

GROUP SUSTAINABILITY REPORT 2024

EDAG GROUP





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General Information	4
ESRS 2 General Disclosures	4
Environmental Information	26
ESRS E1 Climate Change	26
Information in accordance with Article 8 of Regulation 2020/852 (Taxonomy Regulation)	46
ESRS E2 Pollution	51
Social Information	53
ESRS S1 Own Workforce	53
Governance Information	82
ESRS G1 Business conduct	82
Annex	86
Report of the statutory auditor	114
List of Abbreviations	119

GENERAL INFORMATION

ESRS 2 GENERAL DISCLOSURES

Basic Principles

Basis for preparation

ESRS 2 BP-1 General basis for preparation of the Sustainability Statement

For the first time, our Group Sustainability Report (hereinafter referred to as Sustainability Report) has been prepared in conformity with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), as applicable in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council in conjunction with Regulation (EU) 2023/2772 of the European Parliament and of the Council through standards for sustainability reporting in the EU. This also includes the information required under Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and the delegated acts issued in relation to this. Due to the fact that the CSRD Implementation Act (CSRD-UmsG) was not implemented in Germany in 2024, there is no legal obligation for EDAG Engineering Group AG to apply the CSRD for the 2024 financial year. The legal framework for non-financial (group) reporting obligations established by the CSRD-RUG of 2017 therefore continues to apply to EDAG Engineering Group AG for 2024.

As a consequence, EDAG Engineering Group AG - by virtue of its listing on the Frankfurt Stock Exchange as a large capital market-oriented corporation and parent company of the EDAG Group - is still obliged to provide non-financial (group) reporting in accordance with Directive (EU) 2014/95 (NFRD) for the 2024 financial year. In German law, this has been implemented in §§ 289b to 289e / §§ 315b, 315c, and § 340a para. 1a / § 340i para. 5, and § 341a para. 1a / § 341j para. 4 of the German Commercial Code (HGB). Since 2019, the EDAG Group has published a separate Sustainability Report based on the Global Reporting Initiative Standards (GRI Standards). This Sustainability Report has been prepared in accordance with the CSRD, and replaces the GRI-based sustainability report published in previous years.

The Group Executive Board, with the approval of the Board of Directors of EDAG Engineering Group AG, has decided to apply the CSRD and ESRS when preparing the non-financial group report for 2024, but to publish it as a separate Group Sustainability Report. Further, the Board of Directors has authorized the auditing company Deloitte GmbH to audit the Sustainability Report, in order to obtain

limited assurance. With this Sustainability Report, the EDAG Group meets the legal requirements under German and Swiss law. This also includes its obligation to prepare an annual report on non-financial matters in accordance with Art. 964a of the Swiss Code of Obligations.

The Sustainability Report takes the following ESRS standards into account (standards of particular relevance to EDAG are highlighted in dark gray):

Cross-sectional standards

ESRS 1 General Requirements
ESRS 2 General Disclosures

Cross-sector topical standards

Environment	Social issues	Governance
E1 Climate Change	S1 Own Workforce	G1 Business conduct
E2 Pollution	S2 Workers in the value chain	
E3 Water and marine resources	S3 Affected communities	
E4 Biodiversity and ecosystems	S4 Consumers and end users	
E5 Resource use and circular economy		

The Sustainability Report has been prepared on a consolidated basis for the period from January 1, 2024 to December 31, 2024, and includes the scope of consolidation as specified in the notes to the Annual Report for 2024, excluding FFT Produktionssysteme GmbH & Co. KG which, as an associated company, was classified as immaterial. With the parent company, EDAG Engineering Group AG, Arbon (Switzerland), the EDAG Group is one of the largest independent engineering service providers and handles projects in the fields of mobility solutions, industry solutions and public solutions in the Vehicle Engineering, Electrics/Electronics and Production Solutions segments. The entire group of companies will hereinafter be referred to as EDAG Group or EDAG. The Sustainability Report covers our own business activities and our upstream and downstream value chain. This report also takes into account subsequent material events occurring on or after January 1, 2025 and up to the date of publication. Since the CSRD and ESRS standards are being applied for the first time, no figures for the previous year are provided in this report, unless explicitly required.

The EDAG Group has made no use of the option to omit certain information relating to intellectual property, know-how or results of innovation.

ESRS 2 BP-2 Disclosures in relation to specific circumstances

Time Horizons

When preparing the Sustainability Report, the EDAG Group has specified the following time horizons, as defined in ESRS 1.77:

- a) For the short-term time horizon: the period which the company has defined as the reporting period in its financial statements;
- b) For the medium-term time horizon: from the end of the short-term reporting period defined in (a) up to five years;
- c) For the long-term time horizon: more than 5 years.

Estimates for the Value Chain

The parameters reproduced in this Sustainability Report include data on the upstream and downstream value chain, which was determined using estimates. This applies to the KPIs in the topic-specific standard E1 Climate Change. The relevant KPIs for which estimates have been made for the upstream and downstream activities is presented in Chapter E1 Climate Change. This also includes a description of what this is based on, and the resulting accuracy.

Data Quality

The EDAG Group has set itself the goal of maintaining and continuously improving the high standards of completeness, reliability and hence also quality of the sustainability/ ESG data collected throughout the Group. To ensure that sustainability/ESG reporting uniformly covers the entire group of consolidated companies, we have defined the following quality hierarchy for the data collection process:

- Primary data: Actual data from direct measurements (on site if necessary), internal personnel data or third-party notifications. These are the preferred data sources, and have top priority
- Secondary data: Data calculated on the basis of existing information from databases (e.g. EPA, DEFRA) or adjusted data from previous periods, invoice volumes or statistics. Where no primary data is available, this type of data collection is given priority
- Estimated data: Calculations using industry-specific or scientifically based estimation techniques, or other methods expected to produce a data quality which is as reliable as possible. This may include projections based on experience or estimates. This type of data collection is used when neither primary nor secondary data is available

Disclosures stemming from other legislation or other sustainability reporting standards

In addition to the information required under the CSRD, ESRS and Article 8 of Regulation EU 2020/852 (Taxonomy Regulation), this report contains information relating to the requirements of Swiss law.

The following table contains the information that has been included on account of other legal provisions.

Information	Legal provision
Information on combating corruption	Art. 964b of the Swiss Code of Obligations

Information incorporated by reference

The following table contains all the datapoints incorporated by reference in this Sustainability Report.

Disclosure requirement	Source
ESRS 2 BP-1 Scope of consolidation	Notes in the Annual Report for 2024, p. 130-131
ESRS 2 SBM-1 Business model and value chain	Group Management Report in Annual Report for 2024, p. 64 et seq.
ESRS 2 SBM-3	Consolidated Financial Statements in Annual Report for 2024, p. 29 et seq., 118-119
Taxonomy KPIs	Notes in the Annual Report for 2024, p. 116, 168-169, 171-173
ESRS E1 Sales revenues	Consolidated Statement of Comprehensive Income in Annual Report for 2024, p. 116
ESRS S1-6 Employees	Group Management Report in Annual Report for 2024, p. 82 Notes in the Group Management Report for 2024, p. 157-158

Sustainability Governance

ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies

As a general rule, responsibility for all material sustainability-related matters in the EDAG Group lies with the Board of Directors, which in turn has delegated this responsibility to the Group Executive Management. Within the Group Executive Management, the CFO is in charge of sustainability issues and responsible for monitoring the impacts, risks and opportunities, and for developing the necessary internal control system (ICS). In this context, he instructs the individual departments to implement the necessary measures. In its supervisory capacity, the Board of Directors is regularly informed of sustainability matters and the associated sustainability-related targets by the CFO. This also includes information on the progress of the defined sustainability goals, which are determined in consultation with the relevant experts and topic owners representing stakeholders.

The members of the Board of Directors have the knowledge and experience necessary to properly exercise the overall management of the EDAG Group and perform their supervisory duties. Further, the members of the Group Executive Management have the knowledge and experience necessary to carry out their duties properly.

The Board of Directors and the Group Executive Management possess the necessary expertise to address both the strategic and risk-related components of sustainability. The Board of Directors and the Group Executive Management have the necessary skills and expertise - acquired by taking advantage of training programs for example - relating to the impacts, risks and opportunities of the EDAG Group set out in the sections on the topic-specific standards under ESRS 2 SBM-3.

Relevant fields of competence include international strategy development and implementation know-how, IT and digitalization, legal and compliance, risk management and accounting. The foundation on which the expertise of the administrative and management bodies is built, with regard both to the above-mentioned fields of competence and to aspects of business conduct, is their many years of experience in an international, multidisciplinary corporate environment.

As of December 31, 2024, the Board of Directors and the Group Executive Management are divided into executive and non-executive members, as follows:

Number of executive and non-executive members	Board of Directors	Group Executive Management
Number of executive members	0	2 ¹
Number of non-executive members	5	0

¹ Cosimo De Carlo was CEO, and therefore an executive member of the Group Executive Management, until June 30, 2024. Harald Keller has been CEO since July 1, 2024.

On December 31, 2024, the Board of Directors comprised four male members and one female member, and the Group Executive Board comprised two male members. This results in the following percentages by gender:

Gender diversity	Board of Directors	Executive Management
Percentage, male	80%	100%
Percentage, female	20%	0%

There is no employee representation at EDAG Engineering Group level (holding level). 100 percent of the members of the Board of Directors are independent within the meaning of ESRs 2.21e, based on No. 15 of the Swiss Code of Best Practice for Corporate Governance.

ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Directors meets at least six times a year. Whenever necessitated by events, the CFO, at regular meetings held during the financial year, reports to the Board of Directors and its committees on the implementation of due diligence obligations in the field of sustainability, and on the results and effectiveness of the strategies, measures and goals adopted. Regular meetings are held, in which the CFO is kept informed by each of the departments in direct contact with our stakeholders, and any sustainability-related action needing to be taken is identified at these.

The basic strategic direction of the EDAG Group is discussed in annual strategy meetings. Where necessary, this also includes sustainability matters. The Group Executive Management monitors implementation of the strategy. The CFO has particular responsibility for sustainability. The CFO regularly consults with the Board of Directors on transactions of significance to the Group and on the fundamental

structure of the risk management process. This might also involve possible compromises with regard to the impacts, risks and opportunities if these are affected in different ways.

A list of the impacts, risks and opportunities addressed by the Board of Directors and Group Executive Management during the reporting period is included in the topic-specific standards in section ESRS 2 SBM-3.

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

The members of the Board of Directors receive a fixed compensation. This is not calculated on the basis of specific sustainability-related targets and/or impacts. Nor are sustainability-related performance metrics taken into account, or climate-related considerations included.

The compensation of the members of the Group Executive Management consists of a fixed compensation and a variable performance and success-based compensation ("variable compensation").

The variable compensation is based on the level of achievement of specific pre-defined targets for a one-year performance period. The targets can depend by at least 50 percent (i) on financial performance indicators - i.e. revenues, EBIT, net income - and by up to another 50 percent (ii) on the achievement of special projects, other company-related and/or individual target values, and also on financial key figures. In particular, goals for sustainable corporate development can also be taken into account appropriately. At the proposal of the Nomination and Compensation Committee, the Board of Directors is responsible for the selection and weighting of target categories at its discretion.

The level of the variable compensation is determined by the Board of Directors for each member of the Group Executive Management as a percentage of the fixed compensation, and may not exceed an amount equal to 100 percent of such compensation. The targets for each member of the Group Executive Management are determined annually by the Board of Directors, at the request of the Nomination and Compensation Committee, at the beginning of the one-year performance period.

For the 2024 financial year, sustainability-related KPIs were incorporated into the compensation policy as part of the variable compensation. These do not refer to performance metrics as defined in ESRS E1-5 or E1-6. These are other environmentally-related KPIs, and account for 7.4 percent of the variable compensation and 3.7 percent of the total compensation of the Group Executive Management. Some of these environment-related qualitative KPIs address the establishment of climate-related processes (including a concept for climate neutrality), and so have a bearing on sustainability. These climate-related considerations are not assessed on the basis of GHG emission reduction targets and,

along with other sustainability-related target figures, are included in the above-mentioned percentage of the CFO's compensation.

ESRS 2 GOV-4 Statement on due diligence

The following table shows where the core elements of the EDAG Group's due diligence process for people and the environment can be found.

Core elements of due diligence	Paragraphs in the Sustainability Report
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2, ESRS GOV-3, ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence process	ESRS 2 GOV-2, ESRS 2 SBM-2, ESRS 2 IRO-1, ESRS E1-2, ESRS S1-1, ESRS S1-4, ESRS S1-5, ESRS G1-1
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1, ESRS E1 in conjunction with ESRS 2 SBM-3
d) Taking actions to address these adverse impact	ESRS E1-3
e) Tracking the effectiveness of these efforts and communicating	ESRS E1-3

ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting

The EDAG Group is among the companies applying the CSRD and ESRS standards for the first time, and publishing the results for the 2024 reporting year. The information and data contained in this Sustainability Report was collected in the course of a sustainability-related process. All contents of the report have been verified by the people responsible for them.

It is the responsibility of the Group Sustainability Reporting team, headed by the Vice President Accounting & Tax, to maintain a consolidated data model for the entire group. This process structures data acquisition, provides the data transparency and traceability required for our reporting and management, and takes the terms, formulas and key variables such as emission factors into account in accordance with the greenhouse gas protocol.

Risks associated with the preparation of this Sustainability Report, particularly with regard to data collection and analysis, have been minimized by implementing controls. This was primarily ensured by carrying out plausibility checks and reviews, in which the administrative, management and supervisory bodies were involved. A materiality-oriented risk prioritization with regard to sustainability reporting forms part of the regular exchange between the employees involved in the reporting process and the Group Executive Management.

The Group Executive Management and audit committee are regularly informed of any material potential weaknesses in controls. Any risk mitigation strategies that may be required are developed, approved and implemented by the Group Executive Management.

Strategy, Business Model and Value Chain

ESRS 2 SBM-1 Strategy, business model and value chain

Business model and value chain

With the parent company, EDAG Engineering Group AG, Arbon (Switzerland), the EDAG Group is one of the largest independent engineering service providers. The general section of the Group Management Report included in our Annual Report for 2024 includes a detailed presentation of our business model, which is derived from our vision, our business segments and the departments assigned to them, and also addresses relevant sustainability issues in the current reporting year. The section "Segment Reporting and Notes" in the Notes on the Consolidated Financial Statements in the Annual Report for 2024 includes a breakdown of our total revenue in relation to our most important markets and customer groups in the 2024 reporting year. Our total revenue from third parties in the amount of € 821,907 thousand and our business segments (Vehicle Engineering, Electrics/Electronics, and Production Solutions) are therefore assigned to the ESRS sector "Other".

Within the value chain, the main activities of the EDAG Group focus on the product design and development phases. As an engineering service provider, the EDAG Group supports customers in the planning, design, optimization and implementation of efficient and resource-saving production processes and plants.

As an engineering service provider, our employees are our most important input factor. They are crucial to the company's success, particularly when it comes to their professional and intellectual abilities. On the reporting date of December 31, 2024, 9,133 people were employed by the EDAG Group: 6,010 in Germany and 3,123 in the rest of the world.

Our global network and our international subsidiaries ensure our local presence for our customers.



The customers are B2B customers operating in particular in the following sectors: Automotive, motorcycle, commercial & off-road vehicles, special-purpose vehicle, motorcycle, bicycle & pedelec, aviation, rail, the semiconductor industry, chemical industry, other industries, industrial solutions, defense and suppliers.

For the most part, we supply our B2B customers with datasets, but also with systems, devices, prototypes and low-volume series.

The EDAG Group's upstream value chain includes

- Every stage of the value chain of the goods purchased by EDAG, from the extraction of raw materials to delivery to EDAG (e.g. components for prototypes, operating and office equipment)
- Every stage of the value chain of the services purchased by EDAG (e.g. cloud storage space, hardware and software maintenance)

Company vision and strategy

Sustainability is of special importance to our business model, our value chain, and therefore to the entire EDAG Group. This involves both long-term business alignment and the integration of ecological and social aspects into the management system, and is part of our corporate culture which is built upon shared values such as trust, transparency, reliability and fairness in dealings with our business partners. We see sustainability as a contribution towards safeguarding the future of our company and towards economic and social development.

The special importance we attach to sustainability is reflected in our vision: "Shaping the future of mobility and industry together. Efficient. Safe. Sustainable." This gives us a clear guiding principle for the future, the compass of our company, our mission. Accordingly, EDAG pursues the following strategic goals:

- Talent factory for all employees
- Competence center for new technologies and solutions
- An agile market and future-shaping company
- A source of inspiration and vision based on clear values
- An economically, ecologically and socially sustainable engineering service provider

Sustainability in its economic, ecological and social dimensions is therefore an elementary component of EDAG's corporate strategy. The individual characteristics are interlinked, and form a basis for sustainable corporate management.

The core element of our strategic concept is to be our customers' first choice, as an efficient, innovative and sustainable engineering service provider. We plan to achieve this by further diversifying our customer base in the direction of industrial solutions and by expanding our software organization on the one hand, and by continuing with the internationalization of the EDAG Group on the other, particularly in terms of sales, by means of a further diversification of our revenues. In this way, we aim to expand our customer base, while strengthening our presence in various countries. Production-wise, we are accelerating our best-cost strategy, i.e. a cost-efficient employment structure oriented towards our customers' locations.

Our sustainability goals are formulated in line with the strategic concept applicable throughout the Group. Unless stated otherwise, they apply to the EDAG Group as a whole. The overall strategic alignment is being further operationalized within the EDAG Group. This process is carried out in both directions – bottom-up and top-down – to ensure that the specific conditions in individual countries and fields are taken into account in the same way as the overall Group strategy is. At the same time, this also allows our most important stakeholders to be taken into account by their representatives.

The EDAG Group has not set itself any specific sustainability goals with regard to the main groups, namely products and services, customer categories, geographical areas and stakeholder relations.

ESRS 2 SBM-2 Interests and views of stakeholders

Communication with our stakeholders is of great importance to the EDAG Group's value creation and our long-term success. To this end, our experts engage in regular and open dialog with our stakeholders, using a variety of formats. Essentially, the most important stakeholders include employees, customers, investors, suppliers, and nature as a silent stakeholder.

The regular exchange with our stakeholders forms an important basis for our actions. This dialog is a means of communicating the various positions, and helps us to constantly align our decisions and goals with the different interest groups.

We are in regular communication with our customers, both in the course of joint projects, and also at conferences and trade fairs. Our employees have the support of the personnel department and employees' representatives. We keep our staff informed by means of works meetings, our intranet and regular employee surveys, and also maintain a permanent exchange through an open culture. Our purchasing department, which is in regular communication with our major suppliers, is the point of contact for our suppliers. Our Investor Relations department is responsible for the dialog with analysts and investors in particular, and to this end uses a variety of different media and attends investor events.

In the course of the year, the various departments and topic owners inform the Group Executive Management of the views and interests of the affected stakeholders, using a number of different formats. The Group Executive Management arranges for the necessary action to be taken and informs the Board of Directors where necessary.

The workforce is a key success factor for an engineering service provider's business model. For this reason, our personnel policy is systematically aimed at ensuring that, in order to be able to handle projects, execute orders and supply temporary staff, the employee qualifications and capacities required by our customers are available at all times.

