

Non-financial Report 2022/2023

Heidelberger Druckmaschinen AG

About this report

In accordance with sections 315b and 315c in conjunction with sections 289b to 289e of the German Commercial Code (HGB) and Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter: “EU Taxonomy Regulation”), Heidelberger Druckmaschinen Aktiengesellschaft is publishing a separate combined non-financial report (hereinafter: “non-financial report”) for the financial year 2022/2023 (April 1, 2022, to March 31, 2023). Unless stated otherwise, the disclosures made in this report relate to the companies included in the scope of consolidation of the consolidated financial statements. These disclosures therefore apply equally, unless otherwise indicated, to Heidelberger Druckmaschinen Aktiengesellschaft and the Group (“HEIDELBERG”, “HEIDELBERG Group”, the “Company”).

References to information outside of the combined management report for 2022/2023, which can be found on pages 30 to 75 of the annual report, constitute information beyond the mandatory disclosures required by the HGB and do not form part of this non-financial report.

This non-financial report for the financial year 2022/2023 is based on international frameworks including the Global Reporting Initiative (GRI) and the Greenhouse Gas Protocol (GHG Protocol), as well as the requirements in terms of environmental, social and governance ratings (ESG ratings) and the expectations of HEIDELBERG’s stakeholders. In preparation for the forthcoming Corporate Sustainability Reporting Directive (CSRD) and the introduction of the European Sustainability Reporting Standards (ESRS), HEIDELBERG intends to gear its future reporting and activities toward the requirements of the CSRD initiative.

In its orientation and analysis of the existing and future ESG activities and focal points, HEIDELBERG referred to the objectives of the UN Global Compact and the United Nations Sustainable Development Goals (SDGs). Details can be found in the “Industry initiatives and networks” section on pages 4 to 5.

The non-financial report for 2022/2023 was subject to a voluntary assurance engagement with limited assurance according to ISAE 3000 (Revised). Selected key figures were not included in this audit and are clearly identified by an asterisk. The scope of the audit and the audit opinion can be found in the “Independent Practitioner’s Report on a Limited Assurance Engagement on Non-financial Reporting” on pages 46 to 47.

Non-financial risk assessment

Because the proactive management of opportunities and risks forms the basis for long-term business success, functional risk management and an effective internal control system are essential. HEIDELBERG’s risk management system complies with the statutory requirements and also takes account of non-financial ESG risks and opportunities. The description of our risk and opportunity management system can be found in the risk report in the combined management report on pages 63 to 70 of our Annual Report 2022/2023.

HEIDELBERG has established a structured process for the systematic identification, evaluation and controlling of opportunities and risks and their audit-proof documentation in the Governance, Risk and Compliance (GRC) system. This ensures that internal stakeholders always have access to the latest information concerning opportunities and risks. HEIDELBERG’s Risk Committee intensively discusses the current risk situation on a quarterly basis. The Head of Corporate Sustainability is also a member of the Risk Committee and represents sustainability aspects. Although non-financial ESG risks do not constitute a risk area in their own right, they have an impact on individual risk areas.

Sustainability risks are allocated to individual risk areas in the “Strategy and Market”, “Operations”, “Finance” and “Legal and Compliance” pillars. In the “Location and Country” risk area, discussions include the specific impact on HEIDELBERG’s risk situation of general environmental risks due to climate change in the form of extreme weather (e. g. storms, flooding). Under the EU Taxonomy Regulation, the aforementioned aspects will also be analyzed and evaluated beyond the three-year period examined by Group Risk Management. Further information can be found in the “Disclosures in accordance with the EU Taxonomy Regulation” section on pages 6 to 14.

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

Business model of the Group

Heidelberger Druckmaschinen Aktiengesellschaft (HEIDELBERG) is an innovative technology company with a leading position in the global printing industry. As a reliable and highly innovative partner, we have been synonymous with quality and future viability for more than 170 years. Thanks to state-of-the-art technologies and innovative business ideas, we shape the future trends in the printing industry. We also use our technology expertise to successfully position ourselves in new business areas such as e-mobility. At the same time, we examine where we can tap new markets on the basis of technological synergies and production-specific features. Responsible action is a key principle of our strategy. This is also reflected in our goal of becoming climate-neutral at our production and development sites and sales locations (Scope 1 and 2, excluding Scope 3) by 2030.

Our core business is oriented toward the needs of our customers in our target markets of packaging and label printing, as well as special and advertising printing (commercial printing). The focus is on increasing the productivity of the entire value chain by digitizing and automating the necessary process steps, particularly with solutions in the areas of robotics, artificial intelligence, and software-based workflow management. With a market share of over 40 percent, HEIDELBERG is the leading provider of sheetfed offset machines, a technology used in the production of high-quality, high-volume printed products. In addition, the Company has also expanded its position in flexographic printing for the packaging market and in digital label printing in recent years. A total of around 9,500 employees together with our sales partners at 250 sites in 170 countries around the globe ensure the implementation of our customers' requirements and our continuous development on the market.

Sustainability governance

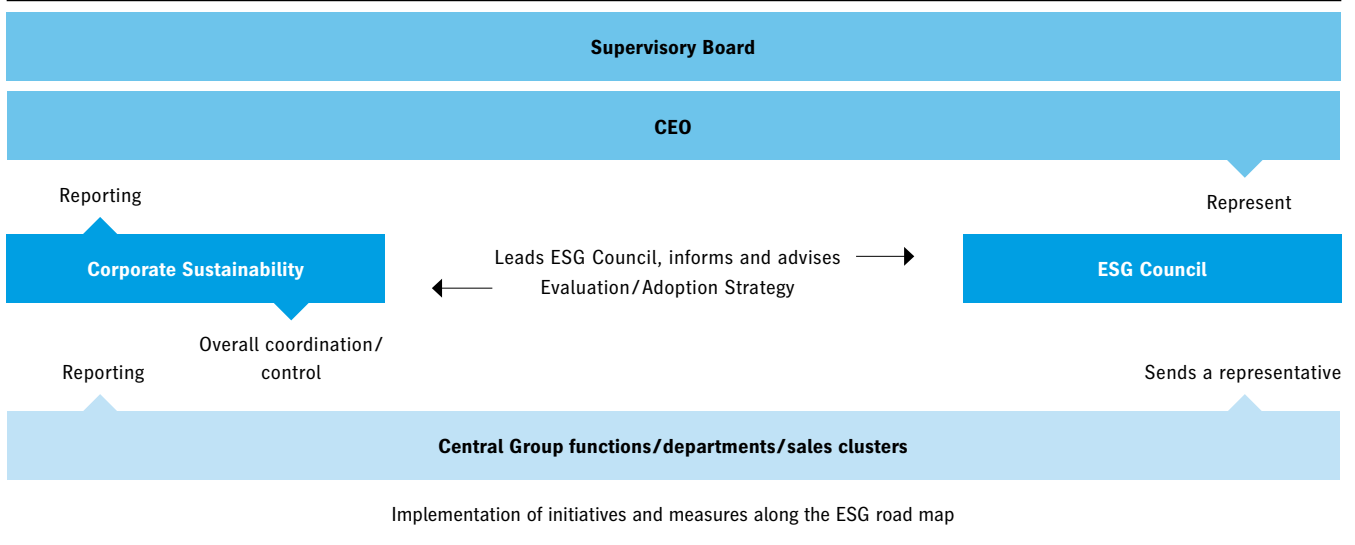
Sustainability management at HEIDELBERG is managed centrally by the Corporate Sustainability team, which is responsible for the sustainability strategy, controlling and reporting, as well as defining the tools and methods required to achieve the sustainability targets. In addition to strategic aspects, the Corporate Sustainability office is also responsible for implementing the climate strategy. The Head of Corporate Sustainability reports directly to the CEO.

The German Corporate Governance Code (GCGC) provides a framework for management. It sets out principles and recommendations for managing and monitoring the Company. HEIDELBERG applies these principles and recommendations accordingly. [German Corporate Governance Code | HEIDELBERG](#)

In line with the provisions of the German Sustainability Code, sustainability issues are regularly discussed by the Supervisory Board and will additionally be addressed by the Audit Committee in the future. Training on sustainability aspects and the reporting requirements for the Supervisory Board was offered and delivered in the period under review.

The Environmental, Social and Governance (ESG) Council that was established and implemented in the financial year 2021/2022 is an important element of sustainability management at HEIDELBERG. Reporting on the strategy, the status quo and the measures takes the form of half-yearly reviews. Adjustments are made and adopted as required. The ESG Council is composed of the members of the Management Board and the Heads of the Corporate Sustainability, Corporate Development, Investor Relations, Segment Management, Human Resources, Legal, Quality Management, Sales Operations, Procurement, Research and Development, Operations, Global Communications, Risk Management, and Site Management functions.

Organisation Sustainability Management at HEIDELBERG



HEIDELBERG considers ESG management to be a cross-functional task. The strategy and road map for the three pillars of sustainability (E-S-G) are developed and their implementation tracked in conjunction with employees from the specialist departments.

Sustainability strategy

For HEIDELBERG, sustainability means combining long-term business success with ecological and social responsibility. HEIDELBERG sees sustainability as a part of its strategic orientation. Attention to sustainability aspects forms part of the HEIDELBERG Group’s mission statement and its environmental standards and standards of conduct as they apply to products, production processes and the supply chain, and as regards interactions with each other and its partners. Compliance with standards of conduct and environmental standards is mandatory throughout the Group. Among other things, this is set out in the HEIDELBERG Group’s environmental policy and its Code of Conduct, which is closely aligned with the principles of the UN Global Compact initiative.

HEIDELBERG has been active in the area of sustainability for decades and the topic is integrated into its corporate strategy. In order to ensure that it successfully addresses future challenges, HEIDELBERG’s sustainability vision is formulated as follows:

- **Sustainable products:** Our aim is to have the smallest environmental footprint along the value chain of any company in the industry.
- **Climate targets:** We actively contribute to the achievement of global and national climate targets and aim to become climate-neutral at our production and development sites and sales locations (Scope 1 and 2, excluding Scope 3) without the use of carbon offsetting certificates by 2040. Our aim is to offset our emissions by 2030. We calculate our Scope 3 emissions and define strategies and measures for reducing or ideally preventing them based on the results.
- **ESG compliance:** We are establishing an ESG-compliant supply chain with a focus on human rights, ethics and environmental policy.
- **Attractive employer:** We are working actively to create a corporate culture that will allow us to address future challenges. This is reflected in our mission statement, our values and our principles, and helps us to be an attractive employer.

ESG targets have formed part of the compensation system for the Management Board and senior managers since the past financial year. With the new system for Management Board remuneration that was adopted by the Annual General Meeting in July 2021 with a large majority of the votes cast, HEIDELBERG has introduced elements aimed at enshrining the sustainability goals resolved by the Supervisory Board in the short-term variable compensation (STI) and long-term variable compensation (LTI) in the form of specific ESG targets.

A greenhouse gas index for the HEIDELBERG sites (Scope 1 and 2) has also been integrated into the long-term variable compensation (LTI) since the financial year 2022/2023. A target of a greenhouse gas reduction target of 25 percent (Scope 1 and 2) by 2025 has been adopted. Additional targets have also been defined with the aim of ensuring responsible and sustainable business practices. Further information can be found in the remuneration report on pages 176 to 195 of the Annual Report.

The Supervisory Board reserves the right to define the scope of the individual components and their specific features in order to ensure that the strategy and the remuneration are linked. The targets are defined by the Supervisory Board, which is free to design their content so that they correspond to the business challenges facing the Company. The ESG targets for the remuneration are ambitious, measurable, controllable and consistent with HEIDELBERG's strategic orientation. The new remuneration model also meets the requirements* of the German Corporate Governance Code. Further information can be found in the remuneration report on pages 176 to 195 of the Annual Report.

