and highly innovative partner, we have been synonymous with quality and future viability for more than 170 years. This means we are a company with a long tradition and comprehensive expertise that helps to define the future trends in the print media industry using state-of-the-art technologies and innovative business ideas. We also harness this technological strength to successfully position ourselves in new business areas such as e-mobility.

Our core business is oriented toward the needs of our customers in our target markets of packaging and advertising printing along the entire value chain. We play a leading technological role with our integrated range of solutions and new digital business models. In doing so, we focus on the systematic end-to-end digitization of customer value creation, with a particular view to integrated and automated system solutions for machines, software, consumables and services. We are also using an open industry platform to connect all of the relevant systems in the printing industry in order to further digitize and standardize administrative processes, for example in procurement, and production processes alike.

With our technology leadership in our core business and a focus on digitization, we are addressing a global market that offers strong foundations for our products and services for packaging, advertising and label printing thanks to an annual print production volume of around € 380 billion. We are also addressing new and growing markets thanks to our comprehensive technological know-how. In the e-mobility market, for example, our power electronics expertise has allowed us to establish ourselves as a leading provider of private charging systems in Germany.

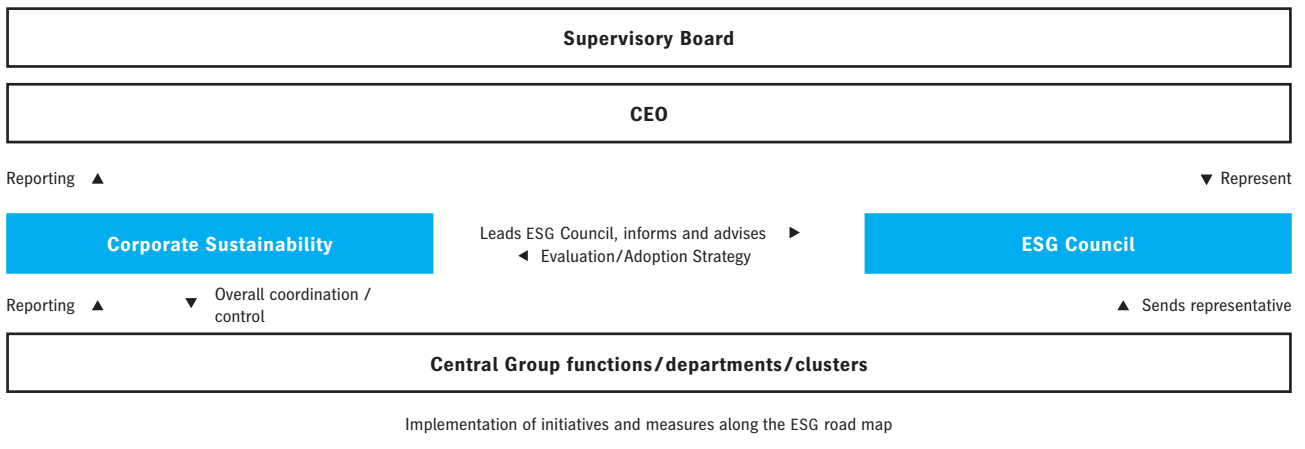
With a market share of more than 40 percent for sheetfed offset presses, we have again successfully consolidated our position as the printing industry's market and technology leader in the current financial year. Consolidated sales amounted to around € 2.2 billion in the financial year 2021/2022. Based on the most recent figures, a total of around 9,800 employees together with our sales partners at 250 sites in 170 countries around the globe ensure the implementation of our customers' requirements and our continuous development on the market.

Further information on our Company can be found under "Basic information on the Group" on pages 22 to 37 of the 2021/2022 combined management report.

## Sustainability strategy and integration

For Heidelberg, sustainability means combining long-term business success with ecological and social responsibility. We see sustainability as a part of our strategic orientation. Attention to sustainability aspects forms part of the Group's environmental standards and our standards of conduct as they apply to our products, our production processes and our supply chain, and as regards our interactions with each other and our partners. Compliance with standards of conduct and environmental standards is mandatory throughout the Group, and is set out in the Heidelberg Group's environmental policy and in our Code of Conduct, which is closely aligned with the United Nations Global Compact Initiative. Both documents are published on Heidelberg's website.

Integrating sustainability also includes remuneration-related aspects. With the new system for Management Board remuneration that was adopted by the Annual General Meeting in July 2021 with a large majority of the votes cast, we have introduced elements aimed at enshrining the sustainability goals resolved by the Supervisory Board in the short-term variable compensation (STI) and long-term variable compensation (LTI) in the form of specific ESG targets. The Supervisory Board reserves the right to define the scope of the individual components and their specific features in order to ensure that the strategy and the remuneration are linked. The targets are defined by the Supervisory Board, which is free to design their content so that they correspond to the business challenges facing the Company. The ESG targets for the remuneration are ambitious, measurable, controllable and consistent with Heidelberg's strategic orientation. The new remuneration model also meets the requirements of the German Corporate Governance Code.



**ESG Committee established and committed to climate neutrality**

In the period under review, Heidelberg significantly expanded and reorganized its activities in the area of sustainability management.

To this end, the Company has established an Environmental Social Governance (ESG) Committee with responsibility for the strategy and for defining, implementing and controlling the road map and measures. The ESG Committee is composed of the members of the Management Board and the Heads of Corporate Sustainability, Corporate Development, Investor Relations, Product Management, Human Resources, the Legal Department, Quality Management, Sales Operations, Procurement, Research and Development, Operations, Communications, Risk Management, and Site Management.

Reporting on the strategy, the status quo and the measures takes the form of half-yearly reviews. Adjustments are made and new measures adopted as required.

The Corporate Sustainability office defines the framework for the strategic sustainability orientation and the tools and methods required to achieve the ESG targets. The Group-wide ESG manager reports directly to the Chief Executive Officer. Heidelberg considers ESG management to be a cross-functional task. The strategy and road map for

the three pillars of sustainability (E-S-G) are developed and their implementation tracked in conjunction with employees from the specialist departments. In addition to strategic aspects, the Corporate Sustainability office is also responsible for implementing the climate strategy.

Our aim is to have the smallest environmental footprint along the value chain of any company in the industry. In addition to the decarbonization of our production sites and branches, we are therefore also focusing on the development of environmentally sound products.

In response to the global challenges of climate change, Heidelberg has undertaken to make its sites climate-neutral (Scope 1+2) by 2030. Several measures have been defined to achieve this goal:

- Increased energy efficiency at all production and sales locations
- Sites to be supplied with renewable energy from in-house plants
- Purchase of certified green electricity
- Offsetting unavoidable emissions through emissions certificates

We are establishing an ESG-compliant supply chain with a focus on human rights, ethics and environmental aspects.

Our aim is to be an attractive employer at all times.

### Alignment with the United Nations Sustainable Development Goals

As part of the reorientation of its ESG activities and the associated materiality analysis, Heidelberg has analyzed and assessed the areas in which the Company can contribute to the achievement of the Sustainable Development Goals formulated by the United Nations (UN SDGs).

	UN SDG	Heidelberg's contribution
	Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>↪ Comprehensive occupational health and safety</li> <li>↪ Sports and preventive programs</li> <li>↪ Vaccination program</li> <li>↪ Low-emissions machinery and consumables</li> </ul>
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> <li>↪ High-quality training</li> <li>↪ Training partnerships for other companies</li> <li>↪ Supplier qualification</li> <li>↪ Customer training</li> <li>↪ Employee training and development</li> </ul>
	Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> <li>↪ Equal pay for all genders (employees covered by collective wage agreements)</li> <li>↪ Equal career opportunities for all genders (employees covered by collective wage agreements)</li> <li>↪ Heidelberg Group WIN network</li> <li>↪ Regional cross-mentoring program</li> </ul>
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> <li>↪ Binding Group-wide Code of Conduct and Partner Code of Conduct</li> </ul>
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<ul style="list-style-type: none"> <li>↪ New business models for efficient capacity utilization, such as the Heidelberg subscription model</li> <li>↪ Efficient printing processes across all process steps through to autonomous production</li> </ul>
	Reduce inequality within and among countries	<ul style="list-style-type: none"> <li>↪ Binding Group-wide Code of Conduct and Partner Code of Conduct</li> </ul>
	Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>↪ Guideline on environmentally friendly product development</li> <li>↪ Certified environmentally friendly Saphira Eco consumables</li> <li>↪ Cooperation with PURE inks</li> <li>↪ Smart, energy-efficient print shop</li> <li>↪ Development and production of Wallboxes for electric transportation</li> </ul>
	Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> <li>↪ Operation of an efficient in-house cogeneration plant</li> <li>↪ Photovoltaic plants for independent power generation</li> <li>↪ Energy efficiency projects in manufacturing</li> <li>↪ Climate strategy and measures adopted</li> </ul>

## Work in associations and initiatives

When it comes to sustainability, Heidelberg is committed to achieving more together by joining forces with partners and contributing to initiatives and associations. For example, Heidelberg currently works with the following partners:



**Blue Competence** links mechanical and plant engineering in the field of sustainability and bundles the resources, expertise and strengths of the German Mechanical Engineering Industry Association (VDMA). The various professional associations of the VDMA and other mechanical and plant engineering organizations are involved in this association. The partner companies of the initiative pursue the following goals:

- Shape the world with technology – for tomorrow and beyond
- Achieve more with fewer resources
- Take responsibility
- Be a role model



### Fraunhofer network for “Climate-neutral companies”

This innovation network offers valuable impetus for sustainable development in the areas of energy supply, operational mobility, digital/hybrid working models, strategy, governance and employee awareness.