The observation of shifts in demand on the part of our customers, constant monitoring of the labor markets relevant to EDAG, and anticipation of changes in our employees' attitude and expectations are all inducements to us to constantly examine and adapt our personnel policy strategies and activities. Accordingly, two social aspects are also defined in our mission statement: talent factory for all employees and social sustainability. We regularly communicate with our own workforce and its representatives, and this can take the form of staff appraisals, staff assemblies and regular contact between the works council and management (see section ESRS S1 IRO 5).

As an internationally active company, EDAG makes a point of ensuring compliance with human rights and accepted labor standards at our numerous sites across the globe and, with its Code of Ethics, affirms its commitment to the principles of the UN Global Compact.

Double Materiality Assessment

ESRS 2 IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

The first ESRS-based materiality assessment was carried out for the 2024 reporting year. The materiality assessment in accordance with the ESRS is designed to identify material impacts, risks and opportunities. These essentially determine the contents of this Sustainability Report.

Previously, our sustainability reporting was prepared in accordance with the standards of the Global Reporting Initiative (GRI) and was based on a GRI materiality analysis. This provided the starting point for the CSRD and ESRS-based materiality assessment. The previous results were checked to ensure they were complete and up to date, and possible additional topics were added by drawing on external sources and through discussions with our stakeholders and in-house experts. No individual or specific activities, business relationships or geographical circumstances that give rise to a heightened risk of adverse impacts were identified.

Identification of sustainability topics

The first step in the ESRS materiality analysis is to identify relevant sustainability topics. This identification process takes into account our business activities and business relationships (outlined in ESRS 2 SBM-1), our value chain (outlined in ESRS 2 SBM-1) and the affected stakeholders (outlined in ESRS 2 SBM-2). The basis for this were the sustainability matters set out in ESRS 1, paragraph AR16. No additional entity-specific disclosures were identified.

In line with the principle of **double materiality**, these sustainability matters were analyzed to determine whether, on the one hand, there were any impacts on people or the environment, caused either by the EDAG Group or by actors in our value chain (i.e. **impact materiality**, inside-out perspective). On the other hand, they were also analyzed to establish whether a sustainability matter could result in risks and opportunities for the EDAG Group (i.e. **financial materiality**, outside-in perspective).

When assessing impact materiality, we looked into whether our own operations or the upstream or downstream value chain could have material actual or potential, positive or negative impacts on people or the environment.

When assessing the financial materiality, we looked into whether present or future developments of a sustainability matter could have a material impact on the development, financial position, financial performance, cash flows, access to finance or the cost of capital of the EDAG Group over the short, medium or long term.

Stakeholder engagement

The identification and assessment of impacts, risks and opportunities is an ongoing, interdisciplinary process involving in-house experts representing our stakeholders and external consultants, and which is headed and organized by Group Accounting and its Group Sustainability Reporting team.

To perform this assessment, we worked with representatives (referred to as topic owners) of various internal and external stakeholders including employees, customers, suppliers, investors, analysts and banks, to identify the material sustainability matters for the EDAG Group. External stakeholders were represented by EDAG experts (topic owners) who, on account of their expertise and position in the organization, as described in ESRS 2 SBM-2, are in regular contact with our external stakeholders, and are therefore familiar with their interests. Their task was to provide information on the various sustainability issues and evaluate any impacts, risks and opportunities (IROs) identified.

Involvement of the topic owners took the form of interviews and desktop research. At the same time, and on the basis of our risk management process, we also assessed the financial risks and opportunities for sustainability-related matters, in consultation with our risk management team. To ensure proper compliance with the regulations, external consultants monitored the implementation of the materiality analysis.

Materiality assessment

The material sustainability matters were assessed and determined in accordance with the requirements in ESRS 1, applying the principle of double materiality with the help of a scoring model.

Assessment of material impacts

When defining material actual negative impacts, the severity of the impact was determined on the basis of the following factors: scale, scope and irremediable character of the impact. In the case of a potentially negative impact, the likelihood of the impact was also taken into account. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.

When defining material actual positive impacts, the severity of the impact was determined on the basis of the factors scale and scope of the impact. In the case of a potentially positive impact, the likelihood of the impact was also taken into account.

With the exception of the likelihood of occurrence, if the above factor comes into play, a five-step scale is used: if the factors are combined without taking into account the likelihood of occurrence, a maximum value of 15 can result. The resulting value is multiplied by the likelihood of occurrence (6-step scale from 0 to 1).

An impact was classified as material if a threshold value of 8 or more was reached in the assessment described above.

Assessment of material risks and opportunities

Material risks and opportunities were defined with the help of a scoring model, in consultation with our risk management team. To this end, possible risks and opportunities were identified by analyzing dependencies on resources required for business processes or the dependency on relationships and evaluated, taking into account a combination of the likelihood of occurrence and potential magnitude. The resulting significant risks and opportunities were classified using the following presentation:

Risks & opportunities matrix						
severity						
catastrophic						
major						
moderate						
minor						
superficial						
		likelihood				
		unlikely	possible	likely	very likely	guaranteed

In terms of financial materiality, all risks and opportunities were classified as material if they were:

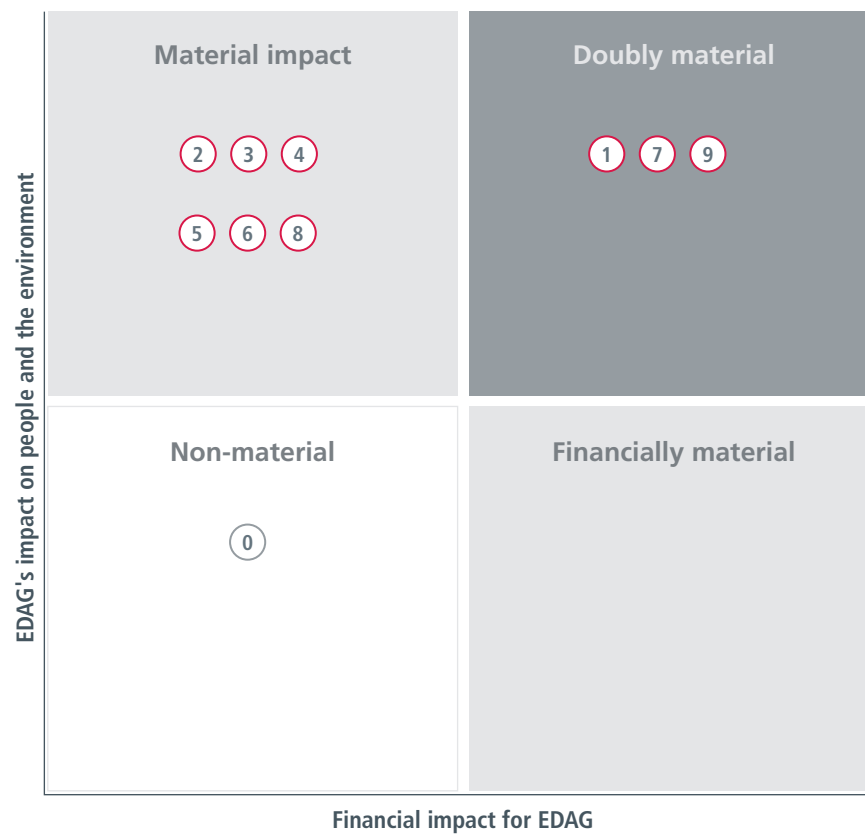
- Classified as significant opportunities/risks (dark gray)
- Classified as high-level opportunities/risks (black)

Any positive or negative impacts or existing dependencies identified could represent a starting point for potential risks and opportunities. No scenario analyses were carried out.

From the 2025 financial year onwards, the identification and assessment of sustainability-related risks and opportunities will be part of the risk management process established for financial reporting. In this context, risk assessment tools and risk mitigation and limitation measures will also be evaluated.

Results of the materiality assessment

The results of the double materiality analysis are shown in the following image, and more detail is provided for the relevant standards in the appropriate topical standard:



Environment	Social
E1 Climate Change	S1 Own Workforce
0 Climate change adaptation	7 Working conditions
1 Climate change mitigation	8 Equal treatment and opportunities for all
2 Energy	0 Other work-related rights

Environment	Social
E2 Pollution	S2 Workers in the value chain
③ Pollution of air	① Working conditions
④ Pollution of water	① Equal treatment and opportunities
⑤ Pollution of soil	① Other work-related rights
① Pollution of living organisms and food resources	S3 Affected communities
① Substances of concern	① Communities' economic, social and cultural rights
① Substances of very high concern	① Communities' civil and political rights
⑥ Microplastics	① Rights of indigenous peoples
E3 Water and marine resources	S4 Consumers and end users
① Water	① Information-related impacts for consumers and/or end-users
① Marine resources	① Personal safety of consumers and/or end-users
E4 Biodiversity & ecosystems	① Social inclusion of consumers and/or end-users
① Direct impact drivers of biodiversity loss	Governance
① Impacts on the state of species	G1 Business conduct
① Impacts on the extent and condition of ecosystems	⑨ Corporate culture
① Impacts and dependencies on ecosystem services	① Protection of whistleblowers
E5 Circular economy	① Animal welfare
① Resource inflows including resource use	① Political engagement
① Resource outflows in conjunction with products and services	① Management of relationships with suppliers, including payment practices
① Waste	① Corruption and bribery

Monitoring and review

In the future, the EDAG Group will annually review and, if necessary, update the process to identify its impacts, risks and opportunities and assess the materiality of these, taking into account emerging trends, underlying assumptions and contextual and regulatory changes. In the process, developing trends, underlying assumptions, and contextual and regulatory changes will be taken into account.

Standard E1 Climate Change

The positive and negative impacts set out in chapter ESRS E1 Climate Change relate to our strategy and business model as follows: Our own economic activity results in greenhouse gas emissions, both in our own business activities and in the downstream value chain and use phase. As an engineering service provider, the EDAG Group can have a positive impact on the downstream value chain and subsequent use phase by providing efficient and climate-friendly engineering services. Our vision and corporate strategy (see ESRS 2 SBM-1) directly address these points, with goal 2 (competence center for new technologies and solutions) and goal 5 (economically, ecologically and socially sustainable engineering service provider).

Aside from the viewpoints of our stakeholders (as communicated by our in-house experts), the starting point for the IROs identified were the greenhouse gas emissions (Scope 1 and 2) in the previous financial years, which were published in our online Sustainability Reports for 2022 and 2023. For the 2024 financial year, the EDAG Group's total greenhouse gas emissions (Scope 1 to 3) amounted to 42,114 metric tons, measured using the market-based method¹. Details can be found in ESRS E1-6. For this Sustainability Report, the actual and locked-in (potential future) greenhouse gas emissions (see ESRS E1-1) were validated for our baseline year, adjusted² and determined for the reporting year. The underlying assumptions are set out in ESRS E1-6, section Explanatory notes on the methodology and data sources. Greenhouse gas emissions relate to our own operations (Scope 1 and Scope 2) and those along the value chain (Scope 3). For EDAG, the following Scope 3 categories were classified as material: 3.1 Purchased goods and services, 3.3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2), 3.6 Business travel and 3.7 Employee commuting.

The transition risk was assessed in coordination with our risk management and, from the 2025 financial year on, will become part of the risk management process established for financial reporting. The EDAG Group did not perform a detailed analysis of short-, medium- or long-term transitional events for the reporting year, nor did it determine the magnitude of the risk to individual assets or business activities. However, it did carry out a resilience or climate scenario analysis, which is presented in section ESRS 2 SBM-3, in the E1 topical standard.

¹ The Scope 2 greenhouse gas emissions are identified using the location-based and market-based method. The location-based method quantifies the EDAG Group's Scope 2 greenhouse gas emissions on the basis of average energy generation emission factors within national borders. With the market-based method, the EDAG Group draws on the greenhouse gas emissions of the generators – where available – to determine the Scope 2 greenhouse gas emissions. If this data is not available, a best estimate is made.

² Data cleansing and updates were carried out for the activities covered to ensure that external factors do not influence the baseline year.

E2 Pollution

No material impacts of pollution have been identified in the business activities of the EDAG Group, its sites and operations (see also the explanations in ESRS 2 IRO-1 Double Materiality Analysis, which apply analogously to ESRS E2). Potential impacts relating to air, water and soil pollution and microplastics were identified in the downstream value chain. No consultations, in particular with affected communities of our customers and suppliers, or audits of their sites or operations were conducted. This also pushes us to our technical limits, as, in the next stage, we have no influence over how our customers subsequently utilize or apply the services we provide. This also applies to the geographical location at which they are utilized. Our customers decide whether, for what purpose, in what form and at which of their sites the concepts developed by EDAG are implemented or put to further use. In concrete terms, this means that the decisions on the quantity produced, future adjustments or modifications to components, selection of materials, etc. are the sole responsibility of our customers. For this reason, it is not feasible for us to present a list of sites or operations in which pollution is a material impact.

G1 Business conduct

All relevant EDAG Group activities and sectors were taken into account when identifying and evaluating the impacts, risks and opportunities of the G1 business conduct standard.

Further topical standards with no material impacts, risks or opportunities

No material impacts, risks or opportunities relating to ESRS E3 Water and Marine Resources, ESRS E4 Biodiversity and Ecosystem Services or ESRS E5 Resource Use and Material Flow were identified in EDAG's value chain in the course of the materiality assessment.

Regular certifications by independent auditing organizations in areas such as quality management, information security, environmental management, occupational health and safety, and sustainability confirm that common standards are adhered to at EDAG. Over and above this, we see it as our task to employ a continuous improvement process to make the working environment safe for our employees, to minimize negative impacts on the environment, and to establish sustainable management as a key component of our management systems.

With regard to the above-mentioned points, our assets and business activities are regularly reviewed for actual and potential impacts, risks and opportunities in our own operations.

Analogous to the comments on E2, no consultations were conducted, in particular with affected communities of our customers and suppliers. As explained above, this also pushes us to our technical limits, as we have no influence over how our customers actually utilize the services provided by EDAG. Our customers decide whether, for what purpose, in what form and at which of their sites the concepts developed by EDAG are implemented. In concrete terms, this means that the decisions on the quantity produced, future adjustments or modifications to components, selection of materials, etc. are the sole responsibility of our customers.

For this reason, it is not feasible for us to present a list of the geographical areas in which water or marine resources are essential to the company's activities and its upstream and downstream value chain.

No special dependencies on biological diversity and ecosystems and their services were identified, nor were transition risks or physical risks. No scenario analysis in line with the requirements of ESRS E4 was carried out.

ESRS 2 IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statements

The ESRS 2 IRO-2 disclosures, which include the index of ESRS disclosure requirements (content index) and the list of data points deriving from other EU legislation, can be found in the Annex.

Datapoints in the topic-specific standards are material if they are related to impacts, risks and opportunities material to us, and assist users of our Group Sustainability Report in their decision-making. For more information on the double materiality analysis, please refer to section ESRS 2 IRO-1 Description of the process to identify and assess material impacts, risks and opportunities.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks and opportunities identified in the materiality assessment are explained in the relevant topical standards. They refer to the standards ESRS E1 Climate Change, E2 Pollution, S1 Own Workforce, and G1 Business Conduct in this Sustainability Report.

The statements included there indicate that the reporting refers to information provided with regard to the effects, risks and opportunities presented and the associated policies³, actions and targets derived from the business processes available to the EDAG Group, and that this information and data thus forms part of the Sustainability Report. If information concerning policies, actions and targets relating to the material IROs identified in the materiality analysis is not disclosed, this is because this specific information is not generally available, as it was not previously relevant to decision-making and management processes.

³ Group-wide guidelines and concepts come under the heading of "policies".

Detailed information on risks and opportunities can be found in the Forecast, Risk and Reward Report section of the Group Management Report in the Annual Report for 2024. There are currently no financial effects from the sustainability-related risks and opportunities identified in the topic-specific standards E1 and G1. The carrying amounts of the assets or liabilities recognized in the Annual Report for 2024 have not been adjusted with respect to the significant risks and opportunities. At present, there is nothing to indicate that we might not be able to manage the material risks and rewards or take advantage of the opportunities we have identified.

The risk identified in the topic-specific standard S1 currently has a financial impact in the time horizon of the risk and reward report. At present, there is nothing to indicate that we might lose our significant positive impacts or not be able to manage the material risks we have identified. For further details, please see the Risk and Reward Report in the Annual Report for 2024.

ENVIRONMENTAL INFORMATION

ESRS E1 CLIMATE CHANGE

Impacts, Risks and Opportunities

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

The information required under ESRS E1 in conjunction with ESRS 2 GOV-3 is set out in section ESRS 2 GOV-3.

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The materiality assessment described in ESRS 2 IRO-2 has identified the following impacts, risks and opportunities for the topical S1 Climate Change standard:

E1 Climate Change

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
1. GHG emissions from own operations							
Negative actual and potential impacts on people and the environment of GHG emissions occurring in the undertaking's own value chain.	Negative actual impacts		●		●	●	●
2. GHG emissions from the downstream value chain							
Negative actual and potential impacts on people and the environment of GHG emissions occurring during production and the use phase.	Negative actual impacts			●	●	●	●
3. Climate-friendly mobility solutions in the downstream value chain							
Positive potential impacts on people and the environment through the provision of climate-friendly industrial and mobility solutions that effectively reduce GHG emissions.	Positive potential impacts			●	●	●	●
4. Energy consumption in the downstream value chain							
Negative actual impacts on people and the environment due to high energy consumption during production and the resulting need for this energy to be produced.	Negative actual impacts			●	●	●	●
5. Climate-friendly engineering and mobility solutions in own operations							
Market opportunities arising from efforts to mitigate climate change in the economy, and regulatory requirements. Expanding our sustainability expertise enables us to develop new business areas, and defend and expand existing ones.	Opportunity		●		●	●	●
6. Greenhouse gas targets of our customers							
There is a potential risk of orders and projects being lost if EDAG is unable to reduce GHG emissions quickly or quickly enough, or if our customers demand unrealistic GHG reduction targets, giving competitors with lower GHG emissions better market opportunities.	Risk		●		●	●	●

The identified opportunities and risks are climate-related opportunities or climate-related transition risks relating to the company's own operations, as, for EDAG, these can only materialize during the transition to a low-carbon, climate-resilient economy. With reference to the TCFD classification, the EDAG Group does not see any significant transition risks based on climate-related transition events.

We carried out a resilience or climate scenario analysis in the 2024 financial year. The following climate-relevant time horizons were assessed: In addition to the current reporting year (1 year), the two time horizons medium term (2030) and long term (2050) were factored in, and particular use was made of the publications of the IPCC WGI Interactive Atlas for the EDAG Group's key locations. The focus here was on the IPCC's worst-case climate-related scenario "SSP5-8.5". Reference is made here to the critical assumptions and uncertainties mentioned therein. The focus of the analysis was on our sites. On the basis of regional data from the IPCC's maps, the regions in which major EDAG Group sites are located were analyzed with regard to the impact of climate hazards such as heatwaves and cold spells, forest and grassland fires, heavy precipitation and flooding, and rising sea levels. Even taking the worst-case scenario into account, no material physical risks or transition risks could be identified for the EDAG Group's own operations or assets. Further, EDAG can also see no significant climate-related risks in the upstream and downstream value chain.