Industry initiatives and networks

If companies are to successfully address environmental, social and governance challenges, it is important for them to join forces and work together on solutions, as this is the only way to overcome the challenges that lie ahead. HEIDELBERG actively participates in various industry initiatives and networks in order to improve its sustainability performance, exchange knowledge and best practices with other players, and jointly develop solutions.

HEIDELBERG is represented in a number of regional and nationwide networks. These include:

- **German Engineering Federation (VDMA):**
 - **Product carbon footprint (PCF):** As a member of the VDMA's "Calculation of the Product Carbon Footprint in Mechanical and Plant Engineering" project group, HEIDELBERG supports the development of a standardized methodology for calculating the climate impact of a product as a result of greenhouse gas emissions. The aim is to improve the transparency and comparability of such calculations.
 - **Blue Competence:** The aim of this VDMA initiative is to promote sustainability in mechanical and plant engineering, combine resources, and harness the expertise and strengths of the VDMA. As a partner of the initiative, we undertake to uphold the 12 sustainability principles for mechanical and plant engineering.
- **Fraunhofer network for "Climate-neutral companies":** This innovation network offers valuable impetus for sustainable development in the areas of energy supply, operational mobility, digital/hybrid working models, strategy, governance and employee awareness.
- **Energy Efficiency Networks Initiative:** HEIDELBERG participates in various networks aimed at optimizing processes and energy at its production sites. One of them is the Energy Efficiency Networks Initiative. Since its formation in 2014, it has proven to be one of the most successful tools in Germany's National Action Plan on Energy Efficiency. It aims to connect companies of all sizes and across all industries in order to implement energy efficiency measures that will reduce greenhouse gas emissions by between five and six million metric tons by the end of 2025. As a member of the Havelland-Fläming energy efficiency and climate protection network, HEIDELBERG is making an active contribution to the achievement of the Federal Republic of Germany's climate and energy policy targets.
- **Allianz 4evergreen:** The international alliance 4evergreen is committed to the sustainable use of natural resources and continuously improving the circular economy in the growing packaging segment.
- **Healthy Printing:** The aim of the international Healthy Printing initiative is to advance the cradle-to-cradle (C2C) design concept in the printing industry. Preference is given to printing materials, printing inks, coatings and other printing aids that generate no waste or only minimal waste during their production. It should be possible to systematically recycle the printed products after use. The residual materials produced during the recycling process should ultimately be returned to the natural cycle as biological nutrients without polluting it.

* Note: Compliance with this requirement was not reviewed by the independent auditor.

- **DiNaPro project:** Model-based digitization of sustainable product networks along the product lifecycle. This collaborative project is funded by the German Federal Ministry of Education and Research (BMBF) and sponsored by the Project Management Agency Karlsruhe (PTKA). Its objectives are to increase sustainability in the product development process through digitization, developing a standardized data model and data exchange format, and developing assistance systems for sustainability monitoring and management.
- **“ETA in Existing Structures/Facilities” project:** Energy efficiency is becoming an increasingly critical action area for industry and a driver of growth for German industry. The ETA-Fabrik (European Technical Assessment) project aims to connect technical approaches that were previously viewed individually in order to leverage additional savings potential compared with isolated solutions. HEIDELBERG is participating in project 6, “Application”, which seeks to identify potential savings in production. Among other things, this includes recording and examining energy flows in order to establish how energy can be used more effectively.

UN Global Compact

In February 2023, HEIDELBERG achieved an important milestone in the expansion of its sustainability activities with its decision to join the UN Global Compact, the world’s largest* and most important initiative for responsible and sustainable corporate management. The Company gears its strategy and operating activities toward ten universal principles in the core areas of human rights, work, environmental protection and anti-corruption. This forms the basis for realizing the Sustainable Development Goals (SDGs). As part of its annual Communication on Progress (CoP), the Company reports on the implementation of the ten principles and its activities in the core areas. Once published, the CoP report is available to view on the UN Global Compact website.

Heidelberger Druckmaschinen AG | UN Global Compact

Even before it joined the UN Global Compact, HEIDELBERG evaluated the SDGs with a view to determining the goals to which it can actively contribute. We identified eight of the 17 SDGs, and are already making an active contribution to their achievement.

* According to the UN Global Compact website

Overview of the active Sustainable Development Goals (SDGs) to which HEIDELBERG contributes



Assessment of HEIDELBERG's sustainability performance

As part of the reorientation of its ESG activities, HEIDELBERG has set itself the goal of being represented in the relevant sustainability rankings and transparently sharing the results with its stakeholders on request. The results will be published on our website going forward. The require-

ments provide the framework for defining clear targets and key figures and help us to identify weaknesses and ensure that our strategic focus includes their rectification. As our sustainability report and the ratings have different reporting periods, we will issue a corresponding report after the ratings have been published.

Rating results

	2021	2022	2023
Sustainalytics ¹⁾	33.9 (19.11.2021)	33.2 (30.9.2022)	33.1 (24.2.2023)
Institutional Shareholder Services (ISS ESG) ²⁾	-	C- (12.2.2022)	C- (12.4.2023)
Carbon Disclosure Project (CDP) ³⁾	F	D Climate Change D- Supplier Engagement	

1) Sustainalytics Risk Rating: 0-10 NEGL; 10-20 Low Risk; 20-30 Medium Risk; 30-40 High Risk; 40+ Severe

2) ISS ESG Rating: A+ | A | A- Excellent; B+ | B | B- Good; C+ | C | C- Medium; D+ | D | D- Poor

3) CDP: Leadership (A); Management (B- | B); Awareness (C- / C); Disclosure D- / D); Failure to disclose (F)

Disclosures in accordance with the EU Taxonomy Regulation

Article 8 of the EU Taxonomy Regulation – background and goals

The European Green Deal is a sustainability agenda that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050, where the environment and the health of European citizens are protected, and where economic growth is achieved by the most efficient and sustainable use of natural resources possible.

Accordingly, it is important to make the transition to a more sustainable economic development just and inclusive for all. Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter: “EU Taxonomy Regulation”) was proposed as part of the European Commission's earlier Action Plan on “Financing Sustainable Growth” of March 2018, launching an ambitious and comprehensive strategy for sustainable finance with the aim of redirecting capital flows to help generate sustainable and inclusive growth. The EU Taxonomy Regulation is an important enabler for scaling up sustainable investment and thus implementing the European Green Deal as part of the EU's response to the climate and environmental challenges.

It provides uniform criteria for companies and investors on economic activities that can be considered environmentally sustainable (i. e. making a substantial contribution to EU environmental objectives such as climate change mitigation, while doing no significant harm to other environmental objectives), and thus aims to increase transparency and consistency in the classification of such activities and limit the risk of greenwashing and fragmentation of sustainability reporting in relevant markets. The EU Taxonomy is thus intended as a classification system for sustainable economic activities.

Definitions

Taxonomy eligibility and Taxonomy alignment are the two central terms within this classification system of the EU Taxonomy.

The term Taxonomy-eligible, as defined by Article 1 no. 5 of the Delegated Regulation of July 6, 2021, on Article 8 of Regulation (EU) 2020/852, applies only to those economic activities listed in Annexes I and II to the Delegated Regulation of June 4, 2021. Business activities not described in these two Annexes are therefore not considered Taxonomy-eligible.

The reporting year is the first time that the identified Taxonomy-eligible economic activities must also be examined for their environmental sustainability (Taxonomy alignment). Under Article 3 of Regulation (EU) 2020/852, an economic activity is only considered Taxonomy-aligned if it contributes substantially to at least one of the following environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

It must also be ensured that they do no significant harm (DNSH) to the other environmental objectives and that the economic activity is performed in line with minimum safeguards that apply to all economic activities alike. These minimum safeguards primarily relate to respecting human rights, anti-corruption, legally compliant taxation and fair competition.

Taxonomy alignment is specifically reviewed on the basis of defined technical screening criteria for each economic activity. For the economic activities that can contribute substantially to the environmental objectives of climate change mitigation and climate change adaptation, these technical screening criteria are defined in Annexes I and II to the Delegated Regulation of June 4, 2021. At the start of April 2023, the European Commission presented an initial draft of a delegated regulation containing technical screening criteria to be considered for the four remaining environmental objectives. These environmental objectives have therefore not yet been taken into account in the following analysis.

Given the new and topical nature of these reporting requirements and in response to the multiple formulations of uncertain interpretation, we feel that a significant degree of discretion is required of the respective reporter in interpreting and applying the statutory regulations of the EU Taxonomy. We will therefore monitor the reporting and publications concerning the EU Taxonomy Regulation, in particular the FAQ documents published by the European Commission, on an ongoing basis and make corresponding adjustments in subsequent years as necessary.

Application of the EU Taxonomy to HEIDELBERG's business activities

In accordance with Article 8 of the EU Taxonomy Regulation and the supplementary delegated act, Heidelberger Druckmaschinen Aktiengesellschaft is reporting the share of Taxonomy-eligible and Taxonomy-aligned Group-wide turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for financial year 2022/2023 with respect to the environmental objectives "climate change mitigation" and "climate change adaptation" for each economic activity in its non-financial report for 2022/2023.

In a detailed analysis of the EU Taxonomy Regulation, Heidelberger Druckmaschinen Aktiengesellschaft's turnover-generating economic activities were classified by an interdisciplinary project team essentially on the basis of the NACE codes. In a comparison with the provisions of the EU Taxonomy Regulation, we identified the operations of the foundry in Amstetten (category 3.9 "Manufacture of iron and steel", NACE code C 24.51 "Casting of iron") and Wallbox production in Wiesloch-Walldorf (category 6.15 "Infrastructure enabling low-carbon road transport and public transport", technical screening criterion 1 (a) "Electric charging points") as being covered by the Taxonomy and therefore Taxonomy-eligible.

Both economic activities are conducive to the environmental objective of "climate change mitigation", be it the casting of iron with its particularly carbon-efficient production or Wallboxes that contribute to the electrification of personal mobility. However, we feel that the environmental objective of "climate change adaptation" does not apply as neither of the economic activities is explicitly geared toward climate change adaptation.

The vast majority of the economic activities of the German plant and mechanical engineering industry are currently excluded from the EU Taxonomy Regulation. Even though we are developing and producing increasingly resource-efficient products and, for example, have already integrated the stipulations of the European Restriction of Hazardous Substances Directive (2011/65/EU) into the development and procurement process for the printing press business area without a statutory obligation, we therefore cannot include Heidelberger Druckmaschinen Aktiengesellschaft's core business, the manufacture of printing presses, in the analysis.

Overview of taxonomy-eligible economic activities

Economic activities	Description	NACE-Code/Description
3.9 Manufacture of iron and steel	Iron foundry on site Amstetten	C24.51
6.15 Infrastructure enabling low-carbon road transport and public transport	Production of wallboxes on site Wiesloch-Walldorf	Technical screening criteria 1 (a) "electricity grid connection upgrades"

Substantial contribution – technical screening criteria

Amstetten foundry: According to the EU Taxonomy, the manufacture of iron and steel is a transitional activity and contributes substantially to climate change mitigation if the greenhouse gas emissions of the different manufacturing process steps do not exceed certain thresholds. For iron casting, this threshold is 0.299 t CO₂e/t product. Thanks to efficient production at the HEIDELBERG production site, this value was far from being reached.

Wallboxes: The production of Wallboxes serves the primary objective of increasing clean, climate-neutral mobility and creating the infrastructure needed for the decarbonization of the mobility sector. The production of Wallboxes satisfies technical screening criterion 1.a). Wallboxes help to increase the infrastructure required to operate vehicles without carbon emissions (electric charging points). Wallboxes are not dedicated to the transportation or storage of fossil fuels.

Do no significant harm (DNSH) to other environmental objectives

The two activities do no significant harm to the five other EU environmental objectives:

– Climate change adaptation

A climate risk analysis was performed for the Amstetten and Wiesloch-Walldorf production sites. The first step was a screening of the Taxonomy-eligible economic activities to assess the expected lifetime of the activities and to identify objects for analysis. The second step was to identify potential climate risks in a team with representatives from Site Management. The third step was the risk evaluation of the identified risks for the climate scenarios RCP 2.6 (best case) and RCP 8.5 (worst case). The analysis of the RCP 8.5 scenario also did not identify any material risks.