The international alliance **4evergreen** is committed to the sustainable use of natural resources and continuously improving the circular economy in the growing packaging segment.



The guiding principle behind the international **Healthy Printing** initiative is to promote the implementation of the Cradle-to-Cradle (C2C) design concept in the printing industry. Preference is given to printing materials, printing inks, coatings and other printing aids that do not generate waste during their production. Printed products are systematically recycled after use. The residual materials produced during the recycling process are ultimately returned to the natural cycle as biological nutrients without polluting it.



Heidelberg’s cooperation partner for sustainable print production: **PURE** inks Europe GmbH aims to achieve sustainability throughout the entire print lifecycle and a good energy footprint. PURE inks protect print shop workers because they do not contain toxic substances and protect the rain forests by not using palm, coconut or soybean oils, and the binders protect the environment because they do not contain fossil carbons.

## Disclosures in accordance with the EU Taxonomy Regulation

The European Green Deal is a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050, where the environment and the health of European citizens are protected, and where economic growth is achieved by the most efficient and sustainable use of natural resources possible. It also aims to protect, conserve and enhance the EU’s natural capital, and protect the health and well-being of citizens from environment-

related risks and impacts. In order to achieve this, we need to turn climate and environmental challenges into opportunities.

Other EU priorities include building an economy that works for the people, strengthening the EU’s social market economy, helping to ensure that it is future-ready and that it delivers stability, jobs, growth and investment. These goals are especially important considering the socio-economic damage caused by the COVID-19 pandemic and the need for a sustainable, inclusive and fair recovery. Accordingly, it is important to make the transition to a more sustainable economic development just and inclusive for all.

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter: “EU Taxonomy Regulation”) was proposed as part of the Commission’s earlier Action Plan on “Financing Sustainable Growth” of March 2018, launching an ambitious and comprehensive strategy for sustainable finance with the aim of redirecting capital flows to help generate sustainable and inclusive growth. The EU Taxonomy Regulation is an important enabler for scaling up sustainable investment and thus implementing the European Green Deal as part of the EU’s response to the climate and environmental challenges. It provides uniform criteria for companies and investors on economic activities that can be considered environmentally sustainable (i.e. making a substantial contribution to EU environmental objectives such as climate change mitigation, while doing no significant harm to other environmental objectives), and thus aims to increase transparency and consistency in the classification of such activities and limit the risk of greenwashing and fragmentation in relevant markets.

In accordance with Article 8 of the EU Taxonomy Regulation and the supplementary delegated acts, Heidelberger Druckmaschinen Aktiengesellschaft is reporting the proportion of taxonomy-eligible Group-wide sales, capital expenditure (CapEx) and operating expenditure (OpEx) for the financial year 2021/2022 with respect to the environmental objectives “climate change mitigation” and “climate change adaptation” for the first time in its non-financial report 2021/2022.

In a detailed analysis of the EU Taxonomy Regulation and, in particular, Annex I and Annex II of the supplementary Commission Delegated Regulation (EU) 2021/2139 (hereinafter: “Annex I” and “Annex II”), the economic activities of Heidelberger Druckmaschinen Aktiengesellschaft were classified by an interdisciplinary project team mainly on the basis of the NACE codes. In a comparison with the provisions of the EU Taxonomy Regulation, the operations of the foundry in Amstetten (category 3.9 “Manufacture of iron and steel”, NACE code C24.51 “Casting of iron”) and Wallbox production (category 6.15 “Infrastructure enabling low-carbon road transport and public transport”, technical

screening criterion 1 (a) “Electric charging points”) were identified as being covered by the taxonomy and as taxonomy-eligible.

At present, the vast majority of economic activities in the German plant and mechanical engineering industry are not explicitly covered by the EU Taxonomy Regulation. Accordingly, we do not currently include the core business of Heidelberger Druckmaschinen Aktiengesellschaft, printing press production, in this analysis. Although the publication of the FAQ document by the European Commission on February 2, 2022, largely opened up category 3.6 “Manufacture of other low carbon technologies” and the generic description offers considerable scope for interpretation, we do not currently believe that we are covered by category 3.6 even though the products we manufacture are becoming increasingly more resource-efficient. We will observe the reports and publications in the EU taxonomy Regulation’s first year of validity and make corresponding adjustments in subsequent years as necessary. Heidelberger Druckmaschinen Aktiengesellschaft has established an interdisciplinary project team for the identification of taxonomy-eligible economic activities. The analysis process was accompanied by an intensive dialog with experts from the operating units. In this cooperation and the derivation of the majority of the sales, CapEx and OpEx key performance indicators (KPIs) from the existing financial reporting systems, care was taken to avoid potentially counting figures twice.

Our reporting is consistent with the requirements for the KPIs of sales, CapEx and OpEx, which have been determined in accordance with the EU taxonomy definitions: Sales are defined as the proportion of net sales derived from products or services associated with taxonomy-eligible economic activities (numerator) in the total sales of the Heidelberg Group reported in the consolidated income statement (denominator). Information on the sales of the Heidelberg Group can be found on page 97 of the Annual Report 2021/2022. The identified taxonomy-eligible sales amounted to € 90.3 million in the reporting year and result from the economic activities of the foundry operations in Amstetten and Wallbox production, which were identified as being covered by the taxonomy and as taxonomy-eligible.



Sales are reported in the consolidated income statement for 2021/2022 on page 70.

Capital expenditure (CapEx) is defined as the proportion of additions to property, plant and equipment and intangible assets associated with taxonomy-eligible economic activities during the reporting year before depreciation, amortization, and write-downs and remeasurement (numerator) in the total capital expenditure (CapEx) of the Heidelberg Group (denominator). The total CapEx of the Heidelberg Group is calculated as the additions to intangible assets and property, plant and equipment reported in the statement of changes in non-current assets on pages 78 and 79 of the Annual Report and primarily relates to additions of property, plant and equipment in accordance with IAS 16 and right-of-use assets from leases in accordance with IFRS 16.

The identified taxonomy-eligible CapEx amounts to € 15.8 million in the reporting year and is composed, on the one hand, of investments related to assets or processes associated with a taxonomy-eligible economic activity (section 1.1.2.2 (a) to Annex I). On the other hand, investments related to the acquisition of products from taxonomy-compliant economic activities or products that support a taxonomy-compliant economic activity (section 1.1.2.2 (c) to Annex I) are also included. They are related to categories 7.2 “Renovation of existing buildings”, 7.3 “Installation, maintenance and repair of energy efficiency equipment”, 7.4 “Installation, maintenance and repair of charging stations for electric vehicles”, and 7.7 “Acquisition and ownership of buildings”. Accordingly, they primarily contained expenditure for building renovation works, the installation, maintenance and repair of energy efficiency equipment, investments in connection with processes associated with taxon-

omy-eligible economic activities, leases of motor vehicles, and various environmentally friendly production projects, as well as smaller investments in the areas of energy management and heat pumps.

Operating expenditure (OpEx) is defined as the proportion of direct, non-capitalized expenses for research and development, building remediation works, short-term leases, maintenance and repairs associated with taxonomy-eligible economic activities (numerator) in the total operating expenditure (OpEx) of the Heidelberg Group (denominator). The total operating expenditure (OpEx) of the Heidelberg Group includes expenses for maintenance, research and development as well as the expenses for short-term leases reported in the notes to the consolidated financial statements (see page 126 of the Annual Report). The identified taxonomy-eligible OpEx amounted to € 1.3 million in the financial year and primarily relates to categories 7.2 “Renovation of existing buildings” and 7.3 “Installation, maintenance and repair of energy efficiency equipment”. It mainly contained the corresponding expenses for the economic activities of the foundry operations in Amstetten and Wallbox production (section 1.1.2.2 (a) to Annex I), which were identified as being covered by the taxonomy and as taxonomy-eligible, as well as other maintenance and building remediation works that relate to the purchase of products from taxonomy-compliant economic activities and individual measures by which the target activities are carried out in a low-carbon manner (section 1.1.2.2 (c) to Annex I).

The table below shows the taxonomy-eligible sales, capital expenditure (CapEx) and operating expenditure (OpEx) for the financial year 2021/2022 as a proportion of the respective total figures for the Group:

**Proportion of taxonomy-eligible and taxonomy-non-eligible economic activities in total sales, capital expenditure (CapEx) and operating expenditure (OpEx)**

Figures in € millions	Taxonomy-eligible	in percent	Taxonomy non-eligible	in percent	Total
Net sales	90.3	4.1	2,093.1	95.9	2,183.4
CapEx	15.8	22.1	55.6	77.9	71.4
OpEx	1.3	1.2	110.3	98.8	111.6

## Material aspects of this report

To determine the material aspects and focal points of this report, Heidelberg conducted a comprehensive materiality analysis in the reporting year. In the first step, a series of workshops was conducted with the relevant internal stakeholders and experts from Corporate Development, Procurement, Legal, R & D, Product Management, Sales Operation, Human Resources, Operations, Site Management, Investor Relations and the Works Council. Material aspects were identified, evaluated and prioritized in each of four areas: products, governance, social, and production sites. External stakeholder concerns were taken into account by integrating the empirical data from the respective experts and in the form of a customer survey. In the second step, the results of the workshop series were analyzed, consolidated and adopted in conjunction with the Management Board and the management level immediately below that.