With our strategic objective of achieving net carbon neutrality by 2039 (detailed in ESRS E1-1), we are well equipped to address our material impacts, risks and opportunities. With our greenhouse gas reduction targets (see ESRS E1-4) and change mitigation actions (see ESRS E1-3), we plan to minimize the negative impacts our GHG emissions and the emissions in the value chain (IRO 1, 2 and 4) have on people and nature. At the same time, this allows us to minimize our risks, as outlined in IRO 6, and to expand existing business activities and develop new business opportunities by providing climate-friendly mobility solutions (IRO 3 and 5).

Strategy

Approach & strategy

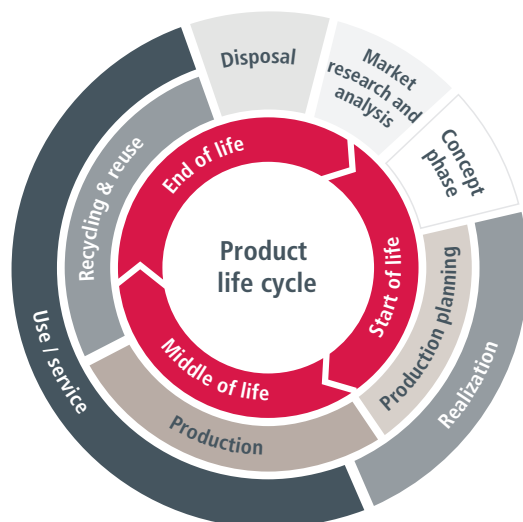
We, the EDAG Group, recognize the urgent need for climate change mitigation actions and sustainability in mobility and industry. Taking responsibility for this is part of our corporate vision and mission.

*Shaping the **future** of mobility
and industry **together**.*

Efficient. Safe. Sustainable.

The EDAG Group supports and is committed to the goals of the Paris Agreement. We have set ourselves the overall strategic goal of achieving (net) carbon neutrality in 2039 and for our short-term emissions reduction targets, have committed to the Science-Based Targets initiative (SBTi). Validation is pending. We want to compensate for any unavoidable remaining emissions. In this section, we will present our transition plan, our goals, and the actions we plan to take in order to achieve our goals.

To pool expertise relating to the ecological transformation of mobility and industry, the EDAG Group has set up the interdisciplinary "Team Sustainable Engineering" (TSE). The idea behind the TSE is – with reference to IRO 3 and 5 – for ecological issues concerning our services to be pooled together in a competence center and then considered from a fully integrated perspective – in the sense of the entire product life cycle. The TSE promotes cross-departmental collaboration and supports our departments with ecological issues related to our engineering services on the market.



ESRS E1-1 Transition plan for climate change mitigation

In order to achieve our primary strategic goal, we have developed "Roadmap way 2 zero", a transition plan for climate change mitigation. This comprises a series of different actions and interim targets, is applicable to the entire EDAG Group, and is embedded in the company's general financial planning. We will have the 2030 emissions reduction targets connected with this transition plan (see ESRS E1-4) validated by the SBTi.

Owing to our overall strategic goal, we see ourselves as being well prepared to fulfill our commitment to the short-term SBTi targets in the future, and so demonstrate that our emission reduction targets are scientifically sound. On account of our commitment to meeting SBTi requirements, we consider our business model to be in line with the Paris Agreement on climate change, which aims to limit global warming to 1.5° C.

As an engineering service provider, the EDAG Group is involved in development and conceptual design at an early stage in the engineering value chain. This means that, alongside our own greenhouse gas emissions (Scope 1 and 2), the indirect greenhouse gas emissions (Scope 3) are particularly important, as these are influenced by the selection and use of various components. However, it is our customers who decide what actual use is made of the services provided by EDAG. They decide whether, for what purpose, to what extent and in what form the concepts developed by EDAG are implemented, and therefore also determine the volume of greenhouse gases emitted in the EDAG Group's downstream value chain.

By the same token, we are also reliant on the cooperation of our stakeholders to achieve our strategic goal and the necessary reduction in emissions this involves. The EDAG Group cannot fully control or influence all emission sources.

Actions and decarbonization levers

The EDAG Group's transition plan is therefore centered on the following decarbonization levers and actions:

a) The decarbonization of our own operations

- Reduction of heating energy from fossil sources in the properties and office space utilized
- Conversion of the vehicle fleet to climate-friendly powertrain technologies
- Purchase of 100 percent green electricity at all EDAG Group sites

b) The decarbonization of the key categories in our value chain

- Reduction of GHG emissions where district heating is used
- Development and, as far as possible, support for our key suppliers in decarbonization, with the aim of achieving carbon neutrality. To this end, we draw on our supplier qualification process in order to ensure sustainable procurement. Important contracts will in future be subject to predefined criteria for achieving carbon neutrality.
- Reduction of greenhouse gas emissions resulting from our business travel
- Optimization of commuting and incentives for climate-friendly mobility

Further details of the EDAG Group's decarbonization actions and the climate change mitigation actions undertaken in 2024 can be found in ESRS E1-3 and ESRS E1-4.

As we are an engineering service provider, changes to our product and service portfolio as a result of changes in the market, technological developments or changing regulatory requirements are a constant occurrence. Responding to these changes and offering attractive solutions on the market is part of our approach. In particular, the steady increase in regulatory emissions standards and fleet-related regulations, along with our customers' greenhouse gas reduction targets, can influence the product and service portfolios we offer and lead to lower greenhouse gas emissions overall throughout the entire product life cycle.

To implement our transition plan, we anticipate the following capital expenditures (CapEx) for our climate change mitigation measures between now and 2039:

CapEx		Decarbonization lever	Total in € thousand ¹	EU Taxonomy performance indicator
Scope	Category			
Scope 1	Heating energy	Reduction of fossil heating energy in the properties utilized ²	1,950	7.3
	Vehicle fleet	Conversion of the vehicle fleet to climate-friendly powertrain technologies ³	2,681	6.5 and 7.4
Scope 2	Electricity	Purchase of 100% green electricity at all sites	1,650	7.6
	District heating	Reduction of carbon emissions where district heating is used	n/a	n/a
Total Scope 1 and 2			6,281	
Scope 3	Purchased goods and services	Carbon-neutral supplier management	n/a	n/a
	Fuel and energy-related activities	Fuel and energy-related activities	n/a	n/a
	Business traveling	Reduction in the amount of business travel	n/a	n/a
	Commuting	Optimization of commuting and incentives for climate-friendly mobility	n/a	n/a
Total Scope 3			0	
Sum total			6,281	

¹ This is an estimate of the cumulative, undiscounted amount in thousands of euros from 2025 to 2039, based on current price levels.

² Most of the office space used by the EDAG Group is rented. In such cases, investment decisions regarding renovation or energy-related measures are primarily made by the landlord, not EDAG, and have no effect the cash flow of the EDAG Group. For this reason, these investments are not taken into account.

³ The CapEx for the vehicle fleet, which relates to the conversion to climate-friendly powertrain technologies, is the additional planned CapEx that we estimate will be incurred in the conversion of the vehicle fleet to climate-friendly powertrain technologies by 2039. For a year, this would amount to approx. € 179 thousand.

The calculated amounts of money (CapEx) set out in the diagram above are estimates based on the data and forecasts available on the reporting date.

When calculating the CapEx for the reduction of fossil heating energy, particular account was taken of energy efficiency improvement measures such as the replacement of lighting. On the one hand, investments in the vehicle fleet include the scheduled additions of vehicles with climate-friendly powertrain technologies, valued according to IFRS 16, and on the other investments in the charging infrastructure required. Investments in relation to the use of electricity in real estate included investments for the construction of photovoltaic systems to generate electric power.

No future CapEx was identified for activities related to the use of district heating or for Scope 3.

The EDAG Group has no aims or plans to adapt its economic activities to the criteria set out in the Commission Delegated Regulation (EU) 2021/2139, as the majority of our activities cannot be assigned to taxonomy categories. Our capitalized assets will also cause future greenhouse gas emissions throughout their period of use and/or functional life (these are referred to as potentially locked-in greenhouse gas emissions). For the EDAG Group, this applies in particular to the balance sheet item "Rights of use from leased assets", to gas-powered heating systems (Scope 1) and the use of district heating energy (Scope 2). In the future, this may also apply to refrigerants in heat pumps if these are used to provide heat energy and refrigerants leak. No stranded assets were identified.

Our products and services may cause greenhouse gas emissions in the downstream value chain and subsequent use and recycling phases. As already explained, EDAG has no influence over how customers actually utilize our services and put them on the market. There are no locked-in greenhouse gas emissions from our products and services.

Our transition plan will enable us to gradually reduce the amount of locked-in greenhouse gas emissions. Our aim is to achieve this by reducing the use of fossil fuels for heating in the properties we use, by renovating existing buildings to make them more energy efficient for example, or by renting new properties with more climate-friendly energy concepts, and also by gradually converting our vehicle fleet to climate-friendly powertrain technologies.

Responsibilities

The CFO of the EDAG Group is responsible for ensuring implementation of the ESG strategy, in particular implementation of the transition plan, management of climate-related risks and opportunities, and the provision of information to the Board of Directors. As a result of the regularly updated materiality and risk management assessment, climate risks are integrated into our governance, management and strategic processes whenever necessary. Under the Delegated Regulation (EU) 2020/1818, the EDAG Group is not exempt from the EU Paris-aligned benchmarks. The details of our transition plan – the “Roadmap Way 2 zero” – which is geared towards achieving our strategic goal of carbon neutrality by 2039, were worked out by an interdisciplinary team and approved by the Group Executive Management in the 2024 financial year. Our strategic goal of carbon neutrality by 2039 was externally communicated to our stakeholders in the 2023 Sustainability Report.

From our point of view, compared to our baseline year, 2021, we succeeded in significantly reducing greenhouse gas emissions in Scope 1 and Scope 2 in the reporting year. Specifically, our Scope 1 GHG emissions fell by 32 percent and our Scope 2 GHG emissions (calculated using the market-based method) by 87 percent. The main reason for this is our switch from conventional to 100 percent green electricity for our German sites.

Furthermore, we were able to reduce emissions by decreasing the use of fossil fuels for heating in the properties and office space used and by gradually converting our vehicle fleet to climate-friendly powertrain technologies.

Scope 3 provides an inconsistent picture. While greenhouse gas emissions from fuel and energy-related activities in the upstream value chain were halved and there was a slight decrease in greenhouse gas emissions in the category of purchased goods and services, increasing greenhouse gas emissions were registered in the categories of business travel and commuting. The increase in greenhouse gas emissions from business travel and commuting is primarily due to an increase in business activities and the general increase in the Group's workforce.

Management of the Impacts, Risks and Opportunities

ESRS E1-2 Policies related to climate change mitigation and adaptation

With a view to the long-term implementation of our overall strategic goal of carbon neutrality by 2039, an interdisciplinary team developed our transition plan, "Roadmap way 2 zero", the first details of which are presented in section ESRS E1-1. This is the central concept we use to achieve our strategic sustainability goals and interim targets, which are validated by the SBTi. The CFO is the most senior executive responsible for implementation EDAG Group.

By implementing the transition plan, we intend to gradually decrease greenhouse gas emissions in our own operations and value chain, and increase the use of renewable energies. In this way, we should be able to gradually reduce or completely eliminate the negative impacts of our operations and value chain on the environment. At the same time, it makes it easier for us to meet our customers' requirements for a low greenhouse gas footprint in their value chain, and to minimize any resulting risks. In this sense, the "Roadmap way 2 zero" factors in the following areas: climate protection and the use of renewable energies.

The transition plan is reviewed annually to check that objectives are being met and actions are effective. The planned actions or interim targets are adjusted where necessary. The transition plan addresses the interests of our stakeholders, customers and employees for instance, and also nature as a silent stakeholder, for whom a reduction of our greenhouse gases is important. The stakeholders are informed of the most important decarbonization levers and actions in the Sustainability Report.

Since EDAG has little or no influence over the matter, the EDAG Group has not adopted a policy for addressing the potential adverse impacts on people or nature of high energy consumption during production or use (IRO 4). What is more, an engineering service provider has a significantly lower energy consumption than a company in the manufacturing industry, for example.

ESRS E1-4 Targets related to climate change mitigation and adaptation

The EDAG Group is committed to the goals of the Paris Agreement. In line with our strategy, we have committed to achieving net carbon neutrality by 2039. This also forms the basis for our other goals:

- Reduction of gross greenhouse gas emissions (Scope 1 and Scope 2) measured in t CO₂ by a total of 81 percent in 2030 compared to our base year 2021, with 46 percent relating to Scope 1 and 92 percent to Scope 2 (market-based method)⁴
- Reduction of gross greenhouse gas emissions (Scope 3), measured in t CO₂ by a total of 43 percent in 2030 compared to our baseline year 2021, in our key categories

⁴ Only the combined target figure for Scope 1 and 2 is relevant for achievement of the target. The 46% reduction in Scope 1 emissions and 92% reduction in Scope 2 are only mentioned to fulfill reporting requirements. There is no separate control.

- 80 percent of the electricity we purchase is to come from renewable sources by 2025, and 100 percent by 2030

The starting points for the greenhouse gas reduction targets are the actual emissions calculated for our baseline year 2021 and the reporting year 2024. These are shown in detail in section ESRS E1-6. In 2021, our baseline year, the following carbon emissions were emitted (reference values):

Summary of GHG emissions	2021 ¹	2021 adjusted ²
Scope 1	3,498 t	5,018 t
Scope 2 - market-based method	17,357 t	16,920 t
Scope 3	2,802 t	37,038 t
Total GHG emissions (market-based method)	23,656 t	58,976 t
Greenhouse gas intensity (t / € million) (market-based method)	34.4	85.8

¹ The GHG emissions reported as the previous year's values in the 2022 Sustainability Report.

² The GHG emissions calculated for baseline year 2021 have been revised on account of better data availability compared to the figures published in the 2021 and 2022 Sustainability Reports. Having made these adjustments, there are no indications that the emissions calculated for 2021 were influenced to any significant degree by external factors. The reference values calculated for the baseline year are therefore representative.

As can be seen in ESRS E1-6, our greenhouse gas emissions occur in our own operations (Scopes 1 and 2) and for the most part in the upstream value chain (Scope 3). To establish our greenhouse gas reduction targets for 2030, in addition to the historical figures for 2030, the following future developments in particular were adopted or assumed:

- Both national and international political stability
- Affordable availability of heating energy technologies
- Technological and economically viable availability of climate-friendly powertrain technologies and green electricity for the pursuit of our operations
- Reduction of CO₂ emissions by the district heating companies from which EDAG purchases energy
- Commitment of our major suppliers to the Paris Agreement and consequently the implementation of the necessary actions within the framework of their transition plans

Targets are monitored at least once a year; this is the responsibility of the CFO, who has delegated operational implementation within his department. If, at a future date, it turns out that the underlying future developments will not materialize as assumed, the targets can be revised in a subsequent year.

As explained in ESRS E1-1, the greenhouse gas emission reduction targets set are compatible with limiting global warming to 1.5° C. We have committed to the short-term targets of the SBTi and the underlying climate and policy scenarios. To date, there are no indications that the EDAG Group will not be able to meet these requirements.

Depending on the baseline year selected and the date on which the documents are submitted to the SBTi, if a 10-year period is selected, greenhouse gas emissions must, in accordance with the requirements of the SBTi's short-term science-based target, be reduced by 79 percent (Scope 1 and Scope 2) across all sectors, subject to the condition that 95 percent of all Scope 1 and Scope 2 emissions must be covered. For Scope 3: If 40 percent or more of total greenhouse gas emissions (Scope 1, 2 and 3) is attributable to Scope 3, then a 42 percent reduction in greenhouse gas emissions must be achieved across all sectors within a 10-year period, subject to the condition that 67 percent of all Scope 3 emissions must be covered.

The goals we have set ourselves will enable us to meet these requirements.

To determine the target figure for Scope 1, 2 and 3 greenhouse gas emissions, an analysis was carried out to identify which actions can be directly influenced by EDAG. It was assumed:

- That it will be possible and economically feasible to replace heating systems, renovate buildings and implement individual energy-saving measures within the planned time frame, and that it will be possible to purchase biogas at a reasonable cost
- That sufficient climate-friendly transport technologies will be available at acceptable market prices and that the requisite (charging) infrastructure will be sufficiently available in all regions in which the EDAG Group operates
- That local green power tariffs will be available at reasonable prices for all our sites
- That district heating providers will themselves reduce their greenhouse gases
- That reductions in greenhouse gas emissions can also be achieved in our value chain in collaboration with our stakeholders

At the time this Sustainability Report was being prepared, SBTi had not published a sectoral decarbonization pathway suitable for EDAG. EDAG has therefore taken into account the cross-sector absolute reduction target with the baseline year 2021.

To achieve this greenhouse gas reduction, EDAG has identified actions and decarbonization levers, as set out in ESRS E1-1. The contribution to the achievement of our greenhouse gas emission targets is estimated as follows:

Contribution of decarbonization levers to the achievement of the GHG emission reduction targets for 2030 compared to 2021, as percentages:

Decarbonization lever	Scope 1	Scope 2	Scope 3
Reduction of fossil heating energy in the properties utilized	-42%		
Conversion of the vehicle fleet to climate-friendly powertrain technologies	-50%		
Purchase of 100% green electricity at all sites		-95%	
Reduction of carbon emissions where district heating is used		-27%	
Scope 1 & Scope 2 (weighted)	-46%	-92%	
Carbon-neutral supplier management			-53%
Fuel and energy-related activities (achieved by implementing Scope 1 and 2 decarbonization levers)			-68%
Reduction in the amount of business travel ¹			9%
Optimization of commuting and incentives for climate-friendly mobility ¹			-16%
Scope 3			-43%
Total for Scope 1, 2 and 3	-57%		

¹ The greenhouse gas emission targets for the decarbonization levers "Reduction in the amount of business travel" and "Optimization of commuting and incentives for climate-friendly mobility" are also determined by the volume of future business development and developments in the size of the workforce. As a result of the increase in both business volume and headcount from 2021 to 2024, greenhouse gas emissions in 2024 were higher than in the baseline year (see ESRS E1-6). This historic increase also accounts for the lower GHG emission reduction targets for 2030 compared to the other decarbonization levers.

No new technologies need to be adopted to achieve the decarbonization levers described above. The SBTi requirements (short-term target) were used as the basis for calculating the quantitative reduction targets. No other climate scenarios were considered.

Since EDAG has little or no influence over the matter, the EDAG Group has not set any targets for addressing the potential adverse impacts on people or nature of high energy consumption during production or use (IRO 4, in section ESRS 2 SBM-3 of ESRS E1). Where possible, the EDAG Group draws the attention of its customers to these impacts. We are not, however, in a position to monitor how effective this is, or whether it is taken into account.

With our know-how, sales activities and the pooling of expertise in our Team Sustainable Engineering (TSE), we are already well positioned to address not only the potential positive impacts on people and nature of providing climate-friendly mobility solutions (IRO 3 in section ESRS 2 SBM-3 of ESRS E1), but also the resulting market opportunity (IRO 5 in section ESRS 2 SBM-3 of ESRS E1). The EDAG Group does not define specific targets that meet the requirements of the ESRS. The reason for this is that our operative targets are determined by our customers.