– Sustainable use and protection of water and marine resources

The authorities do not require an environmental impact assessment at the Amstetten production site. The production site is located in a zone III water protection area, hence the maximum requirements of the German Water Resources Act and the General Administrative Regulation on the Protection of Waters must be satisfied. This in-

cludes the 100 percent retention of all substances harmful to water. Regular inspections are performed by TÜV, and the authorities receive all the related inspection reports. The production of Wallboxes at the Wiesloch-Walldorf production site has no effect on water quality/water availability as no water is required in either the production process or the product's utilization phase. The production site is located in a zone III B water protection area. The authorities regularly receive the related inspection reports.

– Transition to a circular economy

Regulation (EU) 2021/2139 does not yet contain any information for the objective of "transition to a circular economy" for economic activity 3.9 Manufacture of iron and steel.

As a pure-play producer of Wallboxes in financial year 2022/2023, HEIDELBERG does not perform extensive construction or installation work in which construction or demolition waste could be generated that would harm the environmental objective of the transition to a circular economy. The corresponding DNSH criterion is therefore not considered relevant.

– Pollution prevention and control

Regular readings are taken to ensure that the Amstetten production site complies with the statutory emissions thresholds of the German Technical Instructions on Air Quality Control. The results of these readings verify the compliance with the statutory provisions. The activity does not lead to the manufacture, placing on the market, or use of substances listed in Annex C to Regulation (EU) 2021/2139.

The criterion is not relevant to the production of Wallboxes as this activity is not covered by Directive 2002/49/EC. HEIDELBERG is a pure-play producer of Wallboxes. HEIDELBERG's business activities do not extend to the installation of Wallboxes. HEIDELBERG is not aware that the installation entails extensive noise, dust or pollutant emissions during construction or maintenance works.

– Protection and restoration of biodiversity and ecosystems

The authorities do not require an environmental impact assessment at the Amstetten production site. The assessment in connection with Natura 2000 found that there is no direct impact and therefore no adjustments are required.

The criterion is not relevant to the production of Wallboxes as an environmental impact assessment is not required for the products. Moreover, the Wiesloch-Walldorf production site is not in the vicinity of a nature reserve.

Compliance with minimum safeguards

The EU Taxonomy Regulation requires companies to comply with minimum safeguards, including the OECD Guidelines, the UN Guiding Principles, the International Bill of Human Rights and the ILO Declaration on Fundamental Principles. As a responsible company, HEIDELBERG has made a commitment to uphold these international standards. HEIDELBERG is committed to the ten principles of the UN Global Compact, including combating corruption, compliance with tax laws and fostering fair competition.

In conjunction with the German Supply Chain Due Diligence Act, HEIDELBERG is implementing due diligence processes in relation to risks at suppliers. In policy documents such as codes of conduct, a human rights policy and the compliance guidelines, the Group's Management Board has established the compliance principles to which the Company is committed. HEIDELBERG has undertaken to act with integrity and in compliance with the law, and it has embedded this commitment in its corporate culture and structures. Protecting and respecting human and employee rights (which also includes health and safety in the workplace, the right to freedom of association, the prohibition of child labor and avoiding forced labor) and preventing bribery and corruption are a key component of the Group's system of values. The specific measures in these areas are described in the sections "Respecting human rights" and "Preventing bribery and corruption", for example. Tax regulations are complied with internationally and the corresponding tax risks are continuously assessed. HEIDELBERG also aims to promote and support free and fair competition. In this context, antitrust guidelines were published in financial year 2022/2023 and communication and training activities

were prepared and launched. The minimum safeguards are upheld in all four areas with the aid of Group-wide guidelines, reporting channels and various systems (such as the Internal Control System (ICS) and Internal Audit (IA)).

Reportable KPIs under the EU Taxonomy Regulation

Our reporting is based on the guidelines for the three reportable key performance indicators (KPIs) of turnover, capital expenditure (CapEx) and operating expenditure (OpEx). We cannot disclose prior-year figures as we are assessing Taxonomy alignment for the first time in financial year 2022/2023. The templates for the KPIs of non-financial undertakings provided for by Annex II to the Delegated Regulation of July 6, 2021, can be found in the section "Overview of KPIs" on pages 42 to 45.

The financial data relevant to HEIDELBERG have been taken from the IFRS consolidated financial statements for financial year 2022/2023. Double counting is avoided by the separation of economic activities. The data have been directly assigned to the respective economic activity where possible. If an individual breakdown was not possible on account of restrictions in the system, these have been assigned to the non-Taxonomy-eligible area of printing press production in cases of doubt.

In the following section, in illustrative tables based on the templates relevant for non-financial undertakings, we present the respective share of our consolidated turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for financial year 2022/2023 relating to Taxonomy-eligible and Taxonomy-aligned economic activities covered by the two environmental objectives in accordance with Article 8 of the EU Taxonomy Regulation. All KPIs relate to the environmental objective that we have identified as material, "climate change mitigation", in terms of the relevant economic activities. The full EU Taxonomy templates prescribed by law can also be found in the section "Overview of KPIs" on pages 42 to 45. The values in the tables in the section "EU Taxonomy Regulation" and in the EU Taxonomy templates in the section "Overview of KPIs" have been rounded to one or two decimal places, respectively. In individual cases, rounding can therefore result in discrepancies in the totals and percentages provided.

Turnover

The definition of turnover in accordance with the EU Taxonomy is the same as the net sales reported in the IFRS consolidated financial statements, which amount to € 2,434.53 million in total for financial year 2022/2023 and which are reported in the consolidated income statement on page 78 of the 2022/2023 Annual Report. Further information on the consolidated income statement of the HEIDELBERG Group can be found on page 103 of the Annual Report 2022/2023.

The Taxonomy-eligible and Taxonomy-aligned turnover is defined as the share of net sales derived from products or services associated with Taxonomy-eligible economic activities (numerator) in the total sales of the HEIDELBERG Group reported in the consolidated income statement (denominator). The identified Taxonomy-eligible and Taxonomy-aligned turnover amounts to € 70.42 million in the reporting year

and results from the economic activities of the foundry operations in Amstetten and Wallbox production, which were identified as being covered by the Taxonomy and as Taxonomy-eligible. All revenue reported here results from contracts with customers in accordance with IFRS 15 as referred to by section 1.2.3.1 of Annex I to the Delegated Regulation of July 6, 2021. Double counting is precluded as the two economic activities are performed by different companies and there are no interdependencies. Exclusively external turnover is reported, whereas intragroup turnover is eliminated and not included in the turnover KPIs.

The necessary evidence was provided to show that both of the Taxonomy-eligible economic activities satisfy the technical screening criteria for the environmental objective “climate change mitigation” and the minimum safeguards. The business activities of the Amstetten foundry and Wallbox production are thus considered Taxonomy-aligned econom-

Turnover Fiscal Year 2022/2023

Economic activities	Turnover		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned proportion of turnover Financial Year 2022/2023	Category
	€ million	% ¹⁾	€ million	% ¹⁾	Y/N	Y/N	% ¹⁾	
A. Taxonomy-eligible activities								
A.1 Environmentally sustainable activities (Taxonomy-aligned)								
3.9 Manufacture of iron and steel	49.83	2.0 %	49.83	2.0 %	Y	Y	2.0 %	Transitional activity
6.15 Infrastructure enabling low-carbon road transport and public transport	20.59	0.8 %	20.59	0.8 %	Y	Y	0.8 %	Enabling activity
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	70.42	2.8 %	70.42	2.8 %	Y	Y	2.8 %	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	-	-	-	-	-	-	-	-
Total A.1 + A.2	70.42	2.8 %					2.8 %	
B. Taxonomy-non-eligible activities								
Turnover of Taxonomy-non-eligible activities (B)	2,364.11	97.2 %						
Total A + B	2,434.53							

1) All percentages refer to the total turnover of the Group.

ic activities. Accordingly, turnover of € 70.42 million was generated from Taxonomy-aligned economic activities in the reporting year, equivalent to 2.8 percent of the HEIDELBERG Group's total net sales of € 2,434.53 million.

Furthermore, besides the business with external customers, the Amstetten Foundry generated Taxonomy-aligned internal turnover of a further € 110.20 million in the past financial year. This mainly relates to cast components that are produced for non-Taxonomy-eligible printing press production. In some cases, the Wallboxes produced are also used internally at the respective production sites, though no internal turnover of a reportable amount can be derived from this.

Capital expenditure (CapEx)

Reportable capital expenditure (CapEx) is defined by the EU Taxonomy Regulation as the respective proportion of additions to property, plant and equipment and intangible assets associated with Taxonomy-eligible or Taxonomy-aligned economic activities in the reporting year before depreciation, amortization and write-downs and remeasurement (numerator) in relation to the total capital expenditure (CapEx) of the HEIDELBERG Group (denominator). The total CapEx of the HEIDELBERG Group is calculated as the additions to intangible assets and property, plant and equipment reported in the statement of changes in non-current assets on pages 86 and 109 of the Annual Report and primarily relates to additions of intangible assets in accordance with IAS 38, property, plant and equipment in accordance with IAS 16, and right-of-use assets from leases in accordance with IFRS 16.

While reportable CapEx in the previous year was sometimes derived on the basis of individual inquiries by the respective companies of the HEIDELBERG Group, this financial year is the first time that the calculation is based on information taken directly from the ERP inventory systems and a selection of the cost centers assigned to the respective economic activities. This further enhances data integrity and consistency within the KPIs in the reporting period and avoids double counting in the system. In the interests of reliable and prudent reporting in line with readers' needs, where doubt exists we have opted not to use an approximate breakdown and instead report the relevant CapEx as entirely non-Taxonomy-eligible.

The Taxonomy-eligible CapEx identified in the reporting period amounts to € 13.27 million in the reporting period and consists, on the one hand, of capital expenditure in connection with assets or processes associated with a Taxonomy-eligible and Taxonomy-aligned economic activity (section 1.1.2.2 (a) to Annex I to the Delegated Regulation of July 6, 2021).

On the other, it also comprises capital expenditure in connection with the acquisition of products and individual measures in Taxonomy-aligned economic activities or products that support a Taxonomy-eligible economic activity (section 1.1.2.2 (c) of Annex I to the Delegated Regulation of July 6, 2021). These fall into the following categories:

- 4.9 "Transmission and distribution of electricity"
- 4.10 "Storage of electricity"
- 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles"
- 6.13 "Infrastructure for personal mobility, cycle logistics"
- 7.2 "Renovation of existing buildings"
- 7.3 "Installation, maintenance and repair of energy efficiency equipment"
- 7.6 "Installation, maintenance and repair of renewable energy technologies"

In the past financial year, this primarily includes capital expenditure in electricity distribution grids and transformer stations (category 4.9), the acquisition of electricity storage solutions (category 4.10), additions to assets from vehicle leases (category 6.5), the conversion of roads and sidewalks (category 6.13), the renovation of filter and ventilation systems (category 7.2), comprehensive renovations on individual production buildings and the main administrative building at the Wiesloch-Walldorf production site (category 7.3) and the installation of a photovoltaic system with an output of 3,600 KWp at the Amstetten production site (category 7.6). Our suppliers were unable to provide the necessary evidence of any alignment of the work done, hence these are all presented as non-Taxonomy-aligned.

There were no CapEx plans to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned (section 1.1.2.2 (b) of Annex I to the Delegated Regulation of July 6, 2021) in financial year 2022/2023, hence no such Taxonomy-aligned CapEx has been reported.

The Taxonomy-aligned CapEx exclusively comprises the capital expenditure of the two Taxonomy-aligned economic activities of the Amstetten foundry and Wallbox production and amounts to € 2.15 million, equivalent to 2.1 percent of the total capital expenditure of the HEIDELBERG Group.