For the Heidelberg Group, the non-financial aspects requiring disclosure were identified according to the double materiality provision of section 289c (3) HGB and assigned to the reportable minimum aspects as follows:

- Environmental issues: sustainable products and production, climate strategy
- Employee issues: attractive modern working conditions and structures, occupational health and safety
- Social issues: promoting diversity within the Company and education
- Preventing bribery and corruption: expansion of the compliance program
- Respect for human rights: preparing the implementation of the German Supply Chain Due Diligence Act

## Environmental issues

Using resources in an environmentally responsible manner forms part of Heidelberg's core values. Compliance with legal requirements for operational and product-related environmental protection is a matter of course for Heidelberg. We coordinate the implementation of measures in operational and product-related environmental protection throughout the Group and prepare Group standards. Processes for ensuring knowledge of the relevant environmental legislation are also established as part of ISO 14001 environmental management.

As a company that has been certified in accordance with ISO 9001/14001 for many years – this covers our seven development and production sites in Germany and our production site in China – we are committed to continuous improvement. The certification process allows us to identify and rectify error sources at an early stage and identify rationalization potential. These internationally recognized certifications are also improving our image with customers, partners and the public, reducing our liability risk and providing us with greater legal security. We raise awareness of the significant environmental impact made by the divisions by actively involving certification officers and other employees. For controllable processes/activities, we promote the initiation of measures to reduce the environmental impact or improve environmental performance. The management evaluation process gives us the feedback we need to make adjustments where required and integrate modifications into the planning process as necessary. The Langgöns site was also certified in accordance with ISO 14001 in the past financial year, meaning that all of Heidelberg's European production sites are now certified via a combined QM and EM management system (ISO 9001 and ISO 14001). Our Amstetten site, where we operate our foundry, uses energy most intensively and has been certified in accordance with DIN ISO 50001 since 2012.

In our materiality analysis, we defined environmentally friendly products and efficient production as key environmental issues and derived a climate strategy on this basis. The structure of our production sites and their high degree of vertical integration mean that energy and the associated emissions are key issues for production.



In order to heighten awareness of the responsible use of energy as a resource from the beginning of young people's careers, Heidelberg has participated in the nationwide "energy scout" projects led by the Chambers of Industry and Commerce responsible at the Wiesloch-Walldorf and Amstetten sites for some years. This topic is supported and promoted by the Management Board and senior management. While the program led by the Chambers of Industry and Commerce is limited to two trainees, Heidelberg has decided to extend this opportunity to more trainees. The energy scouts will begin their work in the respective areas and cooperate on projects to improve energy efficiency. In the new training year, the baton will be passed to the next generation of trainees who will continue the work on the respective topics.

To ensure that area-specific projects are implemented efficiently, smaller teams are formed within the respective professions and training years. In addition, training staff have begun to receive training as part of sustainability workshops organized in cooperation with "Klimaschutzagentur Mannheim". In the long term, these workshops will also be offered to interested trainees and students. They cover fundamental topics such as personal carbon footprints and are supplemented by in-depth workshops on nutrition, waste and energy.

### Environmentally friendly products

For Heidelberg, ensuring sustainable and environmentally friendly products means reducing their resource and energy requirements, waste and emissions in order to minimize their environmental impact while also enabling our customers to engage in economically successful production. To achieve this, we systematically analyze the entire lifecycle of our products. A first rough calculation of the CO<sub>2</sub>e emissions confirmed that the majority are generated downstream (Scope 3) by customers using the products.

With regard to printing presses, paper waste (paper required and consumed until the first "good", i.e. saleable sheet) and energy consumption are particularly responsible for emissions. Heidelberg is aware of its responsibility in this respect, and sustainability is a well-established element of its product development. This is achieved through the internal "Guidelines for ecological product development", which define the framework for systematically integrating aspects and requirements of environmental law into the development process. The development process includes an ecological product review in which we focus on material

and chemical compliance aspects, reducing gaseous and liquid pollutants, and energy efficiency. This is intended to support the development of environmentally friendly products and ensure that environmental benefits are leveraged at an early stage. In addition to having a positive environmental impact, this generates cost benefits for customers in the form of material and energy savings. Heidelberg aims to conduct an ecological product review for every development project.

A decade ago, Heidelberg became the first printing press manufacturer to document the environmental footprint of its products and perform lifecycle assessments with a view to recording the environmental impact of its products in the greatest possible detail and identifying potential improvements. These activities have been integrated into ISO 14001 management. In the period under review, they were also formalized in a corresponding work instruction, "Creating a lifecycle assessment in accordance with ISO 14001:2015", in order to ensure systematic, standardized treatment across all areas of the Group. In addition, an Excel-based CO<sub>2</sub> tool has been developed and made available to all colleagues in order to provide them with an initial impression of the carbon footprint of their projects.

Customers can make their purchases of Heidelberg products carbon-neutral if they wish. We calculate the CO<sub>2</sub> emissions on a cradle-to-gate basis, i.e. from resource extraction to our factory gate. These emissions can be offset by buying emissions credits or certificates generated in specific climate protection projects. We have decided to only use "Gold Standard" certificates for this purpose, such as the Soddo reforestation project initiated by the NGO World Vision in Ethiopia.

As drying systems account for a large proportion of the energy requirements of printing presses, Heidelberg continuously develops its drying systems with a view to energy efficiency and CO<sub>2</sub> savings. Our aspiration is to always be able to offer our customers the most state-of-the-art and most environmentally friendly systems. This is the principle behind the DryStar LED series, which we have continuously enhanced over the past ten years. In the latest DryStar LED Pro system series for 2022, the proportion of active light output has been increased by a further 25 percent. This is made possible by the use of state-of-the-art semiconductors in conjunction with our optimized and patented dual lens technology. At the same time, design changes to the energy supply have enabled us to lower energy input and thus consumption by up to 20 percent. Together with

existing functions such as the fully integrated on/off system (IOOS) and smart temperature management, the DryStar LED Pro generation from Heidelberg currently offers the – as far as we know – most effective and most energy-efficient curing technology in sheetfed offset printing for commercial, label and packaging applications.

When it comes to consumables, Heidelberg also focuses on developing and marketing sustainable products at all times. We work in close cooperation with partners from the entire value chain.

The Saphira Eco label comprises Heidelberg's product range of environmentally friendly materials. In addition to ecological benefits – such as reducing emissions of volatile organic compounds (VOCs), ammonia and particulate matter – Saphira Eco is synonymous with the use of fewer chemicals and less waste water. The Saphira Eco criteria catalog was revised and the product portfolio was adapted to reflect the new, considerably stricter criteria.

Together with PRe GmbH, we have launched an ink series for the European region that is considerably more environmentally friendly and less damaging to health than conventional ink series. In addition to the above sustainability aspects, these alternative ink formulas are significantly better for de-inking paper in preparation for paper recycling. As the processing tolerances on the printing press are less generous, Heidelberg works closely with users to achieve optimal printing results.

Heidelberg has optimized the Locotec MRS ink roller system in cooperation with Westland. LotoTec MRS typically prevents the need for a second wash using cleaning paste or a deep cleaner when changing from dark to light inks. This speeds up the changing process and means lower consumption of cleaning agents. Heidelberg customers can request this innovative roller system when customizing their original equipment or request it to be retrofitted.

A survey on sustainability aspects has confirmed that the market has a particular focus on energy and resource efficiency requirements in the print shop.

Here, too, Heidelberg and its consulting team provide customers with training so that they can reduce their resource requirements. For example, paper waste workshops help customers to identify potential areas for reducing paper waste, which are then translated into specific measures. This can significantly lower the waste rate. In addition to paper, this enables savings when it comes to ink, coatings and energy.

### Efficient production and climate strategy

In the reporting year, Heidelberg set itself the target of achieving climate neutrality (Scope 1 and 2) by 2030. Our main priorities are improving energy efficiency, lowering emissions and substantially increasing the proportion of in-house power generation in the form of renewable energies. We intend to take suitable measures (green electricity, PPA, etc.) in order to further reduce the Scope 2 emissions resulting from our remaining electricity purchases. The overriding objective of all measures is to reduce the remaining emissions to the greatest possible extent, thereby minimizing the need to offset the remaining emissions in the form of certificates. Our goal is to eliminate the need for offsetting by 2040.

As part of our climate strategy and our ISO 14001 environmental management activities to date, we have begun drawing up a transformation concept for the decarbonization of Heidelberger Druckmaschinen Aktiengesellschaft. In the next financial year, the corresponding potential will be analyzed at all production sites and a site-specific plan of measures for reducing and optimizing energy requirements and preventing emissions will be developed.