ESRS E1-3 Actions and resources in relation to climate change policies

In order to achieve the targets set out in ESRS E1-4, and in line with its strategic goals and the transition plan (see ESRS E1-1), the EDAG Group has planned the following actions and resources related to climate change mitigation:

Decarbonization lever	Actions & resources	Scope in the value chain	Cumulative GHG reduction by 2024 ¹ in tonnes of CO ₂ equivalents	Anticipated GHG reduction 2030 ¹ in tonnes of CO ₂ equivalents	Anticipated GHG reduction 2039 ¹ in tonnes of CO ₂ equivalents
Reduction of fossil heating energy in the properties utilized	Optimization of leases by means of targeted measures such as renovation, individual climate protection measures, relocation, etc.)	Own operations	-34%	-42%	-83%
Conversion of the vehicle fleet to climate-friendly powertrain technologies	Car policy: Gradual conversion of the vehicle fleet to climate-friendly powertrain technology by 2035	Own operations	-29%	-50%	-100%
Purchase of 100% green electricity at all sites	Switching the power consumption of the entire EDAG Group to 100% renewable energies by 2030	Own operations	-91%	-95%	-100%
Reduction of carbon emissions where district heating is used	CO ₂ regulations for district heating companies	Own operations	-18%	-27%	-83%
Carbon-neutral supplier management	Supplier management focusing on decarbonization with a view to achieving carbon neutrality and sustainable procurement Important contracts will in future be subject to predefined criteria for achieving carbon neutrality.	Upstream value chain	-4%	-53%	-90%
Fuel and energy-related activities ²	Achieved by implementing measures for Scope 1 and 2 relating to heating energy, vehicle fleet, and green electricity.	Upstream value chain	-51%	-68%	-97%
Reduction in the amount of business travel ²	Reduction of business travel, with preference given to virtual tools (e.g. meetings in MS Teams) Use climate-friendly transport options where possible (electric cars, rail instead of air travel)	Upstream value chain	34%	9%	-90%
Optimization of commuting and incentives for climate-friendly mobility ²	Development and implementation of targeted measures to reduce emissions from commuting and create incentives for climate-friendly mobility (e.g. job bikes, charging stations at company sites)	Upstream value chain	16%	-16%	-90%
Sum total			-29%	-57%	-93%

¹ Compared to emissions in baseline year 2021.

² The EDAG Group has only limited influence on the emission reductions achieved by actions taken using these decarbonization levers, since the emissions depend on the decisions and behavior of others, and are largely determined by them. In such cases, the EDAG Group can only provide incentives for emission-reducing behavior.

The following table contains further information on our actions and resources.

Actions & resources	CapEx 2024 in € thousand	Assets in the balance sheet ¹	Items in P&L ¹	Performance indicator according to EU Taxonomy	CapEx plan
Optimization of leases by means of targeted measures such as renovation, individual climate protection measures, relocation, etc.)	116	Rights of use from leasing	Depreciation, amortization and impairment	CapEx	n/a
Car policy: Gradual conversion of the vehicle fleet to climate-friendly powertrain technology by 2035	3,832	Rights of use from leasing	Depreciation, amortization and impairment	CapEx	n/a
Switching the power consumption of the entire EDAG Group to 100% renewable energies by 2030	206	Property, plant and equipment	Material expenses	n/a	n/a
CO ₂ regulations for district heating companies	0	n/a	Material expenses	n/a	n/a
Supplier management focusing on decarbonization with a view to achieving carbon neutrality and sustainable procurement Important contracts will in future be subject to predefined criteria for achieving carbon neutrality.	0	n/a	Material expenses	n/a	n/a
Fuel and energy-related activities: achieved by implementing measures for Scope 1 and 2 relating to heating energy, vehicle fleet, and green electricity.	0	Rights of use from leasing	Material expenses	n/a	n/a
Reduction of business travel, with preference given to virtual tools (e.g. meetings in MS Teams) Use climate-friendly transport options where possible (electric cars, rail instead of air travel)	0	n/a	Other operating expenses	n/a	n/a
Development and implementation of targeted measures to reduce emissions from commuting and create incentives for climate-friendly mobility (e.g. job bikes, charging stations at company sites)	0	n/a	n/a	n/a	n/a
Sum total	4,154				

¹Disclosure of the material items.

Implementation of the planned actions also largely depends on the EDAG Group continuing to have access to financial resources at an affordable cost of capital in the future, as has been the case to date.

Since EDAG has little or no influence over the matter, the EDAG Group has not not defined any measures for addressing the potential adverse impacts on people or nature of high energy consumption during production or use (IRO 4, in section ESRS 2 SBM-3 of ESRS E1).

Metrics

ESRS E1-6 Gross Scope 1, 2 and 3 and total GHG emissions

The following table shows the greenhouse gas emissions of the EDAG Group for the main sources of emissions, broken down into Scopes 1, 2 and 3. The greenhouse gas emissions were identified in accordance with the requirements set out in the Greenhouse Gas Protocol and the relevant provisions of ESRS E1. At the time the Sustainability Report was being drawn up, the measurement of the metric had not been validated by any other external bodies. The Scope 3 greenhouse gas emissions include the categories relevant to the EDAG Group. This covers the significant greenhouse gas emissions in the value chain.

Greenhouse gas emissions	Retrospective				Milestones and target years			
	2021	Comparative ²	2024	% 2024 / comparative ³	2025 ⁴	2030	(2050) ⁵	Annual % target / Baseline year
Scope 1 greenhouse gas emissions								
Gross Scope 1 GHG emissions (t CO ₂ eq)	5,018		3,433			n/a ¹		n/a
Percentage of Scope 1 greenhouse gas emissions from regulated emissions trading schemes (%)	0%		0%			n/a ¹		n/a
Scope 2 greenhouse gas emissions								
Gross location-based Scope 2 GHG emissions (t CO ₂ eq)	11,975		12,162			n/a ¹		n/a
Gross market-based Scope 2 GHG emissions (t CO ₂ eq)	16,920		2,155			n/a ¹		n/a
Significant scope 3 greenhouse gas emissions								
Total gross indirect (Scope 3) GHG emissions (t CO ₂ eq)	37,038		36,526			n/a ¹		n/a
3.1 Purchased goods and services	23,923		22,892			n/a ¹		n/a
3.3 Fuel and energy-related activities (energy supply chains)	2,713		1,336			n/a ¹		n/a
3.6 Business traveling	1,251		1,676			n/a ¹		n/a
3.7 Employee commuting	9,151		10,622			n/a ¹		n/a
Total GHG emissions								
Total GHG emissions (location-based) (t CO ₂ eq)	54,031		52,121			n/a ¹		n/a
Total GHG emissions (market-based) (t CO ₂ eq)	58,976		42,114			n/a ¹		n/a

¹ According to ESRS E1 § 34a, there is no requirement to report targets in tonnes of CO₂ equivalent, as we report these as a percentage of the emissions of a base year.

² No comparative figures are required in the first reporting year.

³ If there are no comparative figures, this column is not used.

⁴ The EDAG Group has not set itself any targets for 2025.

⁵ The EDAG Group has not set itself any targets for 2050.

For the Scope 2 emissions measured using the location-based method, we have a certificate verifying that 86.8 percent of the electricity consumed by the EDAG Group is green electricity generated from 100 percent renewable energy sources, as evidenced by guarantees of origin. These are decommissioned in the register of guarantees of origin of the German Federal Environmental Agency. The calculation is based on secondary data.

The following table shows the greenhouse gas intensity per net revenue of the EDAG Group. The net revenue is equal to the consolidated sales revenues of the EDAG Group, as reported in the Consolidated Statement of Comprehensive Income in the 2024 Annual Report.

GHG intensity per net revenue	2023 ²	2024	% 2024/ 2023 ²
Total GHG emissions (location-based) per net revenue (t CO ₂ eq/monetary unit) ¹	n/a	63.41	n/a
Total GHG emissions (market-based) per net revenue (t CO ₂ eq/monetary unit) ¹	n/a	51.23	n/a

¹ in € million

² Figures for the previous year do not need to be given in the first reporting year.

Explanatory notes on the methodology and data sources

The clear and coherent collection of data is of particular importance, as this enables us to effectively assess the implementation of our strategic targets and the effectiveness of our measures and targets in the transition plan. The methodology, underlying assumptions and data sources used to determine the key figures presented in this section are therefore described below.

The operating companies apply the group-wide data collection hierarchy, which is described in chapter ESRS 2 General Disclosures in the Data Quality section. We aim to further increase data availability in the future. To this end, we are entering into talks with our energy producers with the aim of ensuring that consumption figures will, wherever possible, be available at an early stage in the future. During the preparation process, a deadline was set for the disclosure of the calculated greenhouse gas emissions. Up to this date, actual data for 2024 was still taken into account. Where no figures for 2024 were available by the deadline, estimates were made on the basis of available secondary data.

Metrics	Description of the basic principles (assumptions, calculation methods, approximations and judgments on which the measurement was based)
Scope 1 GHG emissions	<p>To calculate Scope 1 GHG emissions, all material energy consumption figures for heat and electricity are recorded, consolidated and identified using the respective emission factors of the energy producers or an official database. Where no figures for the reporting year were available at the time the report was drawn up, consumption was estimated on the basis of available secondary data (e.g. figures from the previous year).</p> <p>The figures for the vehicle fleet are based on actual kilometers traveled and the manufacturers' data on greenhouse gas emissions per kilometer. Total greenhouse gas emissions are determined by calculating the average value of the kilometers traveled and greenhouse gas emissions per kilometer for each vehicle category.</p>
Scope 2 GHG emissions (location-based)	<p>To calculate the location-based Scope 2 emissions, all purchased energy consumption (electricity and district heating) under the operational control of the fully consolidated companies of the EDAG Group is recorded and consolidated at group level. Emissions are calculated with the help of centrally stored official databases (mainly UBA, CaDI 2024) for the emission factors as greenhouse gases.</p> <p>Where no energy consumption figures were available for the whole of 2024 at the time the report was drawn up, these figures were extrapolated or estimated on the basis of plausible assumptions.</p>
Scope 2 GHG emissions (market-based)	<p>To calculate the market-based Scope 2 emissions, all purchased energy consumption (electricity and district heating) under the operational control of the fully consolidated companies of the EDAG Group is recorded and consolidated at group level. Market-based Scope 2 emissions are calculated using the hierarchy of available emission factors. This is composed of the following relevance levels: Level 1 - Market-/provider-specific: Where available, we use market-/provider-specific emission factors, which are then applied to calculate market-based Scope 2 emissions. If no market-/supplier-specific emission factors are available, use is made of the location-based calculation at level 2.</p>
Scope 3 GHG emissions	<p>The Scope 3 GHG emissions are calculated from the categories relevant to EDAG: 3.1 Purchased goods and services, 3.3 Energy and fuel-related activities, 3.6 Business travel, 3.7 Employee commuting. On the basis of a materiality assessment, categories 3.2, 3.4, 3.5, 3.8, 3.9, 3.10, 3.11, 3.12, 3.13, 3.14 and 3.15 were not considered relevant to our business activities. We work only with recognized sources. Software solutions and the increasing digitalization of data collection will safeguard our calculation basis. The annual comparison of the data used with public sources and the latest findings will help to improve data quality from year to year. Overall, we will ensure continual improvement in data quality. The aim is to reduce emissions and improve the accuracy of emission data collection.</p>
Scope 3 GHG emissions - 3.1 Purchased goods and services	<p>This category covers emissions from expenses for materials and supplies, goods purchased and held for resale, expenses for purchased services, and operating expenses. For the spend-based approach, among other things, primary data (account-specific product groups) and industry-specific emission factors (mainly from the EPA) were used. Likewise, published sustainability declarations and reports were occasionally evaluated and used to collect approximate data. Emissions from expenses for purchased services are generally assumed to be equal to the emissions from Scope 1 and Scope 2. The focus during calculation was always on the core processes and materials essential for the supply chain, and products and/or services of the EDAG Group.</p> <p>The use of "spend-based" emission factors (kg CO₂e per currency unit) may result in inaccuracies. These are based on the assumed correlation between expenditure and emission levels. As these are not always directly correlated and are affected by currency effects in different reporting periods, emission levels may be influenced by these factors. We therefore assess the accuracy of GHG emissions as relatively low.</p>
Scope 3 GHG emissions - 3.3 Fuel- and energy-related activities	<p>The fuel- and energy-related GHG emissions are determined on the basis of energy consumption data and the corresponding emission factors from databases (Defra, GEMIS and UBA) for the upstream chain.</p> <p>We consider the accuracy to be relatively high.</p>
Scope 3 GHG emissions - 3.6 Business travel	<p>This category includes emissions from business travel undertaken in the reporting year concerned. These are subdivided into relevant forms of mobility (aircraft and train). To calculate the emissions, the kilometers traveled are taken and linked to emission factors (DEFRA). For greater accuracy, flights are also categorized as short, medium or long-haul flights. We consider the accuracy to be relatively high.</p>
Scope 3 GHG emissions - 3.7 Employee commuting	<p>This category includes emissions from our employees' commuting activities. Commuting-related emissions are estimated for each country. To this end, regional commuting distances are taken into account. The influence of mobile working (by estimating the number of days worked from home) is also taken into account. The total headcount is recorded centrally.</p> <p>We consider the accuracy to be sufficient.</p>

INFORMATION IN ACCORDANCE WITH ARTICLE 8 OF REGULATION 2020/852 (TAXONOMY REGULATION)

Under the European Green Deal, the European Union (EU) has placed climate protection, environmental protection and sustainability at the center of its political agenda, with the aim of reaching climate neutrality by 2050. A key role in realizing this goal is to be played by the financing of sustainable growth ("sustainable finance"), i.e. redirecting cash flows towards sustainable investments.

To this end, the Taxonomy Regulation (EU 2020/852), among other things, came into force in 2020. The purpose of this regulation is to establish a standardized and binding classification system to determine which economic activities in the EU can be classified as environmentally sustainable. An economic activity is classed as "taxonomy-eligible" if it is listed in the EU taxonomy and therefore has the potential to contribute to at least one of the following six environmental objectives:

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

According to EU taxonomy guidelines, an economic activity is environmentally sustainable and therefore "taxonomy aligned" if it cumulatively meets the following three conditions:

- It must contribute substantially to the achievement of one or more of the six above-mentioned environmental objectives by complying with the screening criteria defined for that particular economic activity
- It must do no significant harm to one or more of the other environmental objectives by complying with the Do No Significant Harm (DNSH) criteria defined for that particular activity
- It must comply with the minimum safeguards applicable to all business activities, which relate primarily to human rights and social and labor standards

The following reportable key performance indicators (KPIs) are defined by the EU taxonomy: sales revenues, capital expenditure (CapEx) and operating expenditure (OpEx). As a general rule, the taxonomy-eligible and taxonomy-aligned ratios for these KPIs should be indicated. The legislator has prescribed official reporting templates to be used for this purpose. These are reproduced in Annex to this Sustainability Report. An explanation of how the KPIs relevant to the EDAG Group are determined can be found in the section Performance indicators in accordance with the EU Taxonomy Regulation.

As one of the leading engineering service providers for the global mobility industry, our activities cannot be fully assigned to taxonomy categories. In the course of an extensive assessment, we came to the realization that our main economic core activities are not covered by activities described in the EU taxonomy, and therefore do not classify as taxonomy-eligible. Should taxonomy-enabled activities be identified in the future, the necessary disclosures will be made.

For this reason, with regard to the KPI Revenue, no economic activities have been identified as taxonomy-eligible.

Regarding OpEx, use is being made by the EDAG Group of the exemption provision in accordance with Regulation 2021/2178 Annex I, No. 1.1.3.2, para. 5. Further details can be found in the section Definition of the denominators sales revenues, CapEx and OpEx in accordance with the EU taxonomy.

In addition to the revenue KPI and the OpEx KPI, the CapEx KPI is among the key performance indicators (KPIs) which need to be disclosed under the Taxonomy Regulation. These are reported, as required.

Taxonomy eligibility

In the first step, taxonomy eligibility must be assessed, which means that an economic activity must be defined and described in the delegated acts to the EU Taxonomy Regulation.

The EU delegated acts (Delegated Regulation (EU) 2021/2139 and its supplementing Delegated Regulation (EU) 2023/2485) contain descriptions and technical screening criteria for economic activities aimed at the environmental objectives of climate change mitigation and adaptation. The supplement to the Delegated Regulation contains new technical screening criteria covering both existing and new economic activities.

In addition, a further EU delegated act (Delegated Regulation (EU) 2023/2486) describing relevant economic activities and technical screening criteria for the other four environmental objectives was adopted in 2023.

The following taxonomy-eligible economic activities at the EDAG Group relate to capital expenditures used to purchase products from taxonomy-aligned economic activities and individual actions (known as category C CapEx):

- Economic activity 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles
- Economic activity 7.2 – Renovation of existing buildings
- Economic activity 7.3 – Installation, maintenance and repair of energy-efficient equipment

- Economic activity 7.4 – Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- Economic activity 7.6 – Installation, maintenance and repair of technologies for renewable energies

Economic activities 6.5, 7.2, 7.3, 7.4 and 7.6 relate to investments made in individual actions aimed at achieving low-carbon target activities or reducing greenhouse gas emissions. Among other things, these include building renovation, the leasing of electric cars and the installation of charging stations for electric vehicles (BEV and hybrid cars).

With regard to the environmental objectives 2 - 6, having analyzed the technical screening criteria, we have come to the conclusion that, for the 2024 financial year, the EDAG Group has no economic activities with taxonomy-eligible sales revenues, CapEx and OpEx in relation to the five aforementioned objectives.

Taxonomy alignment check for climate target 1 (climate change mitigation)

An assessment of taxonomy alignment must be carried out for the taxonomy-eligible activities identified. Only taxonomy-eligible activities can be "ecologically sustainable" or taxonomy-aligned, provided the legal requirements for the economic activity concerned are met. To be taxonomy-aligned, a substantial contribution must be made to one of the environmental objectives defined by the Taxonomy Regulation by meeting the relevant technical screening criteria (requirement 1), and a significant adverse impact on another environmental objective must be ruled out on the basis of defined "Do No Significant Harm" (DNSH) criteria (requirement 2). In addition, minimum safeguards relating in particular to the protection of human rights and social and labor standards must be complied with (requirement 3).

The following procedure was used by the EDAG Group to analyze the taxonomy alignment of the activities 6.5, 7.2, 7.3, 7.4 and 7.6:

1. **Substantial contribution:** Compliance with the technical evaluation criteria was individually checked for each activity.
2. **Do No Significant Harm (DNSH):** The DNSH criteria for every activity are defined by the legislator, and predominantly relate to compliance with legal requirements. Against this background, a routine assessment of DNSH compliance, or non-compliance, at Group level was appropriate. The results of this assessment are shown in the official reporting templates in Annex.
3. **Minimum safeguards:** A Group-wide approach was adopted to ensure compliance with the minimum safeguards requirements. As an internationally operating engineering service provider, we undergo regular and comprehensive audits and certification by external institutes, covering a wide range of criteria. The currently valid certificates are available on our website. A detailed report on our social standards, information on occupational health and safety and the human rights assessment is provided in Standard S1 of the Sustainability Report.