The Taxonomy-aligned CapEx in financial year 2022/2023 consists exclusively of additions to property, plant and equipment in accordance with IAS 16 as referred to by section 1.2.3.2 of Annex I to the Delegated Regulation of July 6, 2021.

Capital Expenditure (CapEx) Fiscal Year 2022/2023

Economic activities	CapEx		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned proportion of CapEx Financial Year 2022/2023	Category
	€ million	% ¹⁾	€ million	% ¹⁾	Y/N	Y/N	% ¹⁾	
A. Taxonomy-eligible activities								
A.1 Environmentally sustainable activities (Taxonomy-aligned)								
3.9 Manufacture of iron and steel	1.29	1.3%	1.29	1.3%	Y	Y	1.3%	Transitional activity
6.15 Infrastructure enabling low-carbon road transport and public transport	0.86	0.9%	0.86	0.9%	Y	Y	0.9%	Enabling activity
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	2.15	2.1%	2.15	2.1%	Y	Y	2.1%	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
4.9 Transmission and distribution of electricity	0.27	0.3%	-	-	-	-	-	-
4.10 Storage of electricity	0.01	0.0%	-	-	-	-	-	-
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	6.53	6.5%	-	-	-	-	-	-
6.13 Infrastructure for personal mobility, cycle logistics	0.04	0.0%	-	-	-	-	-	-
7.2 Renovation of existing buildings	0.18	0.2%	-	-	-	-	-	-
7.3 Installation, maintenance and repair of energy efficiency equipment	2.38	2.4%	-	-	-	-	-	-
7.6 Installation, maintenance and repair of renewable energy technologies	1.71	1.7%	-	-	-	-	-	-
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	11.12	11.0%						
Total A.1 + A.2	13.27	13.1%					2.1%	
B. Taxonomy-non-eligible activities								
CapEx of Taxonomy-non-eligible activities (B)	87.74	86.9%						
Total A + B	101.01							

1) All percentages refer to the total CapEx of the Group.

Operating expenditure (OpEx)

Taxonomy-eligible and Taxonomy-aligned operating expenditure (OpEx) is defined as the proportion of direct, non-capitalized expenses for research and development, building remediation works, short-term leases and maintenance and repairs associated with Taxonomy-eligible and Taxonomy-aligned economic activities (numerator) in the total operating expenditure (OpEx) of the HEIDELBERG Group (denominator). The total operating expenditure (OpEx) of the HEIDELBERG Group of € 109.28 million includes expenses for maintenance, the expenses for research and development reported in the notes to the consolidated financial statements (see page 109 of the Annual Report) and the expenses for short-term leases also reported there (see page 105 of the Annual Report).

While the respective reportable OpEx was derived on the basis of individual inquiries in the previous year, the calculation in this financial year is based for the first time on information taken directly from the respective income statement accounts of the relevant ERP systems and a selection of the cost centers assigned to the respective economic activities. This further enhances data integrity and consistency within the KPIs in the reporting period and avoids double counting in the system.

The Taxonomy-eligible OpEx identified in the financial year amounts to € 2.5 million and relates entirely to the two Taxonomy-aligned economic activities of the Amstetten foundry at € 2.44 million and Wallbox production at € 0.06 million (section 1.1.2.2 (a)). The Taxonomy-aligned OpEx of the

Operating Expenditure (OpEx) Fiscal Year 2022/2023

Economic activities	OpEx		Substantial contribution to climate change mitigation		Compliance with DNSH criteria	Compliance with minimum safeguards	Taxonomy-aligned proportion of OpEx Financial Year 2022/2023	Category
	€ million	% ¹⁾	€ million	% ¹⁾	Y/N	Y/N	% ¹⁾	
A. Taxonomy-eligible activities								
A.1 Environmentally sustainable activities (Taxonomy-aligned)								
3.9 Manufacture of iron and steel	2.44	2.2 %	2.44	2.2 %	Y	Y	2.2 %	Transitional activity
6.15 Infrastructure enabling low-carbon road transport and public transport	0.06	0.1 %	0.06	0.1 %	Y	Y	0.1 %	Enabling activity
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	2.50	2.3 %	2.5	2.3 %	Y	Y	2.3 %	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)								
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	-	-	-	-	-	-	-	-
Total A.1 + A.2	2.50	2.3 %					2.3 %	
B. Taxonomy-non-eligible activities								
OpEx of Taxonomy-non-eligible activities (B)	106.78	97.7 %						
Total A + B	109.28							

1) All percentages refer to the Group's total OpEx.

iron foundry of € 2.43 million relates almost entirely to maintenance work; the associated research and development expenses amount to just € 0.01 million.

Correspondingly, the Taxonomy-aligned OpEx of Wallbox production also mostly consists of maintenance expenses of € 0.05 million, while expenses for short-term leases account for the remaining € 0.01 million.

In this financial year, on account of the design of our ERP systems, we are unable to report any reliably calculated Taxonomy-eligible OpEx from other maintenance or building remediation works relating to the acquisition of products of Taxonomy-aligned economic activities or individual measures enabling the target activities to become low-carbon (section 1.1.2.2 (c) of Annex I to the Delegated Regulation of July 6, 2021) beyond the OpEx activities of the iron foundry and Wallbox production already identified.

As there were no CapEx plans to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned (section 1.1.2.2 (b) of Annex I to the Delegated Regulation of July 6, 2021) in the past financial year, we can also report no OpEx as referred to by section 1.1.3.2 (b) *ibid.*

Materiality analysis

HEIDELBERG uses a materiality analysis to identify topics and focus areas that are relevant to its business activities and stakeholders. The materiality analysis conducted in 2021 forms the basis for its sustainability activities and this report. It was performed in conjunction with internal stakeholders and experts from the specialist departments.

HEIDELBERG conducted a critical review of the key aspects as part of the half-yearly ESG Council. This reassessment ensures that we are on the right track with our strategy and objectives and can make the necessary adjustments as required. External stakeholder concerns are taken into account based on the empirical data from the respective experts. The process is set to be revised in the current financial year in order to better integrate external stakeholders.

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

- **Environmental issues:** Sustainable products | Sustainable production | Climate strategy
- **Employee issues:** Occupational health and safety | Attractive working conditions | Demographic management
- **Social issues:** Diversity and inclusion | Education | Social engagement
- **Prevention and corruption:** Preventing bribery and corruption
- **Respect for human rights:** A sustainable and socially responsible supply chain

The survey to determine the key topics was conducted using Microsoft Forms and had two dimensions. The members of the ESG Council were asked to assess the individual aspects from HEIDELBERG's perspective and from the perspective of its stakeholders:

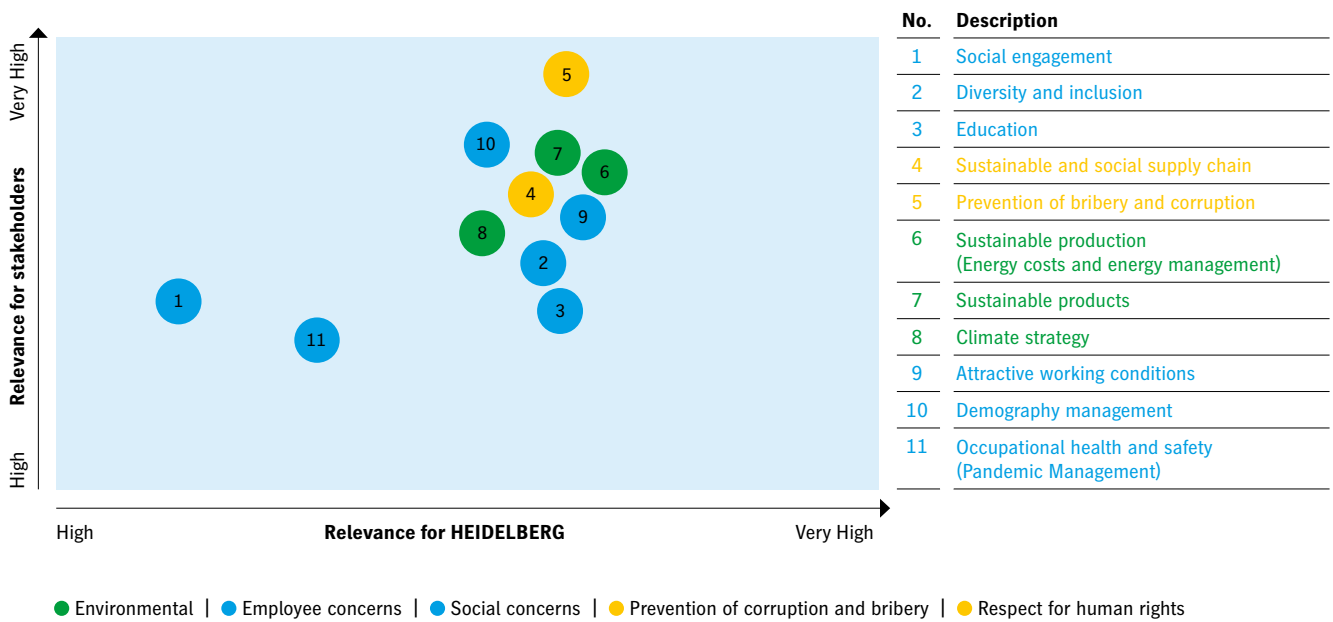
- On a scale from 1 to 5 (1 = less relevant; 5 = very relevant): How relevant do you consider the topic of “...” to be for Heidelberger Druckmaschinen AG?
- On a scale from 1 to 5 (1 = less relevant; 5 = very relevant): How relevant do you consider the topic of “...” to be to the stakeholders of Heidelberger Druckmaschinen AG?

All of the key aspects are considered to be very relevant to HEIDELBERG and its stakeholders. The topics were then prioritized further in the peer group.

There were only minor changes to the priority topics compared with the previous analysis. Two key aspects, “A sustainable and socially responsible supply chain” and “Preventing bribery and corruption”, were classified as more relevant than in the previous year. Among other things, this is due to the measures taken in preparation for the German Supply Chain Due Diligence Act (LkSG) and the roll-out of compliance training in the period under review.

The topics identified are color-coded and categorized in order to improve the presentation and understanding of the minimum aspects required by law.

Results of the materiality analysis of Heidelberger Druckmaschinen AG



Environmental issues

Using resources in an environmentally responsible manner forms part of the HEIDELBERG Group's core values. Compliance with legal requirements for operational and product-related environmental protection is a matter of course for HEIDELBERG. We coordinate the implementation of measures in operational and product-related environmental protection throughout the Group and prepare Group standards. Processes for ensuring knowledge of the relevant environmental legislation are established as part of ISO 14001 environmental management. In addition to the officer functions required by law, we have appointed environmental and energy officers at all locations with responsibility for addressing the relevant topics and ensuring compliance with the legal requirements together with the specialist departments.

As a company that has been certified in accordance with ISO 9001/14001 for many years – this covers the seven development and production sites in Germany (Amstetten, Brandenburg, Kiel, Langgöns, Ludwigsburg, Weiden and Wiesloch-Walldorf) and the HEIDELBERG production sites in China (Qingpu) and Switzerland (St. Gallen) – we are committed to continuous improvement. This means that all of HEIDELBERG's **key** production sites have a combined quality and environmental management system (ISO 9001 and ISO 14001). The foundry at the Amstetten site is HEIDEL-

BERG's most energy-intensive location (accounting for around 60 percent of the energy requirements for all of its production sites) and has been additionally certified in accordance with ISO 50001 (Energy Management) since 2012. The certification process allows HEIDELBERG to identify **potential improvements** at an early stage and detect rationalization potential. These internationally recognized certifications also serve to strengthen confidence in HEIDELBERG among customers, partners and public stakeholders, thereby reducing our liability risk and providing us with greater legal security. We raise awareness of the significant environmental impact made by the divisions by actively involving management system officers and other employees. For controllable processes/activities, we promote the initiation of measures to reduce the environmental impact or improve environmental performance. The management evaluation process gives us the feedback we need to make adjustments where required and integrate modifications into the planning process as necessary.