The measures initiated in the last but one financial year to optimize space and establish a technology park at the largest production site, Wiesloch-Walldorf, are having the desired effect, and the quantity of natural gas purchased has already decreased significantly. However, the full impact of the improvements is not yet reflected in this report as some of the measures were only completed in the reporting period. The provision of building infrastructure involves high energy requirements, especially when it comes to existing buildings. We already reduced our natural gas consumption by over 20 % in the past financial year. The new technology park, which is not owned by Heidelberg, will permanently change the site. The investor of the first phase of construction has acquired additional space from Heidelberg that was no longer required, meaning that space usage and the associated energy consumption will decline further in the future.

The efficient use of space leads to energy efficiency, and hence to cost savings. To this end, our strategy is aimed at modernizing the remaining infrastructure and adapting it to our actual requirements over the coming years and developing holistic energy concepts in order to significantly reduce our energy consumption. For example, we have recently adopted an energy concept for our biggest

assembly hall at the Wiesloch-Walldorf site, which covers an area of around 72,000 m<sup>2</sup>. Among other things, this concept identifies specific potential and approaches for reducing the heat requirements of the hall by up to 60 percent. With the roof renovation making it possible to install roof-mounted photovoltaic systems for the first time, we are enhancing our independent power generation, increasing the proportion of renewable energies and making ourselves more energy self-sufficient. Because lighting at this assembly hall accounts for almost half of electricity consumption, converting to LEDs offers significant additional savings potential. This is beneficial for the environment as well as making our sites more competitive. As such, we have given these topics particular priority and are implementing them in the form of site and structural optimization projects. In the medium term, we will take this methodology and the experience gained in its implementation and apply it in order to modernize additional halls at all sites.

Since 2013, we have established an energy monitoring system at our major German production and development sites (Wiesloch-Walldorf, Amstetten and Brandenburg), which we use to record and analyze energy consumption and flows. Our site in Shanghai was integrated into the system in 2019 and is in the process of automating its energy monitoring system further. Due to the restrictions imposed

in response to the COVID-19 pandemic, the roll-out is not yet complete.

Taken together, these sites are responsible for over 95 percent of the Heidelberg Group's energy consumption. We currently have around 1,300 integrated measuring points and are working continuously to refine the meter infrastructure and define significant energy loads. The transparency thus gained will enable us to reduce energy consumption and the associated environmental impact of energy transformation, transportation and distribution. In addition, the system helps us to identify potential savings and to take environmental issues into account in our decision-making processes. This makes it significantly easier for us to implement energy concepts and realize savings potential, as well as ensuring that the expected savings are transparent and predictable.

#### Environmental figures

The table below includes the four largest development and production sites (Wiesloch-Walldorf, Amstetten, Brandenburg, Shanghai), which cumulatively account for over 95 percent of Group-wide energy consumption. The Heidelberg site has been sold and is no longer contained in the figures for the past financial year. The first row, "Energy in GWh/a", shows the volume supplied or consumed at the respective sites, including electricity, natural gas, heating

	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
<b>Input</b>					
Energy in GWh/a <sup>1)</sup>	290	290	274	244	243
Energy in GWh/a (weather-adjusted) <sup>1,2)</sup>	285	300	280	256	240
Water in m <sup>3</sup> /a	207,903*	227,710*	193,760*	149,169*	164,645
<b>Output</b>					
CO <sub>2</sub> emissions in metric tons <sup>3)</sup>					
- Scope 1 [CO <sub>2</sub> e]	30,307*	29,502*	30,645*	30,568*	25,668
- Scope 2 [CO <sub>2</sub> ]	74,938*	76,008*	63,812*	49,055*	65,647
Waste in metric tons	35,980*	41,545*	34,247*	24,650*	38,270
<b>Key figure</b>					
Recycling rate in percent	96.36*	97.53*	96.08*	95.75*	96.38

\* Voluntary disclosure, not reviewed by the auditor

<sup>1)</sup> Total energy supplied to the WIE, HEI, AMS, BRA and QIN sites, including vehicle fleet and the company fueling station at Wiesloch-Walldorf. The Heidelberg site is not included from January 1, 2021.

<sup>2)</sup> In accordance with VDI 2067, the heating energy supplied was adjusted based on the degree days figure of the Heidelberg site. In the reporting year, the basis of the reference years was updated to the average of the last ten years (2012 to 2021). The prior-year figures were adjusted accordingly.

<sup>3)</sup> CO<sub>2</sub> emissions resulting from energy and district heating supply are based on information from the respective electric utility at the particular site; other emissions are based on GEMIS and were updated to version 5.0 in fiscal year 2021/2022. The prior-year figures were adjusted accordingly.

oil and district heating as well as diesel and gasoline consumption for internal logistics and our vehicle fleet. The second row, weather-adjusted energy consumption, normalizes the proportion of energy that is heating-related and hence weather-dependent. This is based on a ten-year average (2012 – 2021) of the degree day figures for the certified weather station in Heidelberg. We also publish additional key figures for the sites listed above, such as water consumption, the CO<sub>2</sub>e emissions (broken down into Scope 1 and 2) of the energy volume reported in the first row, and the waste volume and the corresponding waste recycling rate in order to enable a differentiated analysis beyond the topic of energy alone.

It should be noted that the key figures include opposing effects. The financial year 2020/2021 was dominated by the COVID-19 pandemic, which meant that production was low and many employees worked from home or were assigned to short-time work. At the same time, the need for increased ventilation resulted in higher heat consumption. In the reporting period, the conditions returned to normal and production increased again. Furthermore, the weather conditions (heating degree days) were significantly cooler (coldest year for five years). Energy requirements adjusted for weather factors have been falling steadily for a number of years. The measures implemented to reduce heat consumption are clearly reflected in the Scope 1 emissions. The Scope 2 emissions were higher than in the previous year. This is because the growth in the production volume required increased electricity consumption, especially at our foundry in Amstetten and our plant in Shanghai. Because the hardship clause under the German Renewable Energy Sources Act (EEG) is applied in Amstetten, significantly higher CO<sub>2</sub> emissions factors are reported at this site. In combination with the high proportion of electricity consumption, this results in extremely high emissions. The elimination of the EEG levy means that this special case is expected to no longer apply from July 1, 2022. The site will then be assigned the same (significantly lower) emissions factor as the other sites in the future.

Water consumption and the waste volume increased compared with the previous year. Among other things, this was because a large number of employees returned to working on-site. The increased waste volume primarily relates to rubble and scrap in connection with preparations for the sale of the space in Wiesloch/Walldorf.

## Employee issues

### Structural framework

A dedicated, experienced and highly qualified workforce is the most important foundation of the Heidelberg Group's business success. Expertise, patents and inventions, continuous development of knowledge and skills, respectful interaction and a focus on employee health are the keys to a company that is fit for the future. Motivation and loyalty on the part of existing employees, attractive jobs as an employer brand and the characteristics of an appreciative corporate culture are central parameters when it comes to addressing employee issues.

As an employer, Heidelberg offers fair, performance-oriented remuneration, a company pension as a future-oriented remuneration component, occupational health management with various activities, and contemporary working conditions. We encourage talented young employees by engaging them in dialog at an early stage, integrating them into projects and offering them extensive training opportunities. The new policy on mobile work allows us to offer modern and attractive working models. Flexitime accounts, working time accounts and collectively agreed provisions on compensation create a framework that enables employees to achieve a healthy work-life balance. Employee concerns are also represented at all sites and permanent establishments in the form of bodies elected according to the works constitution. We engage in a constructive, goal-oriented dialog with the Works Councils.

The guidelines on HR work that are implemented on a Group-wide basis provide the material foundations for ensuring compliance with the relevant CSR standards. Within the Company's hierarchy of standards, the guidelines on compliance with social standards and ensuring that operational HR work is consistent with the applicable principles, such as the standards issued by the International Labour Organization (ILO), are applied on a Group-wide basis. The Heidelberg Group's HR managers have the capacity to enforce standards under the terms of a global business mandate. At the same time, the relevant national provisions must also be observed. This is ensured by the management and HR managers at all of the subsidiaries. The local management of each Group company reports material issues to the responsible HR managers at Heidelberg Druckmaschinen Aktiengesellschaft. Key issues

relating to HR are regularly reported at the meetings of the Management Board and the senior executive bodies.

The introduction of a Company-wide personnel data system means that the master data contained in the system can be accurately recorded and evaluated on a Group-wide basis.

### Employee rights and codetermination

Heidelberg is committed to upholding employee rights and the statutory structures of codetermination. Accordingly, employee issues are regularly reported to and discussed by the respective local Works Council committees and, at an overarching level, by the Economic Committee of the Company in accordance with section 106 of the German Works Constitution Act (BetrVG). Codetermination in accordance with works constitution law is ensured in the form of bodies at all sites and permanent establishments. This includes the youth and trainee representatives, the representatives of executive management and the statutory disabled persons' representatives. In addition, Heidelberg has a European Works Council (EWC) in accordance with the German European Works Council Act. The EWC also regularly discusses employee issues and ensures compliance as a relevant body to the extent provided by law.