Performance indicators in accordance with the EU Taxonomy Regulation

The calculation of the KPIs CapEx and OpEx is based primarily on the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS). There is no legal requirement to disclose comparative information for the reporting year.

Definition of the denominators sales revenues, CapEx and OpEx in accordance with EU taxonomy

Sales revenues as defined in the EU Taxonomy Regulation are defined as net sales revenues in accordance with IFRS, as reported in our Annual Report for 2024. These amount to a total of € 822 million in the 2024 financial year (2023: € 845 million). Further information on sales revenues can be found in the notes to the Consolidated Financial Statements for 2024, in the explanatory notes "Revenue" in the Annual Report.

CapEx as defined by the EU Regulation relates to the following items in the IFRS Consolidated Financial Statements and comprises investments in non-current intangible or tangible assets (not including goodwill) and additions to rights of use in accordance with IFRS 16. These are disclosed in the notes to the 2024 Consolidated Financial Statements, under "Intangible assets", "Property, plant and equipment" and "Rights of use from leases". CapEx amounts to a total of € 48.7 million in the 2024 financial year (2023: € 57.9 million).

According to the definition given in the EU taxonomy, **OpEx** includes non-capitalized research and development costs, which can be derived from the notes on "Research and development costs" in our Annual Report. On the other hand, the expenses for short-term leases recognized in our consolidated financial statements, as shown in the explanatory notes "Other Notes - Leases" were included, as were "Expenses for Maintenance and Repairs".

OpEx, as defined above, amounts to € 33.8 million (2023: € 36.5 million). These are not material to the business model. Immateriality is assumed due to the fact that, in relation to the cost of goods sold (consisting of material expenses, personnel expenses and other expenses excluding expenses from exchange rate hedging transactions/exchange rate gains, other taxes and levies and non-operating expenses), the OpEx KPI is well below 5 percent. For this reason, use is being made of the exemption provision in accordance with Regulation 2021/2178 Annex I, No. 1.1.3.2, para. 5. As in the previous year, therefore, we see no reporting obligation for the 2024 financial year.

Definition of Sales Revenue Numerator

To determine the proportion of taxonomy-eligible sales revenues (see A. in Template 1 in Annex), the taxonomy-eligible sales revenues (numerator) are set in relation to the Group's total revenues (denominator). On the basis of the above analysis, the proportion of the EDAG Group's taxonomy-eligible revenue is set at 0 percent.

Definition of CapEx Numerator

To determine the proportion of taxonomy-eligible CapEx (see A. in Template 2 in Annex), the taxonomy-eligible CapEx (numerator) is set in relation to the relevant overall investments of the Group (denominator) in accordance with (EU) 2021/2178 Appendix I, point 1.1.2.1.

We allocate the reported "Category C" CapEx to the numerator. Taxonomy-eligible CapEx across all relevant economic activities amounts to € 4,154 thousand in 2024.

Definition of OpEx Numerator

The official notification form for the OpEx KPI is shown in Template 3 in Annex. As already mentioned, there is no reporting obligation.

ESRS E2 POLLUTION

Impacts, opportunities and risks

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The materiality assessment described in ESRS 2 IRO-2 has identified the following impacts, risks and opportunities for the topical E2 Pollution standard:

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
E2 Pollution	1. Air pollution in the downstream value chain						
	Production and the use phase in the downstream value chain have negative impacts on the environment and people, in the form of air pollution.			●	●	●	●
	2. Water pollution in the downstream value chain						
	Particularly during the use phase of the vehicles produced by our customers, fuel and oil contamination have negative impacts on the environment and people, in the form of water pollution.			●	●	●	●
	3. Soil pollution in the downstream value chain						
	During the use phase of the vehicles produced by the OEMs, the large number of mobility products has negative impacts, attributable to soil pollution, on the environment and people.			●	●	●	●
	4. Microplastics in the downstream value chain						
	During the use phase, vehicle end users unintentionally generate tire abrasion, which accounts for the major proportion of microplastics released in the value chain. This has negative impacts on people and the environment.			●	●	●	●

The material impacts identified all affect the EDAG Group's downstream value chain. As explained in detail in ESRS E2-1, we have no direct influence over how customers actually utilize and apply our services, or over any potential impacts that might result. It therefore follows that the impacts identified do not directly influence our business model, strategy or decision-making. At present, there is nothing to indicate that the material impacts identified could impair the resilience of our strategy or business model.

Management of the Impacts, Risks and Opportunities

ESRS E2-1 Policies related to pollution

There are potential negative impacts relating to air, water and soil pollution and microplastics in the downstream value chain in our customers' operations or in the use phase in the end consumer's hands. Where possible, we point out to our customers any negative impacts which might result from the utilization and application of our services, and indicate possible alternatives aimed at achieving a reduction in the negative impacts relating to air, water and soil pollution. As an economically, ecologically and socially sustainably operating engineering service provider, we regard compliance with legal requirements to minimize negative impacts on the environment as a self-evident aspect of good governance.

Having said that, as already mentioned, we have no direct influence or control over how customers actually utilize and apply our services. For this reason, the potential effects of the actions and decisions of our customers or end users are of no relevance to our decision-making and management processes. Consequently, the EDAG Group has not adopted any company-wide strategies, guidelines or concepts.

ESRS E2-3 Targets related to pollution

This means that no goals or actions in relation to pollution in the downstream value chain adopted either.

ESRS E2-4 Pollution of air, water and soil

The prescribed disclosure requirements relate to the operations of the EDAG Group. However, no significant impacts, risks or opportunities were identified in the company's own business activities. The disclosures specified in the standard are therefore not applicable to the EDAG Group.

SOCIAL INFORMATION

ESRS S1 OWN WORKFORCE

Impacts, Risks and Opportunities

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Being an engineering service provider, the EDAG Group regards its employees its most important resource. As a people business, the company puts its employees first, which (can) result in positive impacts on its own workforce.

To attract and retain employees, a focus is placed on positive impacts on all employees. For this reason, employee matters are also included in our strategy (e.g. talent factory for all employees). As a result of our business model, we are required to ensure that the technologies and methods we use in the provision of our services are always state-of-the-art. Our work therefore involves the advancement of both mobility (reinvent engineering) and our employees (reinvent yourself). Conversely, this also means that every employee continuously develops and improves his or her skills; something which is encouraged by EDAG (see chapter ESRS S1 IRO 10 Training).

The details in ESRS 2 and S1 include all permanent employees, managers, members of the Group Executive Management, apprentices and dual system students. In addition to the above-mentioned employee groups, temporary workers may also be affected to a slight degree. Other occupational groups, interns for example, account for only a very small percentage of the EDAG Group's workforce. If they were to be included, particularly in the quantitative performance figures, this would change the significance of the figures, e.g. of the fluctuation rate. Analogous to the Annual Report and internal management, these other occupational groups are therefore not included in this Sustainability Report.

The materiality assessment described in ESRS 2 IRO-2 has identified the following impacts, risks and opportunities for the topical standard S1 Own Workforce:

S1 Own workforce - working conditions

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
1. Secure employment							
The EDAG Group has a positive impact on its employees in the field of secure employment, as the company works almost entirely with permanent employment contracts.	Positive actual impacts		●		●	●	●
2. Working time							
By offering flexible working hours, little night, weekend or shift work and adequate scheduling of lead times, EDAG has a positive impact on its employees.	Positive actual impacts		●		●	●	●
3. Adequate wages							
EDAG pays its employees an adequate and locally appropriate wage. Depending on the location or country, there are also special payments and other financial incentives.	Positive actual impacts		●		●	●	●
4. Sharply increasing personnel costs							
As we are a labor-intensive company, high or rising personnel expenses have a significant impact on earnings. In this sense, a sharp increase in personnel expenses also poses a risk for the EDAG Group.	Risk		●		●	●	●
5. Social dialog							
The EDAG Group maintains an open and honest dialog with its employees, in keeping with its corporate culture. Workers' representatives (depending on local conditions) are regularly informed and consulted, and employees have regular staff appraisals with their immediate superiors.	Positive actual impacts		●		●	●	●
6. Freedom of association and the rights of employees to information, consultation and participation							
EDAG employees are generally free to organize themselves into works councils or similar associations. This is, however, country-specific and depends to some extent on local legal regulations.	Positive actual impacts		●		●	●	●
7. Work-life balance							
By offering attractive working time models, the EDAG Group has a positive impact on its employees. For many of our employees, this includes leave being granted for family reasons, the option of part-time work, mobile work and the use of working time accounts.	Positive actual impacts		●		●	●	●
8. Health and safety							
The EDAG Group has a positive impact with its active health management and modern workplace design. Among other things, this includes health-promoting working conditions and a range of health-related courses.	Positive actual impacts		●		●	●	●

S1 Own workforce – equal treatment & equal opportunities

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
9. Gender equality and equal pay for equal work							
The EDAG Group is committed to the principle of equal pay for equal work, regardless of gender or social background. Our diversity concept applies to our administrative, management and supervisory bodies.	Positive actual impacts		●		●	●	●
10. Training and skills development							
EDAG offers its employees a variety of training and development concepts, including classroom-based and online training, skills development programs, and LinkedIn learning opportunities. The purpose of these programs is to enable our employees to enhance their existing knowledge and acquire new skills.	Positive actual impacts		●		●	●	●
11. The employment and inclusion of people with disabilities							
Wherever possible, the EDAG Group promotes barrier-free workplaces for people with physical disabilities. In accordance with our Code of Conduct, we do not tolerate any discrimination or harassment on the grounds of physical or mental disabilities.	Positive actual impacts		●		●	●	●
12. Measures against violence and harassment in the workplace							
In accordance with our Group-wide Code of Conduct, we do not tolerate any harassment or discrimination in the workplace on account of any of a range of social characteristics such as gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual orientation, or other legally protected characteristics.	Positive actual impacts		●		●	●	●
13. Diversity							
Our strength lies in the diversity of our employees. Utilizing this potential, we aim to continue to apply our individual skills and talents to exploring new, innovative and creative avenues and finding solutions. As an internationally active company, EDAG is clearly committed to diversity and general equality. This refers explicitly not only to gender, but also to age, sexual orientation, religious affiliation, ethnic origin, belonging to minorities or indigenous peoples, disabilities and other personal attributes of our employees.	Positive actual impacts		●		●	●	●

The transition plan, which is explained in more detail in section E1 Climate Change, will not have any material impact on the company's own workforce.

ESRS S1-6 Characteristics of the undertaking's employees

Gender	Number of employees ¹
Male	7,185
Female	1,948
Other	-
Not disclosed	-
Total employees	9,133

¹ Headcount on 12/31/2024

The proportion of women in the EDAG Group's workforce is 21 percent. One of the main reasons for this low figure is that the majority of employees work in STEM occupations. Traditionally, these attract a high proportion of men, which is reflected in the low proportion of female employees in the EDAG Group. Section ESRS S1 IRO 9 Gender Equality explains how gender equality is strengthened in the EDAG Group.

The number of employees on December 31, 2024 is given in the Group Management Report, and the average number of employees can be found in the Notes to the Consolidated Financial Statements of the Annual Report for 2024.

Country	Number of employees ¹
Germany	6,010

¹ Headcount on 12/31/2024

According to ESRS S1-6 section 50a, disclosure is only mandatory for countries with 50 or more employees, which is equal to at least 10 percent of the total number of employees of the EDAG Group. For the EDAG Group, this applies only to Germany.

	2024 ¹				
	Female	Male	Other ²	Not disclosed	Sum total
Number of employees	1,948	7,185	-	-	9,133
Number of permanent employees	1,861	6,896	-	-	8,757
Number of temporary employees	87	289	-	-	376
Number of non-guaranteed hours employees	-	-	-	-	-
Number of full-time employees	1,433	6,653	-	-	8,086
Number of part-time employees	515	532	-	-	1,047

¹ Headcount on 12/31/2024

² Gender as indicated by the employees

In the 2024 financial year, 1,356 employees left the EDAG Group either voluntarily or due to dismissal, retirement or death in service. This represents an employee turnover rate of 12.8 percent. The denominator used to calculate this rate was the total number of employees in the previous year plus new entrants in the financial year.

Management of the Impacts, Risks and Opportunities

ESRS S1-1 Policies related to own workforce

The information on the guidelines and concepts the EDAG Group has in place to manage the material impacts and risks related to its own workforce are explained in the sections on the individual IROs, together with the corresponding targets, actions and (if available) metrics, taking into account the ESRS 2 MDR-P.

As an internationally operating company, EDAG makes a point of ensuring compliance with human rights and recognized labor standards at our numerous sites across the globe, and affirms its commitment to the principles of the UN Global Compact. With the EDAG Code of Ethics, the EDAG Group has committed to the sustained support of the ten principles of the United Nations Global Compact and to continual improvement in their implementation. The EDAG Code of Ethics is available on our website. One of the principles established by the code is that the EDAG Group supports and respects the protection of internationally proclaimed human rights within its sphere of influence, and ensures that the EDAG Group is not complicit in human rights abuses. These also include freedom of association, the abolition of forced and child labor, the elimination of discrimination and corruption, and the right to collective bargaining. Across the globe, we respect, protect and promote the requirements and expectations of the international community, as set down in the United Nations Universal Declaration of Human Rights and the European Convention on Human Rights. In addition, the EDAG Group is also committed to the conventions and recommendations of the International Labour Organization (ILO) on labor and social standards, the United Nations Guiding Principles on Business and Human Rights, and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Human rights issues within the EDAG Group can be addressed using the procedures outlined in ESRS S1-2 for engaging with the company's own workforce and workers' representatives. There are a number of reporting channels through which employees can seek redress for any human rights impacts that might occur. These include regular communication between employees and managers, staff assemblies, drop-in sessions held by the Works Council, HR business partners and our whistleblower hotline. When using the whistleblower hotline, which can be done anonymously, a standardized process is followed, which we believe ensures appropriate action is taken.

The EDAG Group has strategies for the prevention of work-related accidents. More information on the policies, targets and actions relating to occupational safety can be found in the section on ESRS S1 IRO 8.

The EDAG Group has a code of conduct in which requirements for anti-discrimination and equal treatment are firmly established. No discrimination or harassment on account of characteristics such as gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual

orientation, or other legally protected characteristics will be tolerated within the EDAG Group. In order to avoid unequal treatment and discrimination, we actively promote diversity within our own sphere of influence and identify vulnerable groups among our employees. The principles of equal opportunity and equal treatment are important cornerstones for treating each other fairly, openly and without prejudice.

According to §154 of the German Social Security Code (SGB) IX, the EDAG Group's German companies are obliged to allocate at least five percent of jobs to severely disabled people.

Raising employee awareness through training and management workshops is an important means of preventing discrimination and promoting diversity and inclusion.

ESRS S1-2 Processes for engaging with own workers and workers' representatives about impacts

In some countries, there are local works councils/workers' representatives who, depending on local conditions, play a role in decision-making processes. The works councils of the two major German companies, EDAG Engineering GmbH and EDAG Production Solutions GmbH & Co. KG, are regularly involved in decisions concerning the employees of the two companies. This is an ongoing process covering not only the legally prescribed areas, but also other aspects. This also includes the right to information, consultation and participation for certain decisions. The Works Council in Germany discusses the issues that fall under its remit in committees, which usually meet at least once a month. Some members of the Works Council are released from their regular duties to enable them to carry out this work. Communication between the Executive Management and employee representatives takes the form of regular meetings between the Works Council and the CFO in his capacity as Employment Director and the Head of HR. To ensure close contact and communication with the workforce, the Works Council holds regular drop-in sessions at many sites, and the results of these discussions are incorporated into its work. In addition, employees meet with their managers at least once a year to discuss performance.

In its capacity as the employees' representative body, the Works Council negotiates and concludes company agreements with the Executive Management. The contents of the company agreements cover regulations on working hours, fringe and employee benefits, etc., which play a part in the respect of human rights.

The regular forms of communication described above are tried and tested structures at EDAG, and facilitate cooperation with employees. In addition, the EDAG Group can carry out staff surveys to gain insights into the views of employees and the effectiveness of employee collaboration.

Insights into the views of individual groups within the company's own workforce is gained at EDAG by means of communication not only with the Works Council already discussed in the previous sections and in the chapter on ESRS S1 IRO 5, but also with the Representative for Disabled Employees and the Diversity Team.

The Representative for the Disabled Employees elected for the two major German companies ensures that laws governing the interests of disabled employees are observed. He/she can attend meetings of other interest groups and request that matters of particular relevance to disabled employees be discussed at Works Council meetings. The Diversity Team focusses on the issue of gender equality. This is described in more detail in the section on ESRS S1 IRO 9.

ESRS S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The information on the actions taken by the EDAG Group to manage the material impacts and risks related to its own workforce are explained in the sections on the individual IROs, together with the corresponding targets, policies and (if available) metrics, taking into account ESRS 2 MDR-A.

The EDAG Group is a "people business" which focuses strongly on human interaction, relationships and services. Insofar, employees hold a prominent position. To avoid any material negative impacts on its own workforce, the company is guided by the needs of its employees and has adopted various policies relating to employee matters (including several company agreements, a code of conduct and a code of ethics).

ESRS S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The information on the EDAG Group's targets regarding the management of the material impacts and risks related to its own workforce are explained in the sections on the individual IROs, together with the corresponding policies, actions and (if available) metrics, taking into account the ESRS 2 MDR-T.

Only for IRO 8 Occupational Health and Safety and IRO 13 Diversity has the EDAG Group set itself targets which meet all the requirements of ESRS S1-5 in conjunction with ESRS 2 MDR-T for reporting on targets related to advancing positive impacts. The EDAG Group continuously evaluates other key IROs for which it can set targets in line with the ESRS. This is done by the corporate departments, HR in particular, where necessary in consultation with the CFO in his role as Chief Human Resources Officer.

ESRS S1 IRO 1 Secure employment

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
1. Secure employment	The EDAG Group has a positive impact on its employees in the field of secure employment, as the company works almost entirely with permanent employment contracts.		●		●	●	●

The EDAG Group puts its employees first and emphasizes their importance to the company. The focus is on attracting and retaining talented employees, continually developing their skills, and ensuring their long-term ties to the company. As part of the EDAG Group's commitment to human and labor rights, as set out in the values and obligations of the Code of Ethics and Code of Conduct, there is a high proportion of permanent contracts for employees throughout the EDAG Group.

In order to be able to respond flexibly to shifts in demand, employee requirements and local conditions, the EDAG Group has no policies, measures or targets which meet the requirements of the ESRS in place for this IRO.

Nevertheless, the EDAG Group continued its policy of predominantly offering permanent employment contracts in 2024, which is reflected in what we regard as a low proportion of temporary contracts, - currently approx. 4 percent (see section ESRS S1-6) - a large proportion of which are with apprentices.