In its materiality analysis, HEIDELBERG defined sustainable products and sustainable production as **key** environmental issues and derived its climate strategy on this basis. The structure of the production sites and their high degree of vertical integration mean that energy and material efficiency and the associated consumption and emissions are key issues for production.

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

In addition to energy and emissions, HEIDELBERG intends to take a closer look at the resource of water. The availability of water is a basic prerequisite for all of HEIDELBERG's sites. Water is used for sanitary purposes (flushing toilets, washing hands and showering) and for technical equipment (foundry, burnishing shop, hardening shop, paint shop, cooling towers, cooling lubricants and air conditioning systems, as well as air humidification in some areas). Increased transparency is required in order to better identify potential for reduction in the future, for example through the installation of water meters so that it is easier to identify large consumers. It is already known that **around 21 percent** of the fresh water used at the Wiesloch-Walldorf site evaporates in the technical systems and hence does not enter the sewerage system as wastewater.

Although none of its sites are located in regions with acute water shortages, the HEIDELBERG Group is aware that this issue will become increasingly important over the coming years. The German federal government is taking responsibility with its water strategy, while the UN Water Conference is also addressing the topic.

Environmental figures

The environmental figures include HEIDELBERG's 11 production and development sites (Wiesloch-Walldorf, Amstetten, Brandenburg, Qingpu (Shanghai), Kiel, Ludwigsburg, Weiden, Langgöns, St. Gallen, Herisau and Sidney (US)). They do not include HEIDELBERG's sales locations (Sales and Service Units; SSUs). These were taken into account in the calculation of Scope 3 emissions.

The following table shows the consumption of all the production and development sites. Fuel for the vehicle fleet/ processes includes the consumption for vehicles (all Group-wide vehicles, internal logistics) and production-related processes (e.g. High Velocity Oxygen Fuel (HVOF) coating). The four biggest production and development sites (Wiesloch-Walldorf, Amstetten, Brandenburg and Qingpu (Shanghai)) account for over 95 percent of Group-wide energy consumption and are therefore shown separately in the table.

Consumption data for the smaller production and development sites was typically only available on a calendar year basis. Accordingly, HEIDELBERG previously only reported the consumption of the four biggest production and development sites (Wiesloch-Walldorf, Amstetten, Brandenburg and Qingpu (Shanghai)) on a financial year basis. The process of calculating the key figures for all sites was switched to a financial year basis starting from the financial year 2022/2023. The degree days figures used to adjust for weather conditions were also switched to a financial year basis, resulting in a new base value. As well as the sites listed above, we publish additional key figures such as water consumption, CO₂e emissions (broken down into Scope 1, 2 and 3), the total energy volume reported, and the waste volume and the corresponding waste recycling rate in order to enable a differentiated analysis beyond the topic of energy alone.

Far-reaching strategic decisions in recent years led to measures that are now having a positive impact on the figures. The last non-financial report included information on the measures undertaken at the Wiesloch-Walldorf production and development site. Successful space consolidation and structural optimization freed up space that has now been reused, as well as lowering energy consumption.

This was achieved on the one hand by the systematic implementation of the measures, and on the other hand by the significantly milder weather conditions. In the financial year 2022/2023, total energy consumption was 13.5 percent* lower than in the previous year, while weather-adjusted total energy consumption decreased by 10.7 percent*.

In light of the threat of gas shortages in the past year and the resulting laws and regulations, measures were taken to reduce gas consumption. In particular, the sites in Wiesloch-Walldorf, Amstetten and Ludwigsburg lowered their gas consumption by 30.4 percent*, 31.2 percent* and 24.6 percent* respectively, including as a result of the aforementioned

* Voluntary disclosure, not reviewed by the independent auditor

measures (e. g. lowering room temperatures in response to the threat of gas shortages). District heating consumption in Brandenburg was also reduced by 16.5 percent* in this context. At 0.3 percent of total energy consumption, heating oil continues to play a minor role in terms of HEIDELBERG's energy mix.

At the Qingpu site, new production processes have been established and existing processes expanded. This led to a significant increase in electricity consumption from 3.1 GWh* in the financial year 2020/2021 to around 7 GWh* in the financial year 2021/2022 and 8.1 GWh in the financial year 2022/2023. This was mainly due to new machine tools, the need for air-conditioning to maintain stable conditions for the production processes, and the construction of a precision measurement facility to monitor the quality of the manufactured parts.

The individual fuel mix disclosure with a substantially higher CO₂ factor that previously applied to the Amstetten site due to the hardship clause under the German Renewable Energy Sources Act (EEG) ceased to apply on July 1, 2022. The site has been subject to the same fuel mix disclosure as the large German sites since this date, resulting in a significant reduction in Scope 2 emissions.

The general emissions factors for electricity for China that were previously used for the Qingpu site have been updated to reflect the emissions factors that were recently made available by the energy supplier. The result is a reduction in the reported (Scope 2) emissions in the current and previous reporting periods.

The proportion of purchased electricity attributable to renewable sources increased considerably in the financial year 2022/2023, rising from 27.2 percent* to 48.2 percent across the four biggest sites. This was because Amstetten accounts for 65.6 percent* of total electricity consumption, and the new fuel mix disclosure includes a significantly higher share of renewable energies.

This resulted in a year-on-year reduction of around 30 percent* in terms of both Scope 1 and Scope 2 emissions. The reduction in Scope 1 emissions was due to lower consumption as a result of specific measures to save energy. The Scope 2 emissions primarily relate to lower CO₂ factors and hence are due to reporting criteria. Electricity consumption across all 11 production and development sites remained essentially unchanged during the reporting period (+0.75 percent*).

Scope 1 and 2 emissions per € 1 million net sales, a key figure that is being published for the first time, declined significantly to 27.0 metric tons of CO₂e per € 1 million of net sales due to the reduction in the corresponding emissions accompanied by growth in net sales. This represents a 35.8 percent* decrease compared with the previous year.

Water consumption declined slightly year-on-year (-3.2 percent*) to 51.4 percent* at the Wiesloch-Walldorf site (previous year: 55.4 percent*), 30.3 percent* at the Amstetten site (previous year: 27.8 percent*) and 9.9 percent* at the Qingpu site (previous year: 7.5 percent*). In light of global climate change and the importance of the availability of clean drinking water, HEIDELBERG is planning to pay greater attention to this topic in the financial year 2023/2024. This includes more transparency as to the utilization and origin of the drinking water consumed. The waste volume decreased by 9 percent* and the waste recycling rate was 96 percent.

* Voluntary disclosure, not reviewed by the independent auditor

Overview of environmental key figures Input

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Input						
Energy consumption, total ¹⁾	GWh/a	288*	257*	256*	221	-13.5*
of which:						
Electricity ⁴⁾	%	49.1*	43.8*	52.1*	60.7*	
Natural gas ⁴⁾	%	42.0*	46.3*	37.7*	30.7*	
Heating ⁴⁾	%	3.0*	2.7*	2.1*	2.0*	
Oil ⁴⁾	%	0.2*	0.2*	0.8*	0.3*	
Fuel (vehicle fleet/production processes) ⁴⁾	%	5.7*	6.9*	7.3*	6.3*	
Energy consumption by site:						
Wiesloch-Walldorf ⁴⁾	%	50.7*	53.7*	44.5*	38.0*	
Heidelberg ⁴⁾	%	1.6*	1.3*	-	-	
Amstetten ⁴⁾	%	36.6*	33.9*	41.9*	46.8*	
Brandenburg ⁴⁾	%	4.9*	4.7*	5.7*	6.2*	
Qingpu ⁴⁾	%	1.6*	1.7*	3.2*	4.2*	
Others ⁴⁾	%	4.6*	4.8*	4.7*	4.8*	
Energy consumption, total (weather-adjusted) ²⁾	GWh/a	293*	261*	253*	226	-10.7*
Share of renewable energies in purchased electricity (Wiesloch-Walldorf, Amstetten, Brandenburg and Qingpu sites)	%	26.9*	28.6*	27.2*	48.2	
Water consumption, total ³⁾	m ³ /a	201,588*	156,399*	170,731*	165,224	-3.2*
of which:						
Wiesloch-Walldorf ⁴⁾	%	60.5*	62.2*	55.4*	51.4*	
Heidelberg ⁴⁾	%	1.1*	0.4*	-	-	
Amstetten ⁴⁾	%	22.7*	22.3*	27.8*	30.3*	
Brandenburg ⁴⁾	%	6.2*	5.5*	5.7*	4.3*	
Qingpu ⁴⁾	%	5.7*	4.9*	7.5*	9.9*	
Others ⁴⁾	%	3.9*	4.6*	3.6*	4.0*	

* Voluntary disclosure, not reviewed by the independent auditor

1) Total energy consumption of the 11 production and development sites including vehicle fleet, Company fueling station and fuel used in production-related processes. The Heidelberg site is not included from January 1, 2021

2) In accordance with VDI 2067, the heating energy supplied was adjusted based on the degree days figure of the Heidelberg site. In the year under review, the reference year was defined as the average for the last ten financial years (2012/2013 to 2021/2022).

3) The figures relate to the 11 production and development sites (see the list under "Environmental figures")

4) Voluntary breakdown, differentiation not reviewed by the independent auditor

Note: The figures for previous years are not comparable with those reported in previous years. This is because the scope of reporting has increased from four to 11 sites. The ten-year average for the degrees days figures used to adjust the key figures for energy consumption to reflect weather conditions was updated, resulting in a change to the prior-year figure.

Overview of environmental key figures Output

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Output						
Scope 1 emissions, total ¹⁾	metric tons CO ₂ e	31,914*	31,925*	27,590*	19,386	-29.7*
Scope 2 emissions, total ¹⁾	metric tons CO ₂ e	64,046*	49,099*	64,189*	46,331	-27.8*
Scope 3 emissions, total	metric tons CO ₂ e	-	-	1,975,842*	1,939,254	-1.8*
of which:						
- Category 3.1 (Purchased goods and services) ³⁾	%	-	-	37.19*	37.22*	
- Category 3.4 and 3.9 (Upstream and downstream transportation and distribution) ³⁾	%	-	-	3.14*	3.68*	
- Category 3.6 (Business travel) ³⁾	%	-	-	0.85*	1.02*	
- Category 3.11 (Use of sold products) ³⁾	%	-	-	52.31*	51.47*	
- Other categories ³⁾	%	-	-	6.51*	6.61*	
Scope 1 and 2 emissions, total ²⁾	metric tons CO ₂ e	95,960*	81,024*	91,779*	65,717	-28.4*
Scope 1 and 2 and 3 emissions, total	metric tons CO ₂ e	-	-	2,067,621*	2,004,971	-3.0*
Greenhouse gas (GHG) emissions (Scope 1 and 2)/turnover	metric tons CO ₂ e/ € millions	40.9*	42.4*	42.0*	27.0	-35.8*
Waste ¹⁾	metric tons	34,820*	25,311*	38,770*	35,264	-9.0*
Recycling rate ¹⁾	%	95.69*	95.32*	96.12*	96.00	

* Voluntary disclosure, not reviewed by the independent auditor.

1) Figures relate to the 11 production and development sites (see list under "Environmental Figures").

2) CO₂ emissions resulting from energy and district heating supply are based on information from the respective electric utility at the particular site; other emissions are based on GEMIS and were updated to version 5.0 in the financial year 2021/2022. The prior-year figures were restated accordingly.

3) Voluntary breakdown, differentiation not reviewed by the independent auditor.

Note: The figures for previous years are not comparable with those reported in previous years. This is because the scope of reporting has increased from four to 11 sites. The ten-year average for the degrees days figures used to adjust the key figures for energy consumption to reflect weather conditions was updated, resulting in a change to the prior-year figure.