A constructive exchange on employee issues also takes place with the relevant national unions to the extent that they are represented at the respective permanent establishment. At the permanent establishments in Germany, representatives of the local unions are regularly invited to attend and speak at works meetings.

The employee rights enshrined at the Company include the remuneration structure. All of the sites and permanent establishments of Heidelberger Druckmaschinen Aktiengesellschaft are subject to collective wage agreements, meaning that collectively agreed standards are guaranteed for all employees covered by such agreements. This serves to ensure equal pay based solely on the objective characteristics of the respective activity, and not on personal characteristics such as gender.

Where collective agreements permit the determination of individual remuneration components at the level of the respective permanent establishment, this is always performed in cooperation with the Works Council committees in order to ensure that the statutory rights of codetermination are observed. This also means that performance orientation, e.g. for sales employees, is designed objectively.

Furthermore, this system of determining, classifying and reviewing remuneration serves to ensure compliance with minimum standards and minimum pay. In the event of complaints, which may be made at any time, classification is reviewed by a commission with equal representation in order to ensure objective treatment.

Payroll accounting for Heidelberger Druckmaschinen Aktiengesellschaft and its subsidiaries is performed by a shared service center, with data processing being carried out exclusively in electronic form.

Outside the German sites, remuneration takes account of the applicable national regulations.

### Company-wide Code of Conduct

The corporate culture is founded on the Company-wide Code of Conduct, in which the Company commits to respectful cooperation. The Code is accompanied by an extensive set of guidelines that are published and made available on the intranet. Compliance is ensured by making unqualified reference to the Code of Conduct in all contracts of employment and by requiring appointees to management positions to expressly undertake to observe the Code of Conduct.

### Key action areas

The aims of our HR work are to have qualified staff at our disposal for our business requirements and to keep our employees healthy and motivated. To ensure the availability, motivation and qualification of our employees and promote their health and wellbeing, we place particular emphasis on balanced demographic and diversity management, training, and occupational health and safety as described in greater detail below. The objectives, the form and the enhancement of these topics also regularly form part of the meetings between the respective committees and the Management Board member with responsibility for personnel matters and the executive bodies of the respective departments.

With reference to the 17 United Nations SDGs, we have defined the relevant key action areas for us based on the nature of our business operations and our business situation. These reflect the challenges facing Heidelberg in the



current circumstances. Sustainable HR work delivers answers to these challenges in the form of suitable instruments and initiatives.

### Supporting the transformation with active HR work

Markets, the industry and the world of work as a whole are undergoing a transformation – which means the same is true for our Company. The most important task of our HR work is to address these challenges.

A Group-wide declaration, “How we want to work”, sets out the cornerstones of our transformation into the modern world of work. It has been signed by the Management Board, the senior executive body, the HR department and the Central Works Council. The chapter entitled “Leadership in the mobile world of work” defines the company values – “Listen. Inspire. Deliver.” – and our seven corporate competencies as the basis for contemporary leadership. The option of mobile work makes the value of concentrated, efficient and effective cooperation within the Company visible. Individual performance on the part of a large number of people combines to create success for Heidelberg as a whole. Digital formats are no replacement for dialog, listening, and personal contact. Accordingly, intensive forms of cooperation and shaping the way we work together are essential factors in the Company’s success.

The transformation also includes securing the necessary future-oriented competencies. As part of the strategy conference, work began on recording the necessary future-oriented competencies – especially in the fields of digitization, automation and leadership – and a training program (an educational initiative in cooperation with Bildungswerk der Baden-Württembergischen Wirtschaft e.V.) was rolled out in spring 2022 with a particular focus on digital skills.

### Mission statement process and “New Work” initiated

We also initiated a mission statement process in the reporting year. In the first stage, interviews were held across all sites, departments and employee groups to record the current situation, identify strengths and weaknesses, and develop the target vision for the Company. The new mission statement will reflect the future viability of the Company, shape cooperation within the Company, and serve as a pillar of the transformation process.

The same is true when it comes to implementing the experience gained during the pandemic under the “New Work” banner. More than just the experience of the forms of work that changed as a result of the pandemic, “New Work” is an internal initiative that aims to shape new types of cooperation and support their implementation as a means of establishing contemporary working models. Large-scale employee participation ensures that the widest possible range of expectations and experiences is gathered and evaluated. Modern office design will support and enable new forms of cooperation. This modernization of the world of work is taking place with extensive involvement on the part of the employees concerned.

The structuring of the mission statement process and the establishment of “New Work” are aimed at encouraging the modernization of the working environment at the Company so that it can support employees in achieving a healthy work-life balance more flexibly, more individually, and in line with the requirements.

### Demographic management

The age structure is a particular challenge for Heidelberger Druckmaschinen Aktiengesellschaft’s permanent establishments in Germany. The workforce reduction in recent years and the cautious recruitment policy as a result mean that employees aged between 55 and 60 are overrepresented. Many individuals with extensive knowledge and experience will leave the Company over the coming years.



This is an exceptional challenge that requires exceptional tools. Accordingly, a corresponding catalog of HR measures has been created with the Works Council. This includes passing on knowledge and experience through appropriate qualification measures and formats, as well as enabling internal development.

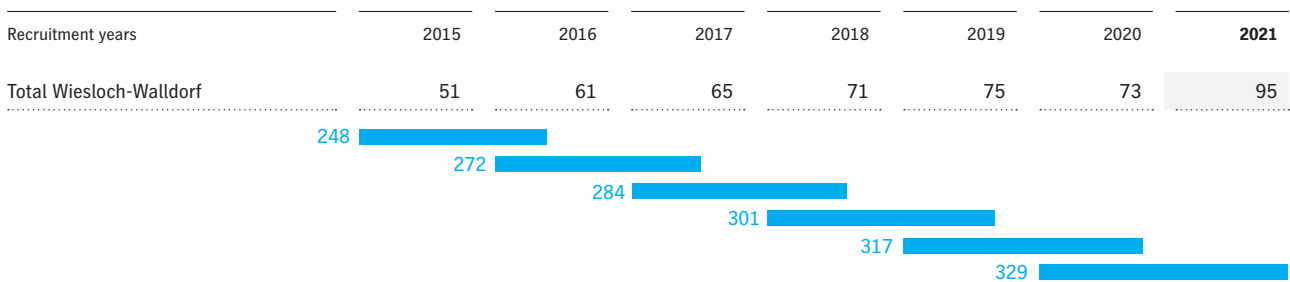
Partial retirement contracts are required to cover 4 percent of the total workforce under the terms of the collective wage agreement and 5 percent under the central works agreement. These figures are exceeded by some distance, making them an important tool in the demographic process. By agreeing on individual time frames for the respective partial retirement contracts, the departure of the relevant employees can be regulated in order to ensure that specific knowledge is retained within the Company. Each technical module has been accompanied by the establishment of a demographic radar in conjunction with the managers responsible with the aim of analyzing age-related fluctuation over the next five years, discussing this fluctuation for each individual profession, identifying tools for filling the respective vacancies, and initiating specific activities.

The requirements in the individual professions have been analyzed with a view to the age pyramid within the Company and used as the basis for strategic training planning. The findings and measures are also discussed with the Works Council and adopted in accordance with the provisions of works constitution law.

This includes additional and specific forms of partial retirement as well as ensuring a sufficient intake of qualified young employees by continuously increasing the number of trainees. In recent years, the number of trainees has risen by around 20 percent.

**Vocational training for the sustainable development of young employees**

The objective of vocational training at Heidelberg is to ensure that talented young employees are provided with specific knowledge as a means of sustainably meeting our need for expertise over the coming years. In addition to the age structure, this means that demographic change can also involve a targeted transformation by establishing new areas of competence. At the start of each training year, we systematically analyze not only our quantitative requirements, but also the extent to which new or modified training occupations are required. We then adjust our recruitment capacities accordingly. Performed in conjunction with the departments, this needs assessment includes recording the Company’s medium-term skills requirements and implementing specific training activities to reflect this. In this way, in-house vocational training serves to ensure an influx of highly qualified specialists in the future as well. Accordingly, we are continuously increasing the number and hence the proportion of trainees within the Company. We systematically analyze new professions with the departments as part of an annual needs assessment.



Vocational training at Heidelberg performs a flagship function when it comes to attracting young employees, making it an elementary aspect of sustainable HR work. The individual performance of Heidelberg's young employees is underlined by the numerous accolades and awards presented by Chambers of Commerce and Industry. This high standard was confirmed by a recent ranking by Focus Money, which rated Heidelberg's training organization as the third-best in the mechanical engineering industry. The trainees with the best results every year are awarded prizes by the Sternberg Foundation and recognized at an annual ceremony. The publication of the awards and the recognition of the best trainees of the year are intended as a further incentive for the quality of the vocational training.

The training organization also communicates important information in the area of sustainability. The young trainees are familiarized with social cooperation in an introductory week, get involved in social projects such as selling items they make at the Christmas market to raise money for charity, and are given the opportunity to learn about good citizenship at a "volunteer hackathon". As well as academic performance, young recruits are selected on the basis of their personal characteristics in order to ensure a good fit with Heidelberg and our shared corporate culture.