ESRS S1 IRO 2 Working time and IRO 7 Work-life balance

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
2. Working time							
By offering flexible working hours, little night, weekend or shift work and adequate scheduling of lead times, EDAG has a positive impact on its employees.	Positive actual impacts		●		●	●	●
7. Work-life balance							
By offering attractive working time models, the EDAG Group has a positive impact on its employees. For many of our employees, this includes leave being granted for family reasons, the option of part-time work, mobile work and the use of working time accounts.	Positive actual impacts		●		●	●	●

Policy

In line with national legislation and depending on their activities, EDAG Group employees generally have flexible working hours.

In Germany, this is governed by a number of company agreements concluded in collaboration with employees and their workers' representative, which are published on the intranet. The aim of these company agreements is to make working hours more flexible, to create a better work-life balance, and to allow for advance planning of night, weekend and shift work. Defining a core period and a bandwidth for flexible hours gives employees not included in a specially agreed working model the opportunity, on the basis of a time account in SAP, to choose their own individual working hours within the bandwidth defining starting and finishing times, though taking company requirements into account. Certain employee groups, such as senior executives, employees on shift work and other employees without a flex-time account, are excluded from this arrangement. Subsidiaries with no workers' representation and therefore no manifest company agreements, are guided by the German rules and regulations, applying them as far as possible in their own countries.

Taking social issues into account is an essential component of the regard we have for our employees. In concrete terms, in Germany this means fostering a healthy work-life balance, generally with 30 days' annual leave, opportunities for flexible working hours, and working time accounts. Mobile working provides further opportunities for employees whose work lends itself to flexible working arrangements to choose where they work. As a general rule, working hours are recorded in SAP and can be evaluated if necessary. In his capacity as Employment Director, the CFO is the most senior level with responsibility for ensuring compliance with policies.

Targets

Defining a core period and a bandwidth for flexible hours gives employees the opportunity to organize their own individual working hours within the given framework. In addition, employees are able to work part-time in the majority of positions. A large proportion of the positions we advertise come with a part-time option. This makes it easier to find a balance between work, personal commitments and leisure time. Since this option serves as a flexible instrument provided at the request of employees, the EDAG Group has not set any targets relating to it. 11.5 percent of EDAG Group employees currently work part-time.

Actions

For the majority of positions, the EDAG Group offers flexible working hours and the option of part-time work. Employees and supervisors are in continuous communication, and regular staff appraisals are held to ensure that professional and personal concerns are balanced, and employee satisfaction is increased. Working time accounts, which can be used for sabbaticals or early retirement models, are also an element of the flexible organization of working hours.

ESRS S1 IRO 3 and 4 Adequate wages

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
3. Adequate wages							
EDAG pays its employees an adequate and locally appropriate wage. Depending on the location or country, there are also special payments and other financial incentives.	Positive actual impacts		●		●	●	●
4. Sharply increasing personnel costs							
As we are a labor-intensive company, high or rising personnel expenses have a significant impact on earnings. In this sense, a sharp increase in personnel expenses also poses a risk for the EDAG Group.	Risk		●		●	●	●

Policy

EDAG employees are paid an adequate and locally appropriate wage. Only in a few small subsidiaries are collective pay agreements in place. Since 2023, employees in Germany have been organized into job families and job levels within the job structure. The remaining countries are gradually following suit. The job structure introduced by HR creates transparency regarding career development opportunities, both horizontally across job families and vertically across job levels, as well as describing the requirements for different positions and serving as a basis for additional HR tools.

Targets

The idea behind the Pay Transparency Directive (Directive (EU) 2023/970), which came into force on June 6, 2023, was to reduce the adjusted gender pay gap and make salaries more comparable. EU member states have until June 7, 2026, to implement the requirements. In Germany, this means revising the 2017 Act to Promote Transparency of Pay Structures (Entgelttransparenzgesetz). A project team is currently working on salary bands, so that the legal requirements can be implemented by EDAG.

Actions

The salaries of EDAG Group employees are regularly reviewed and adjusted where necessary, to reward them for their performance and so maintain employee satisfaction. In labor-intensive companies like EDAG, salary increases have a negative impact on the economic result if the cost cannot be passed on to the customers in full or offset by increases in efficiency and performance. For this reason, the interests of the EDAG Group are balanced out against those of its employees when salaries are being adjusted.

In Germany, the type and distribution of pay adjustments for employees are negotiated with the works council. In addition to general adjustments, annual individual adjustments can also be made to even out any irregularities in the pay gap. The salaries of employees at our subsidiaries in the rest of the world are adjusted in line with local conditions. Staff satisfaction with individual salary components and those paid to all employees is discussed in discussions with staff, for instance during annual staff appraisals or leaving interviews, and adjusted if necessary.

As a rule, the financial benefits paid in Germany, some of which are voluntary, include:

- 13th salary equal to 85 percent of a monthly salary
- Compensation for overtime in accordance with company agreement and employment contract
- Profit sharing if predefined Group targets are achieved
- Project bonuses, responsibility allowances, individual performance-related bonus payments
- Additional monthly tax-free payment to a prepaid money card
- Capital-forming payments
- Premium for recommending a new member of staff
- Inventor's bonus
- Emergency loan from the employer
- Financial support for education and training measures
- Increase in short-time compensation
- Numerous online and local purchasing benefits (including travel, furniture and clothing)
- Company cars for employees from level 4
- Bonus for employees celebrating a wedding or the birth of a child
- Bonus for employees celebrating defined company jubilees
- Subsidized lunch at our canteens and partner restaurants

In addition, EDAG subsidizes or pays for a number of insurance and pension benefits in Germany:

- Group accident insurance
- Attractive group contracts for life assurance and occupational disability insurance
- Comprehensive insurance for private cars used for business travel
- Company pension scheme in the form of direct insurance policies with employer contributions of up to 15 percent

ESRS S1-10 Metric: Adequate wages

All EDAG Group employees are paid an adequate wage in line with the applicable national minimum wages. These reference values are either defined by national minimum wages or handed over to collective bargaining parties.

The underlying compensation data was collected locally in the companies, and processed centrally. When assessing whether pay was appropriate, only the contractually agreed remuneration components actually received by employees during the financial year were evaluated. Unpaid absences lasting longer than four weeks and inactive employment periods were excluded when calculating the individual hourly wage. The standard basis for comparison is the minimum hourly wage. The results showed that the data collected gave no indication of any failure to pay the relevant minimum wage.

ESRS S1 IRO 5 Social dialog and IRO 6 Freedom of association and the rights of employees to information, consultation and participation

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
5. Social dialog							
The EDAG Group maintains an open and honest dialog with its employees, in keeping with its corporate culture. Workers' representatives (depending on local conditions) are regularly informed and consulted, and employees have regular staff appraisals with their immediate superiors.	Positive actual impacts		●		●	●	●
6. Freedom of association and the rights of employees to information, consultation and participation							
EDAG employees are generally free to organize themselves into works councils or similar associations. This is, however, country-specific and depends to some extent on local legal regulations.	Positive actual impacts		●		●	●	●

Policy

In some countries, EDAG employees are organized in works councils. Where they exist, local works councils/workers' representatives are involved in important decision-making processes. This also includes the right to information, consultation and participation for some decisions. In Germany, the works constitution provides the framework for determining the depth and detail of discussions on employment-related issues. The EDAG Group does not simply comply with the legal requirements; it also consults the Works Council on other issues, which is monitored by our HR Legal department. The goal is to achieve a constructive dialog leading towards mutually acceptable decisions. To this end, regular elections are held for the employees at EDAG Engineering GmbH and EDAG Production Solutions GmbH & Co. KG in Germany to elect a company-wide Works Council and Youth and Apprentice Representation for each company. At sites outside of Germany, local conditions are observed. At some sites, employees are represented by an elected body, similar to the system in place in Germany, while elsewhere, there are designated workers' representatives. These maintain an ongoing dialog with the management of their entities, and negotiate with them in the interests of the employees.

In Germany, arrangements for regular staff appraisals are standardized in a company agreement. An IT tool is used to support the process, which is monitored by HR.

Targets

The Works Council in Germany discusses the issues that fall under its remit in committees, which usually meet at least once a month. Communication between the Executive Management and employee representatives takes the form of regular meetings between the Works Council and the CFO in his capacity as Employment Director and the Head of HR.

The staff appraisal serves as a tool for ensuring that employees are given tasks which utilize their abilities, strengths and skills, and in this way increasing employee satisfaction and securing competitiveness and jobs in the medium and long term. It is geared towards to improving communication and cooperation between supervisors and employees, recording performance levels, and ensuring the continuous advancement and development of the employee (for more information, see section ESRS S1 IRO 10 Training).

Measures

Staff assemblies for the workforce are held at regular intervals in Germany. In addition, employees are provided with event-related information, new regulations (company agreements), the current status of works council activities and other current issues by the Works Council and/or Executive Management; this information is provided in various formats such as circulars or intranet announcements. Questions raised by employees are answered here by the Works Council or Executive Management. In addition to the staff assemblies, the Works Council also holds regular drop-in sessions at many sites, to maintain close contact and communication with the workforce. Through this direct interaction, works council members can find out what issues are important to the employees. These findings are discussed with the employer, and used to find and determine regulations within the company.

Staff appraisals are held between employees and their superiors at least once a year. An employee's performance during the past assessment period and his or her prospects are discussed during a staff appraisal. For the sake of transparency, the appraisal is documented.

ESRS S1-8 Metric: Social dialog

At the EDAG Group, 73 percent of all employees are covered by employee representatives.

Coverage rate	Collective bargaining coverage		Social dialog
	European Economic Area ¹	Non-European Economic Area ¹	Workers' representatives in the EEA ¹
0 – 19%	Germany	-	-
20 – 39%	-	-	-
40 – 59%	-	-	-
60 – 79%	-	-	-
80 – 100%	-	-	Germany

¹ According to ESRS S1-8, disclosure is only mandatory for countries with at least 50 employees, which is equal to at least 10 percent of the total number of employees of the EDAG Group. Within the EDAG Group, this applies only to Germany.

No agreement in accordance with ESRS S1 paragraph 63b is in place at the EDAG Group.

ESRS S1 IRO 8 Health and safety

	Position in the VC			Time horizon		
	Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
8. Health and safety The EDAG Group has a positive impact with its attractive health management and modern workplace design. Among other things, this includes health-promoting working conditions and a range of health-related courses.		●		●	●	●

Positive actual impacts

Policy

EDAG's health concept for employees in Germany was developed in collaboration with various departments, and approved by the Executive Management. In his capacity as Employment Director, the CFO is the most senior level in our organization with accountability for the health concept, which consists of a vision, a mission and five guiding principles.

Vision: As a global engineering service provider, we offer a health-promoting corporate culture in which people feel appreciated and are valued for their individuality, skills and performance.

Mission: The Health Management team helps managers and employees to create health-promoting working conditions, raise health awareness, and encourage them to take charge of their own health.

Guiding principles:

- For us at EDAG, it goes without saying that we create the kind of working conditions that ensure well-being, performance and business success
- Management are role models for health-conscious behavior. They create a health-promoting work environment and ensure that people treat each other with respect
- All employees take responsibility for both their own health and well-being and for making an active contribution to health and safety at work
- Company health information is widely communicated and made available to all employees
- Health-related questions should be addressed to the Health Management team in Germany which, in cooperation with the technical departments and employees, develops programs to improve company health

The health mission statement is available on the intranet, where it can be accessed by all employees. Health Management regularly holds monitoring meetings with Quality Management.

Company rehabilitation management for employees with long-term illnesses is professionally organized by our Health Management team. The employees concerned are actively approached by our HR business partners who, with the assistance of our occupational rehabilitation process, help them regain their ability to work and return to the workplace.

Occupational health and safety, one of the EDAG Group's framework principles, is based on the Occupational Health and Safety Management System (ISO 45001). For us, health is more than the absence of illness, and we work together to ensure that each and every one of us has a safe work environment. The aim is to operate equipment and processes in such a way that neither our employees nor the environment are endangered. Safety has top priority at EDAG, and the aim is to protect our employees from work-related dangers and implement preventive measures to ensure their good health. Our aim is to ensure and promote the safety of all employees. Under no circumstances does the company culture permit the protection of the people who contribute to our success to be subordinated to business interests. The Group Executive Management, managerial staff and all employees are responsible for the prevention of hazards, injuries, industrial accidents and occupational diseases caused by occupational health and safety infringements. Safety concerns are openly addressed, and employees inform their supervisors and the on-site safety officers without delay.

Targets

The aim of our company Health Management team is to help managers and employees to create health-promoting, motivating working conditions, raise health awareness, and encourage them to take charge of their own health. In the process, our company health management program promotes both the physical and the mental fitness of our employees. No quantitative targets have been set for the health mission statement, as it provides a general framework for activities, and actions - health courses for example - are developed selectively and according to the situation.

One of the targets defined in the EDAG Group's target house for 2024 is to reduce the number of industrial accidents at EDAG to less than 3.75 per 1,000 full-time equivalents (FTE). This includes industrial accidents involving our own employees, regardless of the type of work they do. The target is redefined during the management review each year. The EDAG Group's target for 2025 is to reduce the number of industrial accidents to less than 3.75 per 1,000 full-time equivalents (FTE). The interim status and accident statistics for the German sites are reported to the management at the regular meetings of the Committee for Health and Safety at Work, which is composed of representatives of various interest groups. Any action that needs to be taken is also determined and agreed at these meetings. In the rest of the world, local procedures are adopted.

Measures

As well as providing our employees with an ergonomic and safe workplace as a simple matter of course, we also in Germany have numerous ongoing offers to improve fitness and health. These include, for example, both digital and live events addressing key areas such as resilience and mental health, strength and exercise, and healthy eating. In 2024, these included:

- Running events and running courses at various locations worldwide
- Talks on men's and women's health
- Mental health:
 - "Digital couch" series (mindfulness, keeping a cool head in stressful situations, calming an over-active mind, self-determination in the new work environment)
 - Talks and workshops on inner convictions
 - Talk on stress and burnout
 - Talk on the gut-brain axis
 - Boost your self-awareness!
 - Courage & inner strength
 - Supporting and challenging: a balancing act
 - Blue zones - longevity
- Preventive health (skin cancer screening, eye screening, heart age checks, artery screening)
- Talk on heart health
- Talk on caring for relatives
- Adjusting to retirement
- Nutrition (ketogenic diet, brain food, meal prep course)
- Relaxation program (breathing techniques, relaxation coaching, yoga classes, progressive muscle relaxation)
- Physical activity (office aerobics, HIIT, outdoor courses, Nordic walking)
- Digital Advent calendar featuring exercise, nutrition and mental health
- Specially for management: healthy leadership and managing employees with health issues

The activities provided serve to raise the awareness of employees for health issues, to increase their health literacy and in this way improve their health and increase their performance. They are carried out on site as needed, sometimes also online, in order to increase participation levels.

In addition to the courses, a new health app, the "WorkLifePortal" platform, was launched in the reporting year. It offers a wide range of healthy activities and support for physical and mental well-being, from immediate assistance with tension to stress relief.

Following the first campaign in 2023, blood donation sessions were again held at several sites in 2024, events with a positive social impact both inside and outside of the EDAG Group.

To complete our company health management services, we also offer our employees in Germany an Employee Assistance Program (EAP). This external employee counseling, is holistic and preventive short-term counseling for health, professional and personal issues along the lines of the concept of "helping people to help themselves". This counseling service is free of charge for all EDAG Group employees in Germany.

In order to provide on-site support for employees not employed at the major sites, and offer them activities aimed at maintaining performance and raising health awareness, a concept for health multipliers is currently being implemented at some of the German sites. The health multipliers, who work on behalf of the Health Management team, are the on-site contacts for managers and employees. They take health management-related issues to the various sites, discuss site-specific needs, and organize local health-related activities.

Training and briefing sessions play an essential role in, and are the basis of safe working practice. To prevent industrial accidents, work-related ill health and work-related health hazards, it is important that hazards are identified and presented, and that there are specific briefing sessions for the employees. Briefing means providing employees with instructions and explanations on safety and health protection, geared to the specific workplace or area of responsibility. It is carried out by supervisors before work can begin in the following cases: when new employees are hired, in the event of changes to activities, and if new equipment or technology is introduced. It is adapted in line with the hazards concerned and where necessary repeated regularly; a distinction is made between general, commercial and technical safety instructions. Regardless of whether or not changes have been made, every employee is briefed by his or her manager at least once a year.

The occupational health and safety officers constantly develop and coordinate measures. In order to prevent accidents, the Committee for Health and Safety at Work regularly identifies potential for improvement and adopts appropriate actions during its meetings. Preventive measures can be derived from the results of accident investigations. Potential dangers are also pointed out to the employees during inspections of the company premises.

ESRS S1-14 Health and safety metrics

Health and safety metrics	2024
Percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100%
Number of fatalities as a result of work-related injuries	0
Number of recordable work-related accidents	54
Rate of recordable work-related accidents	3.7

The underlying data was collected locally and then centrally consolidated. Occupational accidents involving at least one day of absence were included in the survey. The number of working hours is based on the working hours recorded by all EDAG Group employees.

**ESRS S1 IRO 9 Gender equality and equal pay for equal work and
IRO 13 Diversity**

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
9. Gender equality and equal pay for equal work							
The EDAG Group is committed to the principle of equal pay for equal work, regardless of gender or social background. Our diversity concept applies to our administrative, management and supervisory bodies.	Positive actual impacts		●		●	●	●
13. Diversity							
Our strength lies in the diversity of our employees. Utilizing this potential, we aim to continue to apply our individual skills and talents to exploring new, innovative and creative avenues and finding solutions. As an internationally active company, EDAG is clearly committed to diversity and general equality. This refers explicitly not only to gender, but also to age, sexual orientation, religious affiliation, ethnic origin, belonging to minorities or indigenous peoples, disabilities and other personal attributes of our employees.	Positive actual impacts		●		●	●	●

⁵ With regard to the Code of Conduct, please see section G1-1 for disclosures in accordance with ESRS MDR-P.

Policy

Our strength lies in the diversity of our employees. Utilizing this potential, we aim to continue to apply our individual skills and talents to exploring new, innovative and creative avenues and finding solutions. The only way to achieve equal opportunities is to exclude nobody. For this reason, we have set down the following in our Code of Conduct⁵: We do not tolerate any discrimination or harassment on account of gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual orientation, or other legally protected characteristics.

EDAG is committed to the principle of equal pay for the equal work, regardless of gender. We aim to create equal opportunities for all EDAG employees. Accounting for 21 percent of the total workforce and 5.1 percent of the top two management levels directly below the Group Executive Board, women are an underrepresented group at EDAG. Women are offered the same opportunities as men and should also be able to establish themselves in management positions. As a company, it is our duty to create ideal working conditions for all potential and existing employees. Our target is to increase the proportion of women in the workforce, and in top management in particular.

It is not only intrinsic motivation that spurs us to create equal opportunities. We strive for gender equality because it is part of our culture. This equality naturally includes equal pay for equal work, regardless of gender, a principle we have set out in our group-wide Code of Conduct. This is available in-house on the intranet and externally on our homepage. We adhere rigorously to the principle of fair pay, and offer our employees attractive social benefits and fair working conditions. In this respect, too, the Group Executive Management and senior management have a special responsibility.