Climate strategy

HEIDELBERG is committed to making its production and development sites and sales locations climate-neutral (Scope 1 and 2, excluding Scope 3) by 2030. Its priorities in this respect include improving energy efficiency, reducing emissions, and substantially increasing the proportion of electricity generated internally from renewable sources. In future, suitable measures (green electricity, power purchase agreements (PPA), etc.) will be taken in order to avoid the Scope 2 emissions resulting from the remaining electricity purchases. The common goal of all measures is to reduce emissions to the greatest possible extent. Remaining emissions that cannot be avoided through optimization measures are voluntarily offset. HEIDELBERG intends to eliminate the need for offsetting by 2040 (Scope 1 and 2, excluding Scope 3). It has defined specific interim targets for achieving this. By 2025, HEIDELBERG plans to reduce its emissions intensity (CO₂/net sales) by 25 percent compared with the financial year 2021/2022.

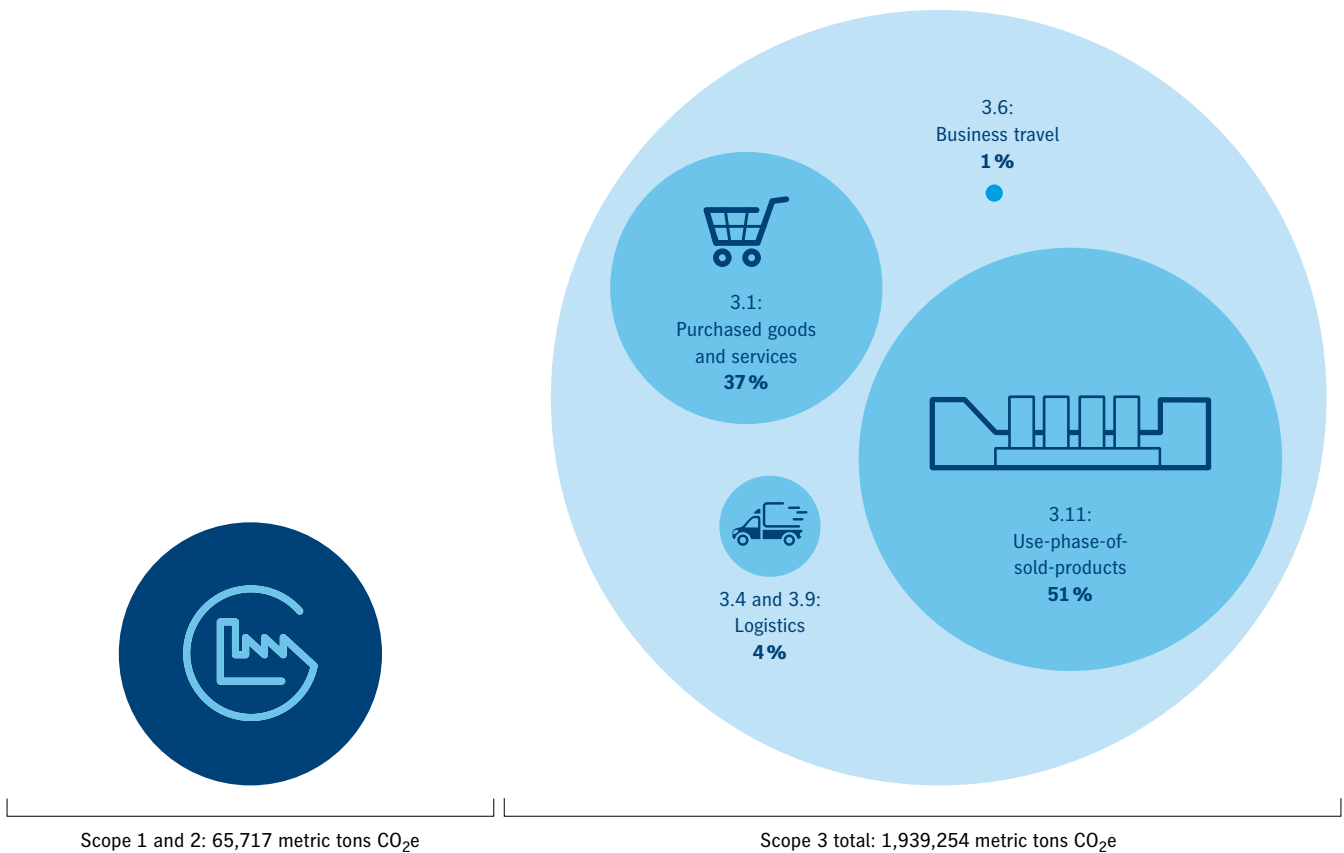
As part of the climate strategy and taking into account the plans and activities realized to date, a transformation concept for reducing the HEIDELBERG Group's greenhouse gas emissions was developed in the past financial year. The corresponding potential was analyzed at all production sites in Germany and a site-specific plan of measures for reducing and optimizing energy requirements and preventing emissions was created. In the first step, the Scope 1 and Scope 2 emissions were examined in detail and the corresponding processes and consumers were investigated with the aim of establishing how they can be made climate-neutral. All electricity-based processes can be made climate-neutral relatively easily by generating power independently or purchasing green electricity. Some processes that currently require fossil fuels can be electrified, but there are also processes in which fossil raw materials are a necessary component for which an alternative solution has yet to be found. Although they account for only a small proportion of its emissions, HEIDELBERG aims to develop a solution in the medium to long term. The processes causing the most emissions are the foundry at the Amstetten site and the local heating supply at the Wiesloch-Walldorf site.

An energy and renovation concept identifying various potential savings has been developed for Production Hall 06 at the Wiesloch-Walldorf site. This includes realizing various

measures to significantly reduce the heating requirements of the hall. Plans have advanced to the stage that the hall is set to be modernized over the coming years.

Along with activities to lower energy consumption, the measures for increasing in-house power generation at our production sites are an important element. A photovoltaic system with an output of 3,600 kWp has been commissioned at the Amstetten site. This will generate around 3.5 GWh of electricity every year, almost all of which will be used directly at the site. Having already been planned and ordered, the system was in the process of being installed as this report went to print.

The HEIDELBERG Group's Scope 3 emissions were recorded for the first time in partnership with Bosch Climate Solutions. This means HEIDELBERG has achieved its objective of comprehensively recording its greenhouse gas performance across all scopes (1, 2 and 3 according to the GHG Protocol). All of the subcategories were considered and included in calculating the Scope 3 emissions. Data collection used various approaches and valuation models due to the heterogeneous nature of the data, including product group structures and product complexity. For example, a weight- and average-data-based approach was selected for machines/products and production waste, while spend-based approaches were applied for some other categories. A sustainability analysis was conducted in order to determine the material categories to be covered in this report. The aim was to define which categories are material in terms of the level of emissions generated or with respect to stakeholder interests, for example category 3.6 (Business travel), which accounts for a comparatively small proportion of total emissions but is considered to be of public interest. In particular, categories 3.1 (Purchased goods and services) and 3.11 (Use phase of sold products) account for the majority of the HEIDELBERG Group's emissions. The product use phase is especially relevant, as it is responsible for around 50 percent of all Scope 3 emissions. Based on these results, strategies and measures can now be developed with a view to reducing and preventing these emissions. HEIDELBERG is heavily reliant on cooperation with its partners and customers, as engaging in dialog and working together is the only way to fully leverage the available potential.



Sustainable production

HEIDELBERG understands sustainable production to mean a modern, flexible and cost-effective infrastructure in which a high level of value-added is generated and resources are used efficiently. In this respect, resources may include employees as well as materials, energy and water. The optimal use of production and administrative areas is an important factor in ensuring energy-efficient locations and lowering costs. Based on its modified production requirements, HEIDELBERG has developed strategies aimed at modernizing the infrastructure over the coming years and developing holistic energy concepts in order to reduce its energy consumption.

At HEIDELBERG's largest production site, Wiesloch-Walldorf, an energy concept to significantly lower energy consumption over the coming years has been developed for Assembly Hall 06, which encompasses around 72,000 sqm of production space. The energy concept highlights specific potential for optimization and mitigation measures, including reducing the heat requirements of the aforementioned

hall by up to 60 percent. With the roof renovation making it possible to install roof-mounted photovoltaic systems for the first time, HEIDELBERG is enhancing its independent power generation and increasing the proportion of renewable energies, thereby making itself more energy self-sufficient. The renovation of the roof and the installation of photovoltaic systems has a planned project duration of three years and is currently expected to be completed in the financial year 2026/2027. The construction work is divided into three sections, with one-third of the roof space being renovated and photovoltaic systems installed every year. The hall lighting is another important aspect. Because it accounts for almost half of the hall's electricity consumption, switching to LED lighting concepts offers significant additional savings potential. This is beneficial for the environment as well as making our sites more competitive. As such, HEIDELBERG has given these topics particular priority and has begun implementing site and structural optimization projects, especially in Wiesloch-Walldorf. In the medium term, HEIDELBERG intends to take the methods used and the experience gained and apply it in order to modernize additional sites and halls.

In addition to infrastructure, the production areas are intensively addressing processes and the accompanying resource consumption. The high degree of vertical integration allows HEIDELBERG to observe and optimize the value stream along the value chain. Projects in cooperation with universities, like the Institute for Production Management, Technology and Machine Tools (PTW) at TU Darmstadt, encourage the transfer of expertise and help us to realize further improvements. Examples include the “ETA in Existing Structures/Facilities” and “DiNaPro” projects, both of which aim to improve energy efficiency in machining. DiNaPro involves the use of a digital twin to record and improve sustainability aspects throughout the product development process.

Since 2013, HEIDELBERG has established an energy monitoring system at its major German production and development sites (Wiesloch-Walldorf, Amstetten and Brandenburg), which it uses to record and analyze energy consumption and flows. HEIDELBERG’s production site in Qingpu (China) was integrated into the system in 2019 and has since been in the process of automating its energy monitoring system further. Due to the restrictions imposed in response to the COVID-19 pandemic, the roll-out at this site is not yet fully complete. The plan remains for the site to be connected to the corresponding IT infrastructure.

Taken together, these sites are responsible for over **95 percent** of the HEIDELBERG Group’s energy consumption. HEIDELBERG currently has around **1,300 integrated measuring points** and is working continuously to refine the meter infrastructure and define significant energy loads. The transparency thus gained will enable HEIDELBERG to reduce energy consumption and the associated environmental impact of energy transformation, transportation and distribution. In addition, the system helps to identify potential savings and to take environmental issues into account in decision-making processes. When it comes to implementing energy concepts and realizing savings potential, this transparency enables clarity and planning certainty with regard to the expected savings.

Our assembly area for industrial customers at the Wiesloch-Walldorf site plays an important role in testing new assembly processes and methods. Our industrial customers benefit from our decades of experience in serial printing press assembly, while the decoupling from printing press production allows us to try out new concepts and introduce them on our assembly lines as applicable. For example, various

concepts for reducing the use of battery-operated screwdrivers are currently being tested. As well as saving energy and cutting down on battery use, this will prevent employees from having to handle heavy battery-operated screwdrivers.

The area is currently working on a strategy for CO₂e transparency and sustainability in assembly. The aim is to achieve transparency with regard to emissions at all levels of the production process and to make this information available to all employees.

Sustainable Products

HEIDELBERG considers developing environmentally sound and sustainable products to be a part of its corporate responsibility. Accordingly, it has long had an internal master agreement that forms the basis for systematically integrating the requirements of environmental regulations into the development process. In line with this, development projects include a review of aspects including materials, chemicals, waste and energy. The aim is to reduce the environmental impact to a minimum and enable customers to produce in an ecologically and economically successful manner.