In addition to professional qualification, we focus on promoting social aspects. For example, a socio-educational introductory seminar for new trainees encourages the capacity for teamwork, working in small groups and independent project-based work. Healthy nutrition and physical mindfulness, including drug prevention, are already established in the form of a sports and nutrition day for each trainee intake.

Internal vocational training represents an elementary contribution to sustainability, as it allows the Company to attract talented young employees and shape their cultural fit at a very early stage.

Attracting young talent requires active employer branding. The training organization engages in extensive activities on social media in order to reach the target group and communicate Heidelberg's corporate image.

Specific measures include:

- Heidelberg's participation in information events for young target groups (trade fairs, exhibitions, school information events), including regional training fairs and a "girls' day" aimed at encouraging more female applicants for STEM professions
- Opening up the Company to pupil internships, career orientation and information days ("Long Night of Training")
- Heidelberg's participation in a regional network of training organizations as part of a training cooperation
- Partnership with vocational schools, Baden-Württemberg Cooperative State University, Mannheim, the "Ulm Model"
- Since 2006, Heidelberg has supported the "Print Media Technology" competition as part of the "WorldSkills" vocational competition. Heidelberg is the Federal Center of Excellence for Printing Technology at WorldSkills Germany.

#### **Qualification – the key to advancement and development**

The conditions imposed by the pandemic made it clear that qualification and education can take place anywhere and at any time. We harnessed this insight to develop new digital forms of learning that are not time- or location-specific. The necessary technical and content infrastructure was put in place. A globally available, Web-based learning management system (LMS) is used to offer training and record usage, with smaller modular formats establishing themselves in particular. The LMS is available worldwide, meaning that it covers all Heidelberg Group sites and companies. It is also integrated into the workday HR IT system, which we have been using globally since 2020 and which makes worldwide personnel data and reporting and organizational structures usable for HR administrators. This gives the respective managers an overview of the situation and allows them to identify suitable formats and contents in the learning catalog and suggest or assign them as part of the obligatory employee review process. This strategic training management enables qualification packages that are perfectly tailored to the necessary future topics.

Comprehensive mandatory training is also offered and documented via the LMS, such as the compliance and IT security training that all employees are required to complete. This means that managers and the relevant specialist functions can see whether mandatory training has taken place.

The pandemic-related reduction in the number of training days due to cancellations and the inability to deliver classroom-based training was absorbed through digital formats, leading to a significant upturn in training activity again. The short-time work imposed in response to the pandemic naturally also meant fewer training days. This situation was rectified in the reporting year. Online activities were expanded further in the reporting year, because investments in training are in the interests of the Company as it works to safeguard its future. The growing demands can only be met by qualified employees.

Qualification requirements are regularly and systematically identified, compared with the requirements of the departments, and defined in greater detail. Internal and external training content is provided on the basis of this process. A qualitative review is conducted in the form of a regular evaluation of the training offered and the level of demand. In-house training and training offered by external educational institutions are integrated into the LMS.

In the reporting year, a Heidelberg-specific training package with the following modules was designed in con-

junction with Bildungswerk der Baden-Württembergischen Wirtschaft (a certified educational institution in accordance with DIN EN ISO 9001):

- Leadership Impetus – covering topics such as remote and agile leadership, as well as providing impetus for the leadership role of foremen
- Agile Project Management – identifying new approaches to project management and combining traditional and agile project management
- Digitization – covering basic digital skills for beginners through to expert programs such as design thinking
- Mindful Leadership – health is enjoying renewed importance. This qualification module provides impetus for strengthening your own resources for you as a manager and your leadership role
- Self-efficacy – covering a broad range of facilitation skills, from communication and presentation through to effectively shaping personal online performance

Individual qualification requirements are identified as part of the annual employee review, which defines the corresponding targets and parameters and identifies appropriate qualification activities on a targeted basis.

In addition to requirements from a departmental and personal perspective, this process takes Company-wide topics into account. For example, the LMS also includes sustainability training, as well as language courses with a view to meeting the requirements of a global company.

### Attractive employer

Heidelberg is extremely popular among its employees. This is demonstrated by their long service. The average length of service with the Company is around 21 years, which is significantly higher than the average for German industrial companies (reference year: 2019). This loyalty is also reflected in the fact that many generations of the same family work for the Company.

Another focal point of our materiality analysis underlines the importance of being an attractive employer both internally and externally. In addition to being seen as an attractive employer, the emerging skills shortage that is forecast by numerous studies requires Heidelberg to make this a reality so that it can establish a positive employer image that it can use to attract the most talented individuals sustainably and for the long term.

As a global Group, Heidelberg wishes to contribute to regional economic development with its sites, employees and suppliers and thus make an indirect contribution to the prosperity of society and individuals. The Company exerts a direct influence with targeted social engagement, which is planned and managed locally by the respective Company units. Heidelberger Druckmaschinen Aktiengesellschaft focuses its social activities on education projects and is active in this field with its own projects.

The conclusion of the “Mobile work” central works agreement has laid the foundations for a modern form of work. The operating conditions naturally also take into account the needs of the industrial production areas, such as cycle-dependent production or specific production methods.

An employee survey was conducted in order to collect and analyze the individual experiences of employees and managers as the basis for a central works agreement. The introduction of the central works agreement was accompanied by training events for managers and a broad range of online content on the special features of mobile work, such as remote leadership.

In Germany, Heidelberg trains young people in more than ten different occupations and numerous fields of study in partnership with universities that offer dual study programs. Besides the acquisition of specialist knowledge and professional qualifications, the young people are helped to develop their skills in an independent and holistic manner. The proportion of young women has increased in recent years. They currently account for around 19 percent of trainees and dual study participants.

Retaining talented young employees was another selected focal point. A “young talent” program based on an exchange format was used to familiarize younger university graduates in the workforce with the Company’s objectives, position and topics of interest. The Management Board and managers regularly arrange an open dialog format in order to facilitate direct access and exchange. This is intended to ensure their loyalty to the Company even in critical phases. When it comes to securing the Company’s future development, the target group of young top performers is a key element of retention management.

### Active sourcing

Because conventional recruitment processes alone are not sufficient, Heidelberg has established an active sourcing concept and uses various social media channels to ensure that it is perceived as an attractive employer. In this way, it also reaches people whose occupational profile could be a good fit for the Company but who are not actively applying for roles. In professions with skills shortages (IT, research and development), Heidelberg engages in targeted contact with universities and offers internships and places for students working on their degree theses in order to establish networks and relationships that could eventually lead to recruitment.

In addition, programs have been initiated in individual areas to identify potential new employees in the networks of current employees. In this way, existing employees perform a brand ambassadorial function above and beyond their regular work for the Company.

### Healthy company

Health management in the reporting period was dominated by the response to the COVID-19 pandemic. Protecting employee health and remaining operational on a sustainable basis were given top priority. The pandemic plan (valid as a pandemic business plan on the basis of occupational safety in accordance with Decision 609 of the Committee on Biological Agents (ABAS)) governs the convocation and authority of the pandemic team and the organizational responsibilities and rules of conduct through to the specifications for emergency operation. Activities primarily focused on the revision of the operational pandemic plan based on an assessment of the situation and updating the occupational safety activities, particularly the risk assessment and its communication and implementation. Extensive infection protection measures (disinfection facilities, workplace concepts with physical separation and staggered starts and finishes, provision of protective masks, hygiene concepts for workstations and communal areas, etc.) were introduced on the basis of the pandemic plan and the updated official guidelines in the form of the Coronavirus Occupational Health and Safety Regulation (Corona-ArbSchV) and the infection protection regulations.

The aim was to minimize the impact of the pandemic, such as by maintaining production and service calls thanks to a specially designed hygiene concept and protective measures, such as the self-testing kits that have been provided to all employees working on-site since March 2021. The main priority was the work of the pandemic team, which is responsible for implementing and safeguarding the health measures and making the necessary decisions in connection with the adverse effects of the pandemic. Adverse effects are considered to include market reactions in the form of lower sales as well as restrictions in the form of occupational safety requirements and statutory orders, such as curfews and restrictions on international travel (for service engineers and salespeople, for example). Two crisis teams were established and meet on a regular basis. One bundles the global organization and focuses on events outside Germany, while the other concentrates on Germany and focuses on the plants. By ensuring that its members cover all of the key functions, each of the crisis teams has

an overview of specific cases and the infection rate within the Company at all times, thereby enabling an assessment of the impact on production or the service organization.

To prevent the risk of infection, we also implemented flexible working time models (staggered working times), physical separation (partitions to prevent face-to-face contact) and the provision of corresponding hardware (laptops for working from home) in the respective organizational units. In particular, this applied and continues to apply in the area of critical infrastructure (IT provision, payroll accounting, etc.) with a view to ensuring that the Company is able to act at all times.

A high vaccination rate was achieved thanks to a broad-based vaccination campaign for employees, family members and other recipients. Extending the program beyond employees to third parties served to lower the risk of infection in employees' private lives and the resulting impact on business operations. Heidelberg's commitment to offering vaccinations to external companies and members of the public as well was reported extensively in local and regional media.