Targets

In preparation for the European Pay Transparency Directive, work is currently being carried out on the introduction of salary bands, which are initially to be established in Germany in the next few years. Following its implementation, a global expansion is planned. According to the directive, the pay gap should not exceed 5 percent if it cannot be justified on the basis of objective, gender-neutral factors. In the future, this will allow for a more meaningful comparability than the gender pay gap calculated in accordance with the ESRS guidelines used for this report.

A diversity concept has been developed for the Group Executive Management and the Board of Directors, and this is available on our website. The Board of Directors has approved a diversity concept for the structure of the Group Executive Management, which, to a large extent, also takes into account the recommendations of the Swiss Code of Best Practice for Corporate Governance. In its considerations as to which individual would best complement the Group Executive Management as a body, the Board of Directors has taken pains to ensure that diversity is not entirely neglected. When speaking of diversity as a factor in decision-making, the Board of Directors means a variety of complementary profiles, professional and personal

experiences, also in the international arena. The Board of Directors has not set a separate target for the proportion of women in the Group Executive Management.

The Board of Directors of EDAG Engineering Group AG has approved specific staffing targets. These also, to a large extent, take into account the recommendations of the Swiss Code of Best Practice for Corporate Governance. When searching for qualified individuals to join the Board of Directors, whose technical and managerial skills would best strengthen the Board as a body, attention should also be paid to diversity. When preparing proposals for appointments, each case should be assessed to determine the extent to which the work of the Board of Directors would benefit from a variety of complementary professional profiles, professional and personal experiences, also in the international arena, and adequate representation of both genders. Considering qualified women for positions on the Board of Directors is the responsibility of everyone entitled to nominate and vote. With a current female representation of 20 percent, both genders are in our opinion adequately represented on the Board of Directors.

In a resolution passed by the Executive Management of EDAG Engineering GmbH in August 2023, it was decided that the proportion of female managers would be increased by 2027, in accordance with § 36 of the German Limited Liability Companies Act (GmbHG). For EDAG Engineering GmbH, the rates set for female managers are 7 percent or 3 persons for the first management level below Executive Management and 10 percent or 61 persons for the second management level below Executive Management, with the absolute figures referring to the number of managers at the end of 2023. As of December 31, 2024, the proportion of women holding first-level management positions stood at 0 percent (0 persons) and second-level management positions at 8.1 percent (49 persons).

In 2022, the Group Executive Management set up a project team to strengthen gender equality in the EDAG Group. The team develops and proposes actions to create equal opportunities for all EDAG Group employees. One thing that should be pointed out here is the fact that the proportion of women studying the STEM subjects essential for the EDAG Group's operational divisions is still well below the proportion of men.

Besides pursuing the target of employee skill building, EDAG also strives to maintain a diversified workforce. Having a mix of experienced and young employees is an integral part of our personnel policy, as is cultural diversity.

Actions

In cooperation with employee representatives, a project team will draw up salary bands for employees in Germany, in preparation for the Pay Transparency Directive. As already outlined, according to the directive, the pay gap should not exceed 5 percent if it cannot be justified on the basis of objective, gender-neutral factors. When working out the requirements for the Pay Transparency Directive, the first step will be to identify whether there is any need for action on the part of the EDAG Group.

Further, an interdisciplinary Gender Equality project team with members from numerous different teams was established to develop actions aimed specifically at increasing EDAG's attractiveness as an employer for female employees. This created a central point of contact for all employees, where they can put forth their ideas, but also draw attention to possible grievances. Another important point is raising the awareness of our managers. Gender equality and diversity are also explicitly addressed in our talent program. Steps to reinforce gender equality will continue to be pursued in the next financial year.

By increasing the number of job advertisements in the English language, we succeeded in significantly increasing diversity in terms of nationality. Moreover, one of the goals of our recruiting and HR development activities is the targeted recruitment and promotion of female specialists and managers. To increase the diversity of the applications we receive, we continued to focus on diversifying our targeting strategy. In order to increase the proportion of women applying for jobs, we changed our Group-wide communication to gender-neutral language on our careers site and in job advertisements, and focused more specifically on women in campaigns. A large proportion of the positions we advertise come with a part-time option.

ESRS S1-9 Diversity metrics

Gender distribution in number and percentage at the two top management levels¹:

	Female	Male
Number	4	75
Proportion	5.1%	94.9%

¹ Headcount on 12/31/2024

When calculating the gender distribution at group level, as defined by S1-9, we included the first two management levels in Germany and the managing directors of subsidiaries outside of Germany. The proportion of women described above in the section "Targets" refers only to EDAG Engineering GmbH. The definition used there differs from the definition of the gender distribution at management level presented here in S1-9.

Distribution of employees by age group¹:

Under 30 years old	30 – 50 years old	Over 50 years old
28.4%	54.4%	17.2%

¹ Headcount on 12/31/2024

ESRS S1-16 Remuneration metrics

The EDAG Group's worldwide average gross hourly pay level of male employees is 12.8 percent higher than the average gross hourly pay level of female employees, not taking into account adjustments for metrics such as differences in purchasing power or professional categories. To calculate this, the difference between the average gross hourly pay levels of female and male employees was identified and divided by the average gross hourly pay level. All employees and all salary components paid during the financial year were included in the calculation, regardless of factors such as country, job family, job level, employee or manager status, professional or academic qualifications.

There are a number of reasons that explain the difference, or put it into perspective. A look at the employees in Germany shows that women are on average almost one job level below the average for men. Mean salaries increase significantly from one job level to the next. There are differences of between 10 and 20 percent between job levels. Likewise, the 22 percent of women in Germany are not evenly distributed across the job families in our highly STEM-oriented business model. An above-average number of women are employed in the administration job family, for example. The average salary in this job family is approx. 14 percent below the average EDAG salary in Germany, and this also explains the gender-related salary difference, or puts it into perspective. This can also be seen in the current situation of the managerial staff: the proportion of women in management positions is well below the proportion of women at EDAG in Germany. The responsibilities associated with these job families (leadership, project management and sales) mean that salaries in these areas are well above the overall average. The third main explanation is age. On average, the women at EDAG in Germany are about 1.5 years younger than their male colleagues. Given that experience of life and work experience are reflected in higher salaries, the difference in age also goes some way towards explaining the difference in pay levels between female and male employees.

The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees is 17:1, without consideration of and adjustment for metrics such as differences in purchasing power. For better comparability, the total compensation paid in 2024 was calculated and included on the basis of full-time employment and for the entire year.

ESRS S1 IRO 10 Training and skills development

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
10. Training and skills development							
EDAG offers its employees a variety of training and development concepts, including classroom-based and online training, skills development programs, and LinkedIn learning opportunities. The purpose of these programs is to enable our employees to enhance their existing knowledge and acquire new skills.			●		●	●	●
Positive actual impacts							

Policy

The EDAG Group puts its employees first and emphasizes their importance to the company. For this reason, attracting the right employees, continuously developing their skills, and retaining them in the company are of the utmost importance. When preparing the annual business plans, the management determines the volume and content of the training and skills development-related activities. In Germany, in addition to the mandatory training sessions, further specific training activities are discussed and agreed by the employees and their superiors during staff appraisals.

Targets

The EDAG Group's target is to have the right employees with the right skills and mindsets working in the right place at the right time. Employees are to be provided with the training they need to be perfect for their jobs, and so that vacancies can be filled internally. To this end, employees are trained in line with the needs of the technical departments.

Another ambition of the EDAG Group is to be seen as an attractive employer, and one which promotes continuous professional growth. Two short-term targets for 2024 which are set out in EDAG's target house for 2024 are the introduction of LinkedIn Learning to promote a learning culture, and the launch of the EDAG Talent Program.

Measures

The requirements for the successful completion of customer projects identified by the departments and training requirements arising from staff appraisals form the basis of a training program. Training requirements are also generated from project reviews, calls for bids, development discussions, audits and certification processes. We constantly examine and monitor our HR development instruments and activities, and gear them to current company requirements.

Our training program is therefore regularly reviewed and adapted to ensure that it is of high quality and remains up-to-date and future-oriented.

The introduction of LinkedIn Learning as a learning platform also represents a further milestone in the development of our learning culture. This online training program can be individually adjusted to specific professional development targets. It provides personalized learning paths from which employees can select whichever content is relevant to their needs.

The new talent program has been designed to address both the current challenges in the world of work and demographic change. The aim is to offer employees from our own ranks the best possible training opportunities and promotion prospects. EDAG Qualifying is a tailor-made program designed to promote employees' careers and their personal development. The program, which lasts about nine months and includes both online and classroom-based formats, was launched in 2024 with two groups, each consisting of 15 employees.

ESRS S1 IRO 11 The employment and inclusion of people with disabilities

	Position in the VC			Time horizon		
	Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
11. The employment and inclusion of people with disabilities						
Wherever possible, the EDAG Group promotes barrier-free workplaces for people with physical disabilities. In accordance with our Code of Conduct, we do not tolerate any discrimination or harassment on the grounds of physical or mental disabilities.		●		●	●	●

Positive actual impacts

Policy

The EDAG Group's Code of Conduct, which is described in more detail in section G1-1, clearly states that we will tolerate no discrimination or harassment on account of gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual orientation, or other legally protected characteristics. Moreover, in its Code of Ethics, the EDAG Group has committed to the ten principles of the UN Global Compact. One of the principles calls for the elimination of discrimination in respect of employment and occupation. Being the most senior level in the EDAG Group, the Group Executive Management is responsible for ensuring compliance with the Code of Conduct.

Targets

Given that the qualifications of applicants are the main factor considered in the recruitment and employment process, the EDAG Group has not set any targets relating to people with disabilities.

Actions

There is no set or standardized process for the employment and inclusion of people with disabilities. Instead, the design of the workplaces is individually adapted to the specific needs and requirements of the persons concerned. This can, for example, mean that work areas are converted or special technical aids provided to create as barrier-free and efficient a work environment as possible. The aim is to promote an inclusive and supportive work atmosphere that accommodates people's individual abilities and needs.

ESRS S1 IRO 12 Measures against violence and harassment in the workplace

	Position in the VC			Time horizon		
	Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
12. Measures against violence and harassment in the workplace In accordance with our Group-wide Code of Conduct, we do not tolerate any harassment or discrimination in the workplace on account of any of a range of social characteristics such as gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual orientation, or other legally protected characteristics.		●		●	●	●

Positive actual impacts

Policy

The EDAG Group's Code of Conduct, which is also described in section G1-1, clearly states that we will tolerate no discrimination or harassment on account of gender, cultural or national origin (ethnicity), citizenship, religion or belief, physical or mental disability, age, sexual orientation, or other legally protected characteristics. Managers are accountable for compliance with the Code of Conduct in their areas of responsibility. Being the most senior level, the Group Executive Management is accountable for compliance throughout the entire group.

In addition to the stipulations set out in its Code of Conduct, the EDAG Group has also, in its Code of Ethics, committed to the ten principles of the UN Global Compact. One of the principles calls for the elimination of discrimination in respect of employment and occupation. Both codes are available to employees on the intranet and our website.

Targets

Neither violence, harassment nor discrimination in the workplace will be tolerated within the EDAG Group.

Actions

To avoid incidents, employees are generally required to participate in compliance training once a year. This is explained in more detail in section G1-1. Should isolated incidents occur, disciplinary action is taken.

ESRS S1-17 Incidents, complaints and severe human rights impacts

In the 2024 reporting year, three cases of discrimination, including harassment, were reported.. No complaints were filed through channels for people in the company's own workforce to raise concerns (including grievance mechanisms) related to matters defined in S1 paragraph 2. The discrimination cases resulted in no fines, sanctions or compensation for damages. The cases were analyzed and the necessary measures taken.

No severe human rights incidents connected to the company's own workforce were registered in the reporting year.

GOVERNANCE INFORMATION

ESRS G1 BUSINESS CONDUCT

Impacts, Risks and Opportunities

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

		Position in the VC			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
G1 Business conduct							
1. Corporate culture in own operations							
Positive impact of our corporate culture: Our corporate culture, which is based on trust, reliability, fairness and transparency, has a positive impact on our employees. To this end, the EDAG Group defines group-wide guidelines regarding its value system.	Positive actual impacts		●		●	●	●
2. Corporate culture							
Due to the fact that we are a service provider, our employees are a key factor in our success. The corporate culture we live by is central to attracting and retaining employees. The EDAG Group places great value on developing a resilient and innovation-friendly culture to motivate employees. As a result, we are able to retain skilled employees and attract new talent.	Opportunity		●		●	●	●

A positive corporate culture is strategically anchored in a clear set of values and codified in group-wide guidelines (presented in detail under ESRS G1-1). Our corporate culture, which shapes both our daily interactions with our employees and our direct and personal contact with our customers, is a decisive factor in our success. To properly address its enormous significance, we have established a number of actions, one of which meets all the requirements of ESRS MDR-A. This is presented in section ESRS G1-1.

Management of the Impacts, Risks and Opportunities

ESRS G1-1 Policies in relation to business conduct and corporate culture

Building on our corporate vision and overall strategy, we regard value-based corporate governance as being fundamental to our ability to operate successfully in international business operations and promote long-term, sustainable economic success⁶.

As the EDAG Group is one of the world's leading engineering service providers, its corporate values and culture are therefore decisive factors in its success. At EDAG, these are codified as group-wide policies through a series of guidelines including the Code of Conduct, the Code of Ethics and the Whistleblower Guidelines.

⁶ EDAG's corporate governance is described in detail in the Corporate Governance Report section of the Group Management Report in the Annual Report for 2024, to which reference is made at this point.

Code of Conduct

Our Code of Conduct contains principles for legally compliant behavior, and applies to all business activities undertaken by the EDAG Group. In its Code of Conduct, EDAG commits to compliance with the principles of the UN Global Compact and with other relevant international and national standards concerning environmental management and energy management, for example, the German Supply Chain Due Diligence Act, export control regulations or competition and antitrust laws. The Code of Conduct, which defines the most important rules and standards as benchmarks for EDAG's global business activities, serves as a binding company guideline for legally compliant behavior within the EDAG Group. This makes it a key element of the EDAG Compliance Management System. The current version of the Code of Conduct is available to all employees on the EDAG intranet and on the EDAG homepage.

Anti-corruption is an important element of our Code of Conduct. EDAG stands for honest business activities in which the companies with the best products and services prevail in the market. We therefore categorically reject any form of corruption or undue influence, and take active measures to prevent actual and attempted corruption. There were no confirmed cases of corruption in the EDAG Group in the reporting year.

First and foremost, ensuring compliance is the responsibility of the company's Group Executive Management, which to this end has set up internal monitoring instruments such as the internal control and risk management systems and the Internal Revision department. In addition, each of the company's managers is responsible for the implementation of the rules of conduct in his or her field of responsibility. As the most senior supervisory body, the Board of Directors is responsible for monitoring the effectiveness of the compliance management system and compliance with the rules of conduct.

Code of Ethics

In the EDAG Code of Ethics, the EDAG Group commits to the sustained support and implementation of the ten principles of the UN Global Compact, in this way meeting its social responsibilities. It states that the EDAG Group supports and respects the observance of human rights and international labor standards. This clear and unequivocal commitment to the UN's core values in the areas of human rights, labor standards, environmental protection and anti-corruption is an irrevocable cornerstone of our corporate culture.

The current version of the Code of Ethics is available to all employees on the EDAG intranet and on the EDAG homepage.

Making the UN's core values the basis for our activities means that we take the interests of a wide range of groups including children, indigenous peoples and disadvantaged people into account. The managers at EDAG are responsible for compliance with these core values in their own fields of responsibility.

Whistleblower Guidelines

Valid throughout the Group, the Whistleblower Guidelines provide information on the existing reporting channels and other means of reporting misconduct at EDAG, and provide details of the reporting process and the measures in place to protect whistleblowers. The objective of these guidelines is to provide EDAG employees and other persons who come into possession of specific evidence of breaches of rules or other unlawful conduct in connection with work-related activities or internal processes at EDAG with instructions on how to report such information. These guidelines therefore serve not only to uncover irregular conduct, but also and in particular to protect whistleblowers. Our Whistleblower Guidelines summarize the various reporting channels for making disclosures, while also providing information on how such disclosures are handled at EDAG.

With the whistleblower system, we offer employees a means of reporting misconduct with no fear of negative consequences. It helps the EDAG Group to detect and correct breaches of rules in good time. The guidelines implement both EU requirements and national laws for the establishment and maintenance of reporting systems and the protection of whistleblowers.

EDAG's electronic whistleblower hotline may be used by all stakeholders, not just EDAG employees, to report misconduct. This can be accessed using the following link: <https://edag.integrityline.com/?lang=en>. A separate reporting channel has been set up to deal with breaches of rules in the supply chain.

First and foremost, ensuring compliance is the responsibility of the company's Group Executive Management. The guidelines define how compliance reports should be handled and who is responsible for what in this process. They are in line with applicable legislation. By implementing the guidelines (Directive EU 2019/1937), the EDAG Group ensures that incidents related to company policy, including cases of corruption and bribery, are investigated promptly, independently and objectively. This is the responsibility of the Compliance department.

Awareness-raising measures for correct behavior: training programs

For a compliance management system (CMS) to be effective, it is essential that the attention of the company's employees should be continually drawn to the subject of compliance, so that they can develop an awareness of critical issues in the daily working environment. One effective way of engendering this sensitivity for compliance is to provide appropriate training programs.

To this end, in previous financial years we established a compliance training program which forms a central element of our CMS and includes a modular, web-based compliance training unit as an obligatory training requirement for all EDAG Group employees, generally to be completed once a year. It provides employees with practical case studies and information on the whistleblower system, reporting channels and corruption, for example. In order to be able to better monitor its effectiveness, the compliance training obligatory for all employees contains a test module. With this additional assessment, we are able to determine the success of our training module more effectively and more directly, and at the same time it offers the employees the opportunity to check the knowledge they have acquired. As managers bear particular responsibility for preventing compliance-relevant incidents, they also undergo special anti-corruption training.

ANNEX

EU TAXONOMY: TEMPLATES FOR THE KPIS OF NON-FINANCIAL UNDERTAKINGS

The reporting templates for the individual performance indicators sales revenues, CapEx and OpEx specified in Delegated Regulation (EU) 2021/2178 Annex II in conjunction with Delegated Regulation (EU) 2023/2486 are shown below.

Template 1: Proportion of revenues from goods or services associated with taxonomy-aligned economic activities - Disclosure covering 2024

Financial Year 2024	2024			Substantial contribution criteria					
Economic activities	Code ¹	Sales revenues	Proportion of sales revenues, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
Text		in € thousand	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Sales revenues of environmentally sustainable activities (taxonomy-aligned) (A.1)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Of which enabling		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Of which transitional		n/a	n/a	n/a					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
				EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³
Sales revenues of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A. Sales revenues of taxonomy-eligible activities (A.1+A.2)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TAXONOMY NON-ELIGIBLE ACTIVITIES									
Sales revenues of taxonomy non-eligible activities		821,907	100%						
TOTAL		821,907	100%						

	DNSH criteria ('Does Not Significantly Harm')									
	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) sales revenues, year 2023 ⁴	Category enabling activity	Category transitional activity
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		n/a
								-		
								-		

¹ The code indicates the abbreviation for the particular environmental objective to which the economic activity can make a significant contribution: CCM (Climate Change Mitigation), CCA (Climate Change Adaptation), Water and Marine Resources: WTR (Water), CE (Circular Economy), PPC (Pollution Prevention and Control), BIO (Biodiversity and ecosystems).