Carbon dioxide (CO₂) and other greenhouse gases are released in the production process. Preventing emissions is the best way to achieve climate neutrality. When it comes to production, primarily with regard to the items delivered, however, not all emissions can be avoided directly. With this in mind, HEIDELBERG offers its customers the option of voluntary carbon offsetting for the products they purchase. The CO₂ emissions of all products are calculated using the cradle-to-gate principle*, i. e. from resource extraction to our factory gate. Some products from the HEIDELBERG portfolio are offered as climate-neutral products as a matter of principle. The emissions are then offset by buying emission credits or certificates generated in specific climate protection projects. This offsetting merely represents a temporary solution.

In the area of voluntary carbon offsetting, various standards have become established on the market. Internationally, the most common are the Clean Development Standard (CDM), the Verified Carbon Standard (VCS) and the Gold Standard, which cover the majority of the market. HEIDELBERG has opted to use Gold Standard certificates. When selecting

* Emissions for printing presses calculated in accordance with ISO 14040/14044. Process certified by the Fraunhofer Institute in 2012. Emissions for products that are not printing presses are calculated in the same way.

projects, social aspects such as sustainable development and the integration of the local population were taken into account in addition to environmental aspects. Until March 2023, HEIDELBERG supported the Soddo reforestation project initiated by the NGO World Vision in Ethiopia and the CO₂OL Tropical Mix project in Panama*. At present, there is a shortage of projects and the corresponding certificates. In light of its decision to only use Gold Standard-certified projects, HEIDELBERG is investing in the Kenya Cookstoves project for energy-efficient cooking stoves in the meantime.

In 2009, HEIDELBERG became the first printing press manufacturer to document the environmental footprint of its products and perform lifecycle assessments with a view to recording the environmental impact of its products in the greatest possible detail and identifying potential improvements. These activities have been integrated into ISO 14001 management and are supported by standardized work instructions.

In order to obtain an initial assessment of a product's carbon footprint in the early phase of product development, a new CO₂ calculation tool was created in the financial year 2022. The CO₂ calculations were optimized in the financial year 2023 by expanding the tool to include additional parameters and site-specific emissions factors for electricity.

Printing presses

The Kyoto Protocol of 1997 required industrial production in 2020 to be at least 20 percent more efficient than in 1990. HEIDELBERG comfortably exceeded this target, achieving a figure of over 40 percent for its printing presses. This is illustrated by a comparison of the Speedmaster CD 102-6+L from 1990 and the current Speedmaster XL 106-6+L. Energy consumption per 1,000 sheets has been reduced from 13.8 kWh to 8 kWh. This improvement was achieved through pioneering innovations such as the use of efficient drive systems and optimizations to the printing press itself and peripheral equipment. Energy recovery is another special feature of our printing presses. For example, additional consumers can harness the energy that is released when the brakes are applied to the motors.

One characteristic of our printing presses is the fact that energy efficiency per thousand sheets improves as machine speed increases. Our product solutions for the smart print shop can make printing press operation even more effective and efficient.

A printing press has a basic level of energy consumption that covers the fundamental operating functions. When this value is exceeded, energy consumption increases in line with rising printing speed, but since the basic level of energy consumption is spread over more printed sheets, overall energy efficiency improves. This means a press is at its most efficient when a job is being printed at full speed. Additional innovations have increased the maximum machine speed of the XL 106 printing press to 21,000 printed sheets an hour, thereby helping to further improve energy efficiency per sheet. [Energy efficiency in the pressroom | HEIDELBERG](#)

Consumption and energy requirements can be optimized only if consumption data is recorded, measured and documented transparently. This can be achieved with an energy measuring device, which can be integrated as an optional extra for all printing presses. Reflecting the importance with which HEIDELBERG regards this topic, printing presses ordered from April 2023 onward will be fitted with an energy measuring device as standard (initially only in Germany). For sales regions outside Germany, this is available as an add-on. The device is connected to the software and integrated into the control station, allowing consumption data to be read and displayed.

HEIDELBERG Business Consulting

The energy crisis has placed particular pressure on print shops. Rising operating costs for energy, raw materials and supplies represent a significant challenge for customers, and many print shops are increasingly focusing on climate protection. To this end, HEIDELBERG has developed a consulting concept aimed at saving energy and resources by improving energy efficiency in the print shop. In the period under review, HEIDELBERG's business consultants developed an energy efficiency workshop in cooperation with the Corporate Sustainability team.

* HEIDELBERG engages in various offsetting projects, all of which are required to meet Gold Standard criteria. When purchasing a product for which offsetting has taken place, the customer receives information on the project and the corresponding certificate number to ensure traceability.

HEIDELBERG works with customers to identify and calculate the potential for reducing and optimizing resources. Suitable mitigation measures are then defined on this basis. As there is a certain lack of clarity when it comes to transparency and the true consumption data of printing presses, the automated recording of energy and resource consumption is essential. To improve the transparency of energy consumption, energy measuring devices can also be retrofitted into printing presses by our service team.

In a specific customer project, energy efficiency potential corresponding to around 17 percent of the energy costs was identified. Potential of around 5 percent of the Company's net sales was identified in the area of process optimization, including the avoidance of waste. The consulting services are available to all customers via their respective HEIDELBERG contact.

In addition to processes and production methods, the consumables used play a significant role when it comes to resource efficiency and printing press usage in print shops.

Consumables

The Saphira ECO label comprises HEIDELBERG's product range of environmentally friendly materials. In addition to ecological benefits – such as reducing emissions of volatile organic compounds (VOCs), ammonia and particulate matter – Saphira Eco is synonymous with the use of fewer chemicals and less waste water. The criteria of various environmental labels were adjusted during the period under review, resulting in the reorientation and strategic realignment of the product portfolio. The revision of certain environmental labels means our customers are faced with the challenge of recertification. HEIDELBERG supports its customers with certification and recertification by preparing and supplying the necessary product documentation and evidence. HEIDELBERG also works with its suppliers and the testing institutes to coordinate the clearance of the test reports required for the application process.

HEIDELBERG has further optimized the LocoTec-MRS ink roller system in cooperation with Westland. The technology had already been rolled out in the area of conventional printing. In the past year, this work was extended to mixed and UV operation in order to expand the user base and offer the benefits of the technology to more customers. LotoTec MRS typically prevents the need for a second wash using cleaning paste or a deep cleaner when changing from dark to light inks. This speeds up the changing process and means lower consumption of cleaning agents. HEIDELBERG's customers can request this innovative roller system when

customizing their original equipment or request it to be retrofitted.

Robotics in postpress

Printing presses and postpress machinery are becoming more productive, as are the products that need to be moved around the print shop and the postpress area. This is increasing the physical burden on the people operating postpress machinery in particular. Operators of industrial folding machines have to move packages weighing several kilograms by hand and stack them onto pallets around every 12 seconds. Coupled with logistics activities and quality assurance, this extremely high level of physical strain makes machine operation less attractive as a job and reduces the productivity of the folding machine. HEIDELBERG has developed and launched an autonomous stacking system, the Stahlfolder P-Stacker, to reduce this physical burden on machine operators. As well as increased productivity and improved machine efficiency, this solution is beneficial in terms of employee health and job attractiveness.

AMPERFIED

HEIDELBERG offers charging solutions for e-mobility in its Amperfied GmbH business unit. Amperfied GmbH is expanding its portfolio in response to the potential of the market and is determined to play a leading role in the field of electric mobility. In addition to charging solutions for the home, the Company offers charging solutions for vehicle fleets, parking garages, residential complexes and municipalities. Amperfied GmbH places great value on sustainability and is committed to local production in Germany.

The key challenges when it comes to developing charging solutions for electric mobility are compliance with standards and providing innovative functions while ensuring cost efficiency. Quality management also complies with the strict processes of the German Association of the Automotive Industry (VDA), resulting in a product made in Germany that meets HEIDELBERG's high quality standards. The state-of-the-art industrial production facility allows products to be manufactured with a low error rate and a small carbon footprint. The CLIMATE Wallbox also gives customers the opportunity to purchase a climate-neutral product made in Germany. Thanks to a high degree of vertical integration covering the entire process, from PCB mounting through to final assembly of the Wallboxes, there were almost no delays or production downtimes due to the COVID-19 pandemic and the accompanying supply bottlenecks on the raw materials market. We also qualify alternative components and materials in order to ensure security of supply for our customers.

In addition to distribution under the AMPERFIED brand, the Wallboxes are offered as OEM products and can be modified to reflect the respective design requirements. The Company is currently focused on distributing its charging solutions in Europe.

Industrial customers

There is growing demand for climate-neutral products in our industrial customer business. HEIDELBERG helps its customers to calculate and offset the carbon footprint of their products. Heidelberg Industries also offers its customers the opportunity to examine their designs using the HEIDELBERG design guidelines with a view to identifying potential improvements and industrializing their products. HEIDELBERG performs all aspects of material procurement (third-party and in-house production) and quality management for its industrial customers. We help our customers to comply with the material restrictions under the RoHS Directive 2011/65/EU and the REACH Regulation. This means Heidelberg Industry performs complete supply chain management for its customers.

In addition to standing out in terms of quality and economic efficiency, HEIDELBERG is committed to ensuring that its products are utilized safely and properly in order to protect users' health to the greatest possible extent.

Product safety

Responsibility for product safety is clearly assigned in the allocation of duties and enshrined within the wider organizational structure. The management has also issued an internal master agreement on this topic that sets out a corresponding process. With regard to its products, HEIDELBERG has established processes aimed at giving due importance and attention to the health and safety of the people working with the products. Incidents are systematically recorded, analyzed and processed as part of continuous product monitoring. Employees in direct contact with health and safety aspects, especially in development and assembly, are provided with regular qualification. HEIDELBERG takes care to ensure that the product documentation contains corresponding safety instructions for the proper use of the re-

spective machinery and that these instructions are kept up-to-date at all times. Customer-specific and market-specific inspections and certifications also take place in cooperation with external inspection bodies. Incidents reported by the market are investigated and processed as part of product monitoring. This applies to complaints by the authorities as well as incidents during operation and product defects that are the responsibility of the manufacturer. Where products are defective, suitable measures are taken to resolve the defects in the existing machinery that is already on the market. This may relate to mechanical systems or software. The aim is to supply the market with compliant products that enable safe work in accordance with the product's intended use. HEIDELBERG continuously examines its products and makes improvements in terms of their design and manufacture and the corresponding instructions as necessary. To date, HEIDELBERG is not aware of any breaches of regulations giving rise to fines, penalties or warnings on the part of the market surveillance authorities.

Employee issues

Structural framework

As an employer, HEIDELBERG always aims to offer fair payment, the amount and composition of which is based on objective criteria. This includes a company pension as a future-oriented component of employee remuneration. The Company has also established monetary and social conditions that guarantee a modern working environment. As part of a new work concept, workspaces in administrative areas are designed to create an open working environment in order to encourage exchange between the departments. The new work concept is accompanied by provisions on flexible working conditions in terms of both time and location. In addition to remote working, this allows for flexible working time models based on working time accounts and collectively agreed provisions. In this way, HEIDELBERG helps its employees to achieve a healthy work-life balance and places professional and personal requirements in a modern context.

For HEIDELBERG, a well-trained, highly qualified workforce is critical to its long-term business success. This requires it to provide good training to young people as well as professional and personal development across all employee groups. Employee development involves a combination of digital and classroom-based training and is implemented for all employee groups in the Company.

The mission statement defined by HEIDELBERG is being implemented internationally and integrated within the Company in the form of cascaded communication via the line managers, including workshop platforms.

All of the sites and subsidiaries have bodies elected according to the works constitution. These bodies jointly design the working conditions for all employees as part of a constructive and targeted cooperation.

The HR guidelines that are implemented on a Group-wide basis are reviewed at regular intervals and amended to reflect current requirements. They encompass compliance with social standards and ensure that operational HR work is consistent with the applicable principles, such as the standards issued by the International Labour Organization (ILO). At the same time, the relevant national provisions must also be observed. This is ensured by the management of the respective sites and the HR managers at all of the subsidiaries. The Group managers and the managers of each Group company report material issues to the responsible HR managers at Heidelberger Druckmaschinen Aktiengesellschaft. Key issues relating to HR are regularly reported and decided on at the meetings of the Management Board and the overarching management body, the Executive Committee.

The Company-wide HR management system is continuously expanded to include new functions. The revised recruitment process for the HEIDELBERG Group is currently being implemented internationally in the Workday system.

Employee rights and codetermination

HEIDELBERG undertakes to comply with the applicable regulations and provisions of employment law, both nationally and internationally. HEIDELBERG works with the employee representatives to develop sustainable solutions for reconciling employee interests and operational concerns to the best possible extent.

Codetermination in accordance with works constitution law is ensured and put into practice throughout the Group in the form of numerous bodies. Cooperation with the various local Works Council committees, the cross-site and cross-location Central Works Council committees, the youth and trainee representatives, the Economic Committee, the Representative Committee and the disabled persons' representatives is always constructive. The same applies to the national trade unions that are represented at the permanent establishments.

As a company subject to collective wage agreements, HEIDELBERG ensures compliance with collective agreed standards in terms of the remuneration structure and above and beyond this. Where the collective wage agreement allows, the remuneration structure is based on objective criteria and takes account of Works Council's statutory rights of codetermination. Compliance with minimum requirements, such as the German Minimum Wage Act, is a matter of principle for HEIDELBERG.

In order to reflect the economic conditions as well as the interests of its employees, HEIDELBERG has concluded in-house agreements with the respective representatives of the IG Metall trade union above and beyond the regional collective agreements where it considers it to be necessary and reasonable to do so. Most recently, HEIDELBERG deviated from the regional collective agreement concerning the November 2022 inflation compensation bonus by paying the bonus as a one-off payment of € 3,000 per employee already in February 2023, rather than in two separate payments.

Company-wide Code of Conduct

The corporate culture is founded on the Company-wide Code of Conduct, in which the Company commits to respectful cooperation. The Code is accompanied by an extensive set of guidelines that are published and made available on the intranet. Compliance is ensured by making unqualified reference to the Code of Conduct in all contracts of employment and by requiring appointees to management positions to expressly undertake to observe the Code of Conduct. In the event of non-compliance, the first step is to inform the person in question that compliance is required, provide them with additional training and make them aware of their responsibility in their position. If these measures are not sufficient, corresponding disciplinary measures are taken.

Key action areas

HEIDELBERG's HR department sees itself as a strategic and operational partner to management and the committees. The interests of the Company as a whole are integrated into the HR strategy and the medium-term goals of the HR department in the form of the HR road map for the coming financial year are set out in the project map. The operational requirements for the HR department, including processes and systems, are also derived on this basis.

The HR department supports the process of cultural and organizational change at HEIDELBERG and defines the organizational and content-related conditions in coordination with the Management Board and the line managers. HEIDELBERG's mission statement has been rolled out within the organization since November 2022 and cascaded throughout the Company via line managers and the HR department in the form of workshops and communication platforms.

One of the main objectives of the HR department is to ensure the availability of the right employees with the right skills at the respective sites. Resources are controlled with a view to demographic development. This requires external and internal measures and projects. A personnel marketing strategy has been designed and implemented in order to address the right potential applicants for HEIDELBERG. This includes the harmonization of the recruitment process in the Workday system. Recruitment channels are defined and implemented on the basis of target groups and regions. Internally, target-group-oriented employee development serves to ensure that the necessary skills are available within the Company as well as furthering the development of the Company's workforce. The definition and launch of Group-wide management training is planned for 2023. The measures taken as part of the well-established health management system, general training and occupational health and safety will also continue.

Supporting the transformation with active HR work

HEIDELBERG operates in a dynamic market environment that poses new challenges to the Company. At the same time, it is encountering new challenges as an employer, which it addresses and incorporates in its HR strategy and HR road map.

Culture

Doing justice to the dynamic external and internal requirements demands a uniform self-image that is shared and understood by all, which is why the mission statement is being rolled out internationally across all companies. The mission statement was developed in workshops by a selection of international managers and employees and added to by the Executive Committee. The managers serve as multipliers, discussing the mission statement with employees and implementing it in the form of workshops and via communication platforms. In the next stage, the strategy that has been defined and the related vision will be combined with the mission statement in the Company's value context and integrated within the organization.

New work and digitization

The growing requirements in terms of flexible working conditions, mobility and digitization in the workplace are taken into account through the new work concept in conjunction with working time models. The resulting workplace environments are designed and implemented with the involvement of employees. This is accompanied by the continued digitization of processes and tasks within the Company.

Employee skills

In line with the corporate strategy, managers and the HR department are required to secure the necessary future skills at the sites within the right time frame as part of the change process. This necessitates strategic demographic management in order to guarantee the transfer of expertise from employees leaving the Company as well as future-oriented employee development and appointment on a continuous basis.

Demographic management

The aim of sustainable demographic management is to address the opportunities and risks of demographic development at HEIDELBERG in equal measure. The average age of the HEIDELBERG Group's employees is 47.1, which illustrates the demographic challenge facing the Company. Together with management and the Works Council, measures have been, and continue to be, initiated with a view to ensuring the transfer of expertise when employees leave the Company. The future requirements in terms of the necessary resources and skills are also taken into account in the Company's orientation and planning. Accordingly, potential HR measures are discussed and developed in conjunction with the Works Council. This includes implementing the transfer of expertise through appropriate qualification measures and formats as well as internal development.

Partial retirement

With partial retirement contracts being required to cover 5 percent of the total workforce under the terms of the central works agreement, HEIDELBERG exceeds the ratio of 4 percent prescribed by the collective wage agreement. In fact, this ratio is exceeded by some distance as partial retirement was again used as an important tool in the demographic process in 2022. To ensure the Company's future success, departures for demographic reasons are tied to strategic requirements and planned and implemented in conjunction with the individual specialist departments. This includes coordinating additional measures such as transitional models, training young people and providing existing employees with training to prepare them for future skills requirements.

Vocational training for the sustainable development of young employees

With trainees accounting for 5.7 percent of the workforce at the German production and development sites (average percentage of trainees in the financial year 2022/2023), HEIDELBERG is demonstrating the importance of developing young talents in light of demographic change. With a portfolio of training occupations aimed at meeting demand within the Company, including the new role of IT specialist for data and process analysis (from September 2023), the existing skills are secured for the future, and new skills are established for the years ahead. In addition to systematically analyzing our quantitative requirements, we consult with the specialist departments to identify the extent to which new or modified training occupations are required and adjust the necessary appointments accordingly. We are also

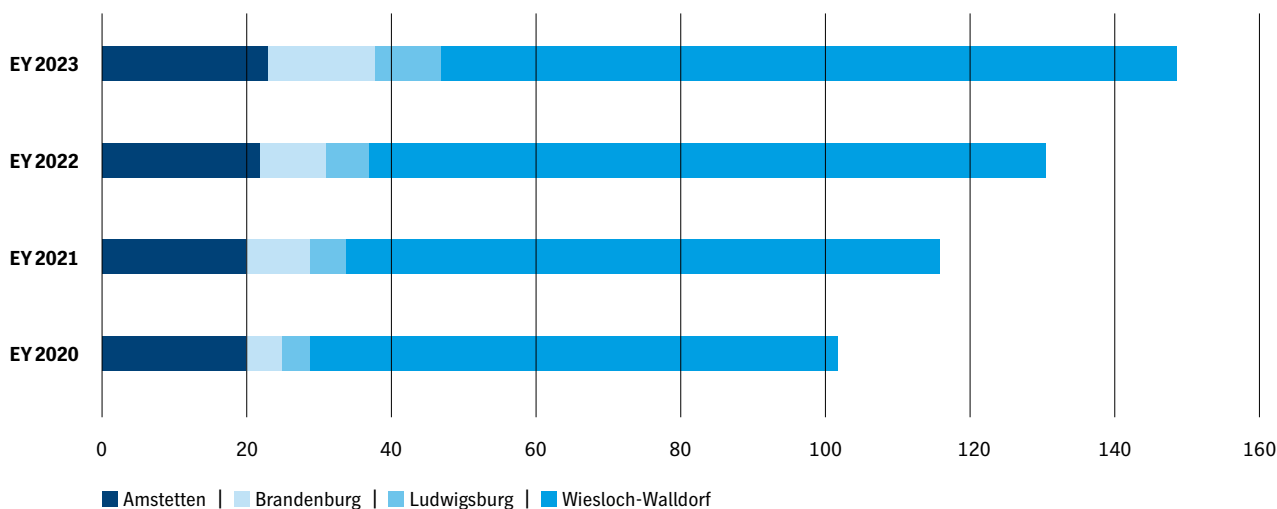
continuously expanding the range of available higher education options. HEIDELBERG currently offers ten different courses of study at its Wiesloch-Walldorf site alone. One new addition is the Bachelor of Science in Information Technology.

Vocational training at HEIDELBERG is innovative and needs-oriented. In the calendar year 2023, awards were presented to six of the best students in Brandenburg in the Chamber of Commerce and Industry examinations, two of the best students in the state, the best student in the country, and the best mechanical engineering student in their year group. In March 2023, the training organization itself was again recognized by Focus Money as one of the top five training organizations in the mechanical and plant engineering industry. These awards reflect the high standards that we place on our training for talented young employees.

Internally, the best students in the respective year group across all sites are awarded prizes from the Sternberg Foundation and recognized at the annual graduation ceremony. In addition to motivating trainees to achieve excellent performance, the aim is to reward outstanding commitment to social causes.

A socio-educational introductory seminar for new trainees encourages the capacity for teamwork, working in small groups and independent work in projects. We understand the importance of supporting trainees in a social and environmentally oriented context right from the outset. To this end, trainees volunteer in non-profit projects such as selling homemade products at the local Christmas market,

Overview of the development of training figures by location



looking after senior citizens in retirement homes, realizing projects in kindergartens, and participating in special campaigns at regional food banks. The funds generated from the various campaigns during the year are donated to low-income families in the surrounding area.

Vocational training thus represents an important contribution to sustainability, as it allows the Company to attract talented young employees and shape their cultural fit as part of its social responsibility.

As a founder member of WorldSkills Germany, HEIDELBERG has also supported the national and international competitions for the profession of media technician for printing since 2006. In its role as the Federal Center of Excellence, HEIDELBERG trains talented young people for the big competitions at its Print Media Center in Wiesloch-Walldorf. Last year, a HEIDELBERG employee took third place in the WorldSkills Competition in Switzerland in the discipline of print technology.

In March 2023, HEIDELBERG was again involved in organizing the “Jugend forscht” competition at its Brandenburg site and entered the competition with a team of its own.

Qualification – the key to advancement and development

HEIDELBERG offers target-group-oriented employee development and training. This takes the form of a combination of digital training and in-person events.

The training organization and training administration are performed using a learning management system (LMS). This ensures that mandatory seminars such as compliance training are rolled out to the intended target group and the delivery of the training is documented. As well as providing the responsible managers with an overview of all of the available content and activities, this allows them to make suggestions or assign training in a targeted manner as part of the employee review process. Thanks to these technical possibilities, needs-oriented modifications to the training portfolio can be implemented more quickly.

HEIDELBERG has a professional and experienced HR development team with responsibility for designing training measures and, in some cases, delivering them personally.

This team plays an important role in organizational development measures or, to cite a current example, in the workshop platforms for the mission statement process. External trainers and cooperation partners are also employed in order to deliver professional, target-group-oriented content in the context of training and employee development.

The underlying qualification requirements are regularly and systematically identified in conjunction with managers and the specialist departments, and the training portfolio is drawn up on the basis of the needs-oriented requirements. In-house training and training offered by external educational institutions are integrated into the LMS on this basis.

A new management program with content that takes account of the Company’s professional and cultural requirements is currently being designed at Group level. This program places management in the context of corporate