Operational health management occupies an important role. The WIEfit health center that was established in 2017 at our largest site, Wiesloch-Walldorf, was only able to operate at certain times and under certain conditions in the financial year due to the pandemic and the accompanying restrictions. We are currently aiming to resume operations, and offer not only conventional fitness training but also prevention courses (for example, stress management through progressive muscle relaxation, yoga, back fitness, fascia training and functional training) and integrated physiotherapy again in particular. In addition to promoting employees' wellbeing and physical fitness, the targeted treatment of musculoskeletal disorders is an important factor in reducing absences from work due to illness, particularly with a view to the age structure of the Company.

At the other sites at which Heidelberg has introduced the WIEfit principles where possible in terms of equipment and the number of employees, most of these activities were also required to be temporarily suspended in light of the impact of the COVID-19 pandemic and the corresponding regulations.

The expansion of online formats has allowed us to roll out new services (such as short video tutorials) via the employee portal. These offerings are regularly publicized in order to enable easy access, for example by permanent availability on the intranet.

A prevention contract has been concluded with AOK Baden-Württemberg to enable the use of funding from the statutory health insurance company's prevention budget. AOK is the statutory health insurance company that is most commonly used by Heidelberg employees. The annual health report presented by the two most frequently represented statutory health insurance companies at Heidelberg, AOK and TKK, is discussed by representatives of the health insurance companies, the Company medical service and HR, corresponding analyses are shared and measures are determined.

The WIEfit Healthy Eating concept that continued in the financial year is now an established and well-accepted element of the food selection. In the year under review, the food selection and its provision were modified slightly to reflect the official regulations in connection with the COVID-19 pandemic, such as temporarily removing the salad and vegetable bar in response to the prohibition on buffets, as well as the increased use of short-time work and working from home at various times.

Operational health management also maintains an instant response system: More than 400 in-house first-aiders enable a rapid response to medical emergencies across all departments and buildings on the Company's premises. These first-aiders are given annual training by the Company medical service to ensure that they meet the necessary standard.

In addition to first-aiders, the Company medical service enables a rapid response at all times by providing sanitary and emergency medical care and an emergency call center that is staffed around the clock. The emergency call center is available worldwide and 24 hours a day as required and can initiate the necessary measures. A corresponding crisis and emergency management system has been established.

- There are a total of 466 first-aiders (Wiesloch site), corresponding to around 10 percent of the workforce
- Refresher training: 310 first-aiders in 22 training courses each comprising three units
- New training: 42 first-aiders

The Company medical service conducted more than 1,500 checkups in the reporting year. Due to the pandemic, the quarterly meetings of the Occupational Safety Committee required by the German Occupational Safety Act were held in person and online.

Heidelberg relies on an external service provider for consultation in the case of personal emergencies. Employees can make use of anonymous consultations with Blue Cross experts at any time. By ensuring anonymity and independence, Heidelberg ensures that its employees have easy access to the individual assistance they require. In addition to medical care, we aim to help employees who are dealing with specific circumstances such as debt, addiction, or other problems. As well as looking at factors within the Company, this comprehensive support takes account of disruptive factors in employees' private lives.

### Sustainable occupational health and safety

Sustainable occupational safety is beneficial to employees and the Company alike. Accordingly, Heidelberg is committed to occupational safety and the prevention of accidents in the workplace and health risks throughout the Group. An occupational health and safety management system (OHSMS) ensures that the statutory requirements are applied consistently, thereby empowering managers and employees to work together to ensure occupational health and safety. The OHSMS is based on ISO 45001 and is supported in Germany through the use of standardized software. This shared platform allows synergies to be harnessed when creating and updating risk assessments for specific activities and workplaces. Occupational health and safety specialists advise the managers on this and other occupational safety obligations.

Employees are provided with regular training. New employees receive initial training on general and specific risks in the workplace as part of the onboarding process. This content is tailored to the respective activity and the corresponding specific situations and risks. It is made available in various forms. The operational manager is responsible for the content and its implementation, thereby ensuring that every new employee is given the necessary and appropriate instruction. Standardized software supports the managers in documenting and performing initial and refresher training.

This responsibility is comprehensively set out in writing by transferring the employer obligations under section 106 of the German Trade Ordinance (GewO) to the operational manager. This written declaration is signed by the manager and documented in their personnel file. The transfer of employer obligations is systematically updated and recorded as part of the appointment process or following organizational changes.

Safety inspections familiarize all employees with occupational safety issues and identify any deviations and areas



with potential for further improvement. These inspections are conducted annually in all areas – offices and production – by the occupational health and safety department together with the operational managers and representatives of the Works Council. They are used to review the implementation of occupational health and safety provisions. This includes fire safety as well as environmental issues. The infection protection measures implemented (for example with a large proportion of employees working from home) meant that not all office inspections were carried out during the COVID-19 pandemic.

The specialists at the German sites regularly discuss occupational safety-related topics and develop standards to be implemented on a cross-site basis. This connectivity allows the OHSMS to be continuously enhanced. The body serves as an information platform for the German and international sites alike. The Management Board member responsible according to the allocation of duties is provided with regular information on the activities of the body and on the accident situation, such as in the form of an annual report.

At the largest German production sites, there were 10.9 reportable<sup>1)</sup> workplace accidents per one million working hours in the 2021 calendar year. This meant the accident rate<sup>2)</sup> decreased by around two reportable workplace accidents per one million working hours compared with the 2020 calendar year (12.73<sup>3)</sup>). Heidelberg therefore came in below the industry-wide average accident rate of 11.3 in 2021 (source: German Employers' Liability Insurance Association of the Wood and Metal Industry (BGHM)). The data for our accident statistics is based on the calendar year and not the financial year, as the reporting period for the comparative sources is the calendar year; it covers the largest German production sites by number of employees, namely Wiesloch-Walldorf, Amstetten, Brandenburg and Ludwigs-

burg, which are allocated to BGHM. Cause analyses are performed and protective measures are determined in order to reduce accident frequency.

In the financial year, occupational health and safety again faced particular challenges as a result of the COVID-19 pandemic. The safety management panel updated the Germany-wide risk assessment on the basis of the SARS-CoV-2 Occupational Health and Safety Standard and the SARS-CoV-2 Occupational Health and Safety Regulation as well as the guidelines issued by the professional associations. The protective measures necessitated by the pandemic were regularly evaluated in conjunction with the crisis team and adapted to reflect the current infection situation. To reduce the infection risk, disinfectants and masks were provided and working from home was facilitated or extended in administrative areas, among other things.

A COVID-19 information platform on the intranet is still being updated and provides comprehensive information about the latest developments, guidelines and protective measures.

We provide care and support for employees in special situations. We work with regional organizations from the social sector to assist people with addiction problems or other specific issues. This help can be accessed discreetly and individually via the Company medical service.

With regard to our products, too, we have established processes aimed at giving due importance and attention to the health and safety of the people working with the products. Responsibility for product safety is clearly assigned in the allocation of duties and enshrined within the wider organizational structure. Incidents are systematically recorded, analyzed and processed as part of continuous product monitoring. Employees in direct contact with health and safety aspects, especially in development and assembly, are provided with regular qualification.

<sup>1)</sup> Reportable workplace accidents: workplace accidents resulting in an absence of more than three calendar days

<sup>2)</sup> Accident rate: reportable workplace accidents per one million working hours

<sup>3)</sup> Accident rate for 2020 adjusted from 11.9 to 12.7 to reflect subsequently reported accidents

**Employee figures**

	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Number of employees (at end of reporting period; not including trainees)	11,563	11,522	11,316	10,212	9,811
Trainees	311	329	326	326	362
Turnover rate in percent <sup>1)</sup>	1.5	2.0	3.7	13.3	8.9
Average seniority (in years)	19.9	19.9	20.3	21.3	21.1
Percentage of female employees	15.9	16.1	16.7	16.3	15.8
Percentage of part-time employees (excluding partial retirement)	5.8	6.7	6.5	6.0	6.2

<sup>1)</sup> Employees leaving the Company not including temporary contracts coming to an end, not including transfers, including those entering the resting phase of partial retirement at Heidelberger Druckmaschinen Aktiengesellschaft, and including operational redundancies

## Social issues

### Promoting diversity within the Company

Heidelberg is committed to diversity and equal opportunity.

The advancement of women is an ongoing task. Together with other companies from the metropolitan region, Heidelberg has initiated a cross-company mentoring program to promote young female employees. This program is updated annually and was held using online formats in the reporting year despite the restrictions resulting from the pandemic.

The Company also pressed ahead with the “WIN@Heidelberg” diversity program initiated by female employees, which is aimed at supporting talented female employees and harnessing diversity. In light of the prevailing circumstances, most of the activities took place online. This women-focused (not women-only) network is aimed at driving professionalization through the exchange of ideas, the discussion of key topics and learning from one another. The well-received business lunch, at which new projects and topics are presented to interested colleagues, and the digital networking lunch, a format for informal dialog during lunch breaks, both continued in the reporting year. The agenda of the “WIN@Heidelberg” program also includes presentations and content-related impetus.

We meet the statutory requirements (German Transparency in Wage Structures Act and establishment of a statutory gender ratio). We also make a particular point of encouraging more female applicants in STEM professions. As a member of the Arbeitskreis Hochschule-Wirtschaft working group of the employers’ association Südwest-

metall, we support efforts to attract talented new employees. A regular “girls’ day” is held in order to highlight opportunities for young female employees.

### Inclusion

Heidelberg also takes responsibility when it comes to inclusion. We employ an above-average number of people with disabilities. The statutory representative for employees with disabilities is provided with assistance in their support work. This applies to occupational health (reintegration, occupational health management) as well as social policy (support in respect of rehabilitation and pension providers). Tailored support formats are individually designed and implemented together with the providers of inclusion support in order to enable participation in working life.

Heidelberg also provides support by commissioning the Lebenshilfe organization (workshop in accordance with section 219 of the German Social Code, Book IX) and arranging deliveries from our company restaurant, HCS GmbH. Heidelberg provided more than 11,000 free meals in the financial year 2021/2022.

### Social commitment with a focus on promoting education

As a global Group, Heidelberg wishes to contribute to regional economic development with its sites, employees and suppliers and thus make an indirect contribution to the prosperity of society and individuals. The Company exerts a direct influence with targeted social engagement, which is planned and managed locally by the respective Company units. Heidelberger Druckmaschinen Aktiengesellschaft focuses its social activities on education proj-

ects and is active in this field with its own projects and as a “Knowledge Factory – Companies for Germany” partner. With the help of its trainees, Heidelberg supports projects at 12 schools that give children hands-on experience of technology and science. Heidelberg’s Brandenburg site is committed to the “Round Table for Youth and Business for Brandenburg”, whose goal is to improve the development prospects of young people, and is also involved in “Youth Science” as a regional sponsor company.

The educational concept at Heidelberg encompasses not just subject-based learning but also the social and personal aspects of education. For this reason, a joint induction and project work week for all new trainees and students is typically held at the beginning of each training year and the social projects developed here are subsequently implemented. In the year under review, the concept was adapted in response to the pandemic situation as it was not possible to carry out social projects with facilities such as daycare centers, care homes, etc. The traditional Christmas projects were realized thanks to the commitment and resourcefulness of the trainees: In December, they sold their products from a window hatch rather than at the canteen and the Wiesloch Christmas market as is customary. The proceeds of € 1,500 benefited deprived families in Wiesloch and the surrounding area as usual.

### Preventing bribery and corruption

The Management Board of the Heidelberg Group is committed to complying with applicable laws, regulations and guidelines and to consistently pursuing and punishing compliance misconduct and violations. To ensure that the employees, managers and executive bodies of the Heidelberg Group act in accordance with the law and with integrity, the Management Board has set up a Compliance Management System (CMS) that is based on Auditing Standard (PS) 980 of the Institut der Wirtschaftsprüfer e. V. (IDW). With the CMS, the Heidelberg Group pursues the goal of preventing compliance misconduct and violations through prevention and the early identification of risks.

As part of the continuous enhancement of its compliance management system (CMS), the Heidelberg Group further expanded its compliance measures and controls in the financial year 2021/2022 in order to minimize liability and reputational damage to the Heidelberg Group and its employees, managers and executive bodies. The systematic enhancement of the compliance program focused in particular on the development of Group-wide training, the expansion of internal communication and the revision of the package of guidelines and the Code of Conduct, including with a view to preventing bribery and corruption.

The central Compliance Office and the regional compliance officers are available to the employees, managers and executive bodies of the Heidelberg Group as a point of contact for all issues relating to compliance. Compliance misconduct and violations can also be reported via various channels, including anonymously to the Heidelberg Group ombudsperson. The ombudsperson is available to the employees, managers and executive bodies of the Heidelberg Group and may also be used by third parties to report potential violations. Reports were processed in close cooperation with Internal Audit and the Compliance department. In cases where the reported evidence was confirmed following further clarification – including with the support of local external law firms as required – corrective measures were initiated, such as disciplinary measures in coordination with the HR department.

The provision of various reporting channels is intended to ensure early reporting and seamless clarification. To this end, the Group aims to enhance the compliance organization and establish a compliance network at a global level. Training was conducted and regular meetings were encouraged as a means of achieving this.

The compliance risk analysis initiated in the previous financial year was successfully completed and the potential compliance risks were identified and assessed. The results fed into the further planning process. For example, measures were derived with a view to further raising awareness of anti-corruption and anti-trust risks and strengthening general compliance awareness.

This also included updating the training materials to reflect the new and revised guidelines and initiating the design of a Group-wide training program, including both

classroom-based training and e-learning modules. This is intended to reinforce the ability of the employees, managers and executive bodies of the Heidelberg Group to act autonomously, with integrity and in accordance with the law in their business activities and decisions. Employees from 35 countries around the world took part in the (digital) classroom-based training conducted in the financial year 2021/2022. A further roll-out of training measures is planned for the financial year 2022/2023. Preventing bribery and corruption will therefore remain a key focal point of the Heidelberg Group's compliance program in the future.

### Respect for human rights

In the policy documents applicable throughout the Group – the Codes of Conduct and the “Compliance” Framework Guideline – the Group Management Board sets out the compliance principles to which the Company is committed and which form the basis for an appropriate and effective CMS. Accordingly, the Heidelberg Group is committed to dealing with each other in a legally compliant manner and with integrity. This conduct with integrity is firmly anchored in the corporate culture and structure, with the protection of and respect for human rights forming a fundamental part of the Heidelberg Group's value system.

The principles of respect for human rights are explicitly set out in the Code of Conduct for Heidelberg Group employees, managers and executive bodies. Among other things, the Code of Conduct that was revised and implemented in the financial year 2021/2022 includes commitments to eliminate forced labor and child labor, to ensure freedom of association and collective bargaining, to eliminate discrimination, to ensure protection in the workplace, and to prevent bribery and corruption.

Human rights in particular provide a binding framework and a guide for the activities and decisions of the employees, managers and executive bodies of the Heidelberg Group.

The Heidelberg Group has also integrated these commitments into its Business Partner Code of Conduct. The implementation and Group-wide roll-out of the Business Partner Code of Conduct allows the Heidelberg Group to ensure that its efforts to ensure compliance in its supply and production chains are expanded and strengthened further. It also helps to ensure that business partners share and promote the values and principles of the Heidelberg Group, particularly when it comes to respect for human rights. In the Business Partner Code of Conduct, Heidelberg Group reserves the right to review compliance with the Business Partner Code of Conduct.

The Heidelberg Group also pursues the goal of promoting and supporting free and fair competition. A new anti-trust law guideline has been drawn up and communication and training measures prepared.

Having been launched in the previous financial year in close cooperation with the Procurement department, the project aimed at ensuring compliance with human rights in the supply chain continued in the financial year 2021/2022. To this end, a project team with representatives of Procurement, Compliance, ESG and Risk Management was formed. In particular, an educational cycle for internal stakeholders was initiated with a view to the core elements of the German Supply Chain Due Diligence Act in order to ensure awareness and encourage dialog.

The specific obligations for the Heidelberg Group arising from the new requirements were developed and potential measures, such as the digitization of affected processes, were pursued. As a central component, a supplier risk analysis was initiated that enables the systematic classification of suppliers. A due diligence approach is being developed, and work will continue in the financial year 2022/2023 with a view to the statutory and regulatory developments at national and EU level. The aim is to review and ensure compliance with human rights for employees within the Group, at the Group's direct suppliers and at other relevant points in the supply chain.

### Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting<sup>1)</sup>

To Heidelberger Druckmaschinen AG, Heidelberg

We have performed a limited assurance engagement on the combined separate non-financial report of Heidelberger Druckmaschinen AG, Heidelberg, (hereinafter the "Company") for the period from 1 April 2021 to 31 March 2022 (hereinafter the "Combined Separate Non-financial Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report.

### Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Combined Separate Non-financial Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section 'Information on the EU Taxonomy Regulation' of the Combined Separate Non-financial Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as the executive directors consider necessary to enable the preparation of a Combined Separate Non-financial Report that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every

case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section 'Information on the EU Taxonomy Regulation' of the Combined Separate Non-financial Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

### Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Combined Separate Non-financial Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Com-

<sup>1)</sup> PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Combined Separate Non-financial Report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.



bined Separate Non-financial Report, other than the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, are not prepared, in all material respects, in accordance with §§315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section 'Information on the EU Taxonomy Regulation' of the Combined Separate Non-financial Report.

In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Separate Non-financial Report about the preparation process, about the internal control system relating to this process and about disclosures in the Combined Separate Non-financial Report
- Identification of likely risks of material misstatement in the Combined Separate Non-financial Report
- Analytical procedures on selected disclosures in the Combined Separate Non-financial Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and combined management report
- Evaluation of the presentation of the Combined Separate Non-financial Report
- Evaluation of the process to identify taxonomy-eligible economic activities and the corresponding disclosures in the Combined Separate Non-financial Report

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

### Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Separate Non-financial Report of the Company for the period from 1 April 2021 to 31 March 2022 is not prepared, in all material respects, in accordance with §§315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section 'Information on the EU Taxonomy Regulation' of the Combined Separate Non-financial Report.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report.

### Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Frankfurt am Main, 23 May 2022

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke  
Wirtschaftsprüferin

ppa. Felix Wandel  
Wirtschaftsprüfer