² Explanation: Y - Yes, activity taxonomy-eligible and compliant with the relevant taxonomy-aligned environmental objective; N - No, activity taxonomy-eligible, but not compliant with the relevant taxonomy-aligned environmental objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant environmental objective.

³ Explanations: EL - "eligible", activity taxonomy-eligible for the relevant objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant objective.

⁴ Non-financial companies do not need to disclose comparative information until the 2025 financial year. There will therefore be no disclosure for 2023.

The following table shows the volume of taxonomy eligibility and taxonomy alignment for sales revenues for each environmental objective:

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	0%	0%
Climate change adaptation (CCA)	0%	0%
Water and marine resources (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution prevention and control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

Template 2: Proportion of CapEx from goods or services associated with taxonomy-aligned economic activities - Disclosure covering 2024

Financial Year 2024	2024			Substantial contribution criteria					
Economic activities	Code ¹	CapEx	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
Text		in € thousand	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	66	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of technologies for renewable energies	CCM 7.6	206	1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		271	1%	n/a	n/a	n/a	n/a	n/a	n/a
Of which enabling		271	1%	n/a	n/a	n/a	n/a	n/a	n/a
Of which transitional		0	0%	n/a					

[illegible]

Financial Year 2024	2024			Substantial contribution criteria					
Economic activities	Code ¹	CapEx	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
				EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3,767	8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	116	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of technologies for renewable energies	CCM 7.6	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		3,883	8%	n/a	n/a	n/a	n/a	n/a	n/a
A. CapEx of taxonomy-eligible activities (A.1+A.2)		4,154	9%	n/a	n/a	n/a	n/a	n/a	n/a
TAXONOMY NON-ELIGIBLE ACTIVITIES									
Sales revenues of taxonomy non-eligible activities		44,551	91%						
TOTAL		48,705	100%						

DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) CapEx, year 2023 ⁴	Category enabling activity	Category transitional activity
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				
							n/a		
							n/a		
							n/a		
							n/a		
							n/a		
							n/a		
							n/a		
							n/a		

¹ The code indicates the abbreviation for the particular environmental objective to which the economic activity can make a significant contribution: CCM (Climate Change Mitigation), CCA (Climate Change Adaptation), Water and Marine Resources: WTR (Water), CE (Circular Economy), PPC (Pollution Prevention and Control), BIO (Biodiversity and ecosystems).

² Explanation: Y - Yes, activity taxonomy-eligible and compliant with the relevant taxonomy-aligned environmental objective; N - No, activity taxonomy-eligible, but not compliant with the relevant taxonomy-aligned environmental objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant environmental objective.

³ Explanations: EL - "eligible", activity taxonomy-eligible for the relevant objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant objective.

⁴ Non-financial companies do not need to disclose comparative information until the 2025 financial year. There will therefore be no disclosure for 2023.

The following table shows the volume of taxonomy eligibility and alignment for CapEx for each environmental objective:

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	1%	9%
Climate change adaptation (CCA)	0%	0%
Water and marine resources (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution prevention and control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

Template 3: Proportion of OpEx from goods or services associated with taxonomy-aligned economic activities - Disclosure covering 2024

Financial Year 2024	2024			Substantial contribution criteria					
Economic activities	Code ¹	CapEx	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
<i>Text</i>		<i>in € thousand</i>	%	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²	Y; N; N/EL ²
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Of which enabling		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Of which transitional		n/a	n/a	n/a					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
				EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³	EL; N/EL ³
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A. OpEx of taxonomy-eligible activities (A.1+A.2)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TAXONOMY NON-ELIGIBLE ACTIVITIES									
OpEx of taxonomy non-eligible activities		33,794	100%						
TOTAL		36,794	100%						

¹ The code indicates the abbreviation for the particular environmental objective to which the economic activity can make a significant contribution: CCM (Climate Change Mitigation), CCA (Climate Change Adaptation), Water and Marine Resources: WTR (Water), CE (Circular Economy), PPC (Pollution Prevention and Control), BIO (Biodiversity and ecosystems).

² Explanation: Y - Yes, activity taxonomy-eligible and compliant with the relevant taxonomy-aligned environmental objective; N - No, activity taxonomy-eligible, but not compliant with the relevant taxonomy-aligned environmental objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant environmental objective.

³ Explanations: EL - "eligible", activity taxonomy-eligible for the relevant objective; N/EL - "not eligible", activity not taxonomy-eligible for the relevant objective.

⁴ Non-financial companies do not need to disclose comparative information until the 2025 financial year. There will therefore be no disclosure for 2023.

As explained above, there is no reporting obligation with regard to the OpEx KPI on account of immateriality.

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate change mitigation (CCM)	0%	0%
Climate change adaptation (CCA)	0%	0%
Water and marine resources (WTR)	0%	0%
Circular economy (CE)	0%	0%
Pollution prevention and control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

ESRS 2 IRO-2 CONTENT INDEX OF THE ESRS DISCLOSURE REQUIREMENTS

ESRS 2 General Requirements	
Disclosure requirement	Section
BP-1 – General principles for the preparation of the Sustainability Statement	ESRS 2 BP-1
BP-2 – Disclosures in relation to specific circumstances	ESRS 2 BP-2
GOV-1 – The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	ESRS 2 GOV-2
GOV-3 – Integration of sustainability-related performance in incentive schemes	ESRS GOV-3
GOV-4 – Statement on due diligence	ESRS GOV-4
GOV-5 – Risk management and internal controls over sustainability reporting	ESRS GOV-5
SBM-1 – Strategy, business model and value chain	ESRS SBM-1
SBM-2 – Interests and views of stakeholders	ESRS SBM-2
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS SBM-3
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	ESRS IRO-1
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statements	ESRS IRO-2

ESRS E1 Climate Change	
Disclosure requirement	Section
Related to ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	ESRS 2 GOV-3
E1-1 – Transition plan for climate change mitigation	ESRS E1-1
Related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS E1 SBM-3
Related to ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS 2 IRO-1
E1-2 – Policies related to climate change mitigation and adaptation	ESRS E1-2
E1-3 – Actions and resources in relation to climate change policies	ESRS E1-3
E1-4 – Targets related to climate change mitigation and adaptation	ESRS E1-4
E1-5 – Energy consumption and mix	n/a
E1-6 – Gross scope 1, 2, and 3 and total GHG emissions	ESRS E1-6

ESRS E1 Climate Change	
Disclosure requirement	Section
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	n/a
E1-8 – Internal carbon pricing	n/a
E1-9 – Anticipated financial impacts from material physical and transition risks and potential climate-related opportunities	n/a

ESRS E2 Pollution	
Disclosure requirement	Section
Related to ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	ESRS 2 IRO-1
ESRS E2-1 – Policies related to pollution	ESRS E2-1
E2-2 – Actions and resources related to pollution	ESRS E2-3
E2-3 – Targets related to pollution	ESRS E2-3
E2-4 – Pollution of air, water and soil	ESRS E2-4
E2-5 – Substances of concern and substances of very high concern	n/a
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities	n/a

ESRS S1 Own Workforce	
Disclosure requirement	Section
Related to ESRS 2 SBM-2 – Interests and views of stakeholders	ESRS 2 SBM-2
Related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	ESRS S1 SBM-3
ESRS S1-1 – Policies related to own workforce	ESRS S1-1
ESRS S1-2 – Processes for engaging with own workers and workers' representatives about impacts	ESRS S1-2
ESRS S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	n/a
S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	ESRS S1-4
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	ESRS S1-5
S1-6 – Characteristics of the undertaking's employees	ESRS S1-6
S1-7 – Characteristics of non-employee workers in the undertaking's own workforce	n/a
S1-8 – Collective bargaining coverage and social dialog	ESRS S1-8
S1-9 – Diversity metrics	ESRS S1-9
S1-10 – Adequate wages	ESRS S1-10

ESRS S1 Own Workforce	
Disclosure requirement	Section
S1-11 – Social protection	n/a
S1-12 – Persons with disabilities	n/a
S1-13 – Training and skills development metrics	n/a
S1-14 – Health and safety metrics	ESRS S1-14
S1-15 – Work-life balance metrics	n/a
S1-16 – Remuneration metrics	ESRS S1-16
S1-17 – Incidents, complaints and severe human rights impacts	ESRS S1-17

ESRS G1 Business conduct	
Disclosure requirement	Section
Related to ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies	ESRS 2 GOV-1
Related to ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2 IRO-1
G1-1 – Policies in relation to business conduct and corporate culture	G1-1
G1-2 – Management of relationships with suppliers	n/a
G1-3 – Prevention and detection of corruption and bribery	n/a
G1-4 – Confirmed incidents of corruption or bribery	n/a
G1-5 – Political influence and lobbying activities	n/a
G1-6 – Payment practices	n/a

ESRS 2 IRO-2: LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		✓
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		✓
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				✓
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on environmental risk, and Table 2: Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		X
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		X
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Annex II		X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12 (1), Delegated Regulation (EU) 2020/1816, Annex II		X
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	✓
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12 paragraph 1 (d) to (g), and Article 12(2)		✓
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		✓
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 of Annex 1 and indicator number 5 Table #2 of Annex 1				X
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				X
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, paragraph 44	Indicators numbers 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), Article 6 and Article 8(1)		✓
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		✓
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	X
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: exposures subject to physical risk			X
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: loans collateralized by immovable property – energy efficiency of the collateral			X
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69				Commission Delegated Regulation (EU) 2020/1818, Annex II	X
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 of Table #1 of Annex 2				X
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 of Table #2 of Annex 1				X
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				X
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.1 Table #2 of Annex 1				X
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1				X
ESRS 2 – IRO-1 - E4, paragraph 16 (a) i	Indicator number 10 Table #2 of Annex 1				X
ESRS 2 – IRO-1 - E4, paragraph 16 (b)	Indicator number 14 Table #2 of Annex 1				X
ESRS 2 – IRO-1 - E4, paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				X
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				X
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				X
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				X
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				X
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS 2- SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				X
ESRS 2- SBM3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				X
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				✓
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		✓
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex 1				X
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex 1				✓
ESRS S1-3 Grievance/ complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1				X
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		✓

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1				✓ Exemption provision for 2024
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		✓
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1				✓
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1				✓
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Indicator number 10 Table #1 of Annex 1 and Indicator number 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art. 12 (1)		✓
ESRS 2 SBM3-S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators numbers 12 and 13 Table #3 of Annex 1				X
ESRS S2-1 Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				X
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicators numbers 11 and 4 Table #3 of Annex 1				X
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art. 12 (1)		X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		X
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 of Table #3 of Annex 1				X
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				X
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1)		X
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 of Table #3 of Annex 1				X
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				X
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art. 12 (1)		X
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 of Table #3 of Annex 1				X

Disclosure requirement and related datapoint	SFDR reference ¹	Pillar 3 reference ²	Benchmark provision reference ³	EU climate law reference ⁴	Material ✓ / Non-material X
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				X
ESRS G1-1 Protection of whistle blowers, paragraph 10 (d)	Indicator number 6 of Table #3 of Annex 1				X
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 of Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		X
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				X

¹ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

² Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

⁴ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

SUSTAINABILITY INFORMATION STEMMING FROM OTHER LEGISLATION

Additional information on non-financial matters

With this Sustainability Report, EDAG Engineering Group AG fulfills its obligation to prepare an annual report on non-financial matters. The Sustainability Report has been consolidated for the entire EDAG Group and prepared in conformity with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), as applicable in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council in conjunction with Regulation (EU) 2023/2772 of the European Parliament and of the Council through standards for sustainability reporting in the EU. The relevant legal requirements under Swiss law are met by this sustainability statement.

The English version of the Group Sustainability Report is a translation of the German version. The German version is legally binding.

Arbon, April 24, 2025

EDAG Engineering Group AG



Georg Denoke, Chairman of the Board of Directors



Holger Merz, Member of the Group Executive Management (CFO)



Harald Keller, Member of the Group Executive Management (CEO)

REPORT OF THE STATUTORY AUDITOR

ASSURANCE REPORT OF THE INDEPENDENT PRACTITIONER ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE SEPARATE CONSOLIDATED NON-FINANCIAL REPORT (“CONSOLIDATED SUSTAINABILITY REPORT”)

To EDAG Engineering Group AG, Arbon/Switzerland

Assurance Conclusion

We have conducted a limited assurance engagement on the separate Consolidated Non-Financial Report of EDAG Engineering Group AG, Arbon/Switzerland, for the financial year from January 1 to December 31, 2024 prepared for complying with Section 117 no. 1 German Securities Trading Act (WpHG) in conjunction with Sections 315b and 315c German Commercial Code (HGB) including the disclosures for complying with the requirements under Article 8 of Regulation (EU) 2020/852 included in this Consolidated Non-Financial Report (hereinafter referred to as “the Consolidated Non-Financial Reporting”).

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Consolidated Non-Financial Reporting for the financial year from January 1 to December 31, 2024 is not prepared, in all material respects, in accordance with Section 117 no. 1 WpHG in conjunction with Sections 315b and 315c HGB and the requirements of Article 8 of Regulation (EU) 2020/852 and the specifying criteria presented by the executive directors of the Company.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information,” issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section “Practitioner’s Responsibilities for the Assurance Engagement on the Consolidated Non-Financial Reporting.”

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Principles of Preparation of the Consolidated Non-Financial Reporting

Without modifying our conclusion, we draw attention to the details provided in the Consolidated Non-Financial Reporting, which describe the principles of preparation of the Consolidated Non-Financial Reporting. According to these principles, the Company has applied the European Sustainability Reporting Standards (ESRS) to the extent described in section ESRS 2 BP-1 of the Consolidated Non-Financial Reporting.

Responsibilities of the Executive Directors and the Board of Directors for the Consolidated Non-Financial Reporting

The executive directors are responsible for the preparation of the Consolidated Non-Financial Reporting in accordance with the applicable German legal and European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a consolidated non-financial reporting in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Non-Financial Reporting) or error. This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Consolidated Non-Financial Reporting as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The board of directors is responsible for overseeing the process for the preparation of the Consolidated Non-Financial Reporting.

Inherent Limitations in Preparing the Consolidated Non-Financial Reporting

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors are responsible for the reasonableness of these interpretations.

As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the separate Consolidated Non-Financial Report is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the separate Consolidated Non-Financial Reporting.

Practitioner's Responsibilities for the Assurance Engagement on the Consolidated Non-Financial Reporting

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the separate Consolidated Non-Financial Report has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the separate Consolidated Non-Financial Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the separate Consolidated Non-Financial Report, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the separate Consolidated Non-Financial Report.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the Practitioner

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Consolidated Non-Financial Reporting.
- inquired of the executive directors and relevant employees involved in the preparation of the Consolidated Non-Financial Reporting about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Non-Financial Reporting, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Consolidated Non-Financial Reporting.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Consolidated Non-Financial Reporting.
- conducted site visits.
- considered the presentation of the information in the Consolidated Non-Financial Reporting.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Non-Financial Reporting.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). 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 than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Cologne/Germany, April 24, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
Sebastian Dingel
Partner

Signed:
Eike Bernhard Hellmann
Senior Manager

LIST OF ABBREVIATIONS

B2B	Business-to-business
BAFA	Bundesamt für Wirtschaft und Ausfuhrkontrolle (Federal Office of Economics and Export Control)
BEM	Company Reintegration Management
BEV	Battery electric vehicle
BIO	Biodiversity and ecosystems
BP	Basis for preparation
BP-1	Disclosure Requirement - General basis for preparation of the sustainability statements
BP-2	Disclosure Requirement - Disclosures in relation to specific circumstances
CaDI	Carbon Database Initiative
CapEx	Capital expenditure
CCA	Climate change adaptation
CCM	Climate change mitigation)
CE	Circular economy
CMS	Compliance Management System
CO₂	Carbon dioxide
CO₂e	Carbon dioxide equivalent
COGS	Cost of goods sold
CSRD	Corporate Sustainability Reporting Directive
CSR	Corporate social responsibility
CSR-RUG	CSR Directive Implementation Act
DEFRA	British Department for Environment, Food & Rural Affairs
DNSH	Do No Significant Harm
E	Environment
EAP	Employee Assistance Program
EBIT	Earnings before interest and taxes
EL	Taxonomy-eligible
EPA	U.S. Environmental Protection Agency
E-PRTR	European Pollutant Release and Transfer Register
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
EEA	European Economic Area
FTE	Full-time equivalent

G	Governance
GEMIS	Global Emissions Model for Integrated Systems
GHG	Greenhouse gas
GOV	Disclosure requirements for governance
GOV-1	Disclosure requirement – The role of the administrative, management and supervisory bodies
GOV-2	Disclosure requirement – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
GOV-3	Disclosure requirement – Integration of sustainability- related performance in incentive schemes
GOV-4	Disclosure requirement – Statement on sustainability due diligence
GOV-5	Disclosure requirement – Risk management and internal controls over sustainability reporting
GRI	Global Reporting Initiative
HGB	Handelsgesetzbuch (German Commercial Code)
HinSchG	Hinweisgeberschutzgesetz (German Whistleblower Protection Act)
IFRS	International Financial Reporting Standards
IKS	Internal Control System
IPCC	Intergovernmental Panel on Climate Change
IRO	Impacts, risks and opportunities
IRO-1	Disclosure requirement – Description of the processes to identify and assess material impacts, risks and opportunities
IRO-2	Disclosure requirements – In ESRS covered by the undertaking's sustainability statements
ISO	International Organization for Standardization
KPI	Key Performance Indicators
MDR	Minimum Disclosure Requirement
MDR-A	Minimum disclosure requirements regarding actions and resources in relation to material sustainability matters
MDR-M	Minimum disclosure requirements regarding metrics in relation to material sustainability matters
MDR-P	Minimum disclosure requirements regarding policies adopted to manage material sustainability matters
MDR-T	Minimum disclosure requirements regarding tracking effectiveness of policies and actions through targets

N	No
N/EL	Not taxonomy-eligible
NFRD	Directive 2014/95/EU of the European Parliament and of the Council (directive as regards disclosure of non-financial and diversity information by certain large undertakings and groups – Non-Financial Reporting Directive)
OECD	Organisation for Economic Cooperation and Development
OpEx	Operational expenditures
PPC	Pollution prevention and control
R	Regulation
S	Social issues
SBM	Disclosure requirement strategy, business model and value chain
SBM-1	Disclosure requirement – Market position, strategy, business model(s) and value chain
SBM-2	Disclosure requirement – Interests and views of stakeholders
SBM-3	Disclosure requirement – Material impacts, risks and opportunities and their interaction with strategy and business model(s)
SBTi	Science Based Targets initiative
SGB	Sozialgesetzbuch (German Social Security Code)
STEM	Science, Technology, Engineering, Math
TCFD	Task Force on Climate-Related Financial Disclosures
TSE	Team Sustainable Engineering
UBA	Umweltbundesamt (Federal Environmental Agency)
VC	Value chain
WTR	Water and marine resources
Y	Yes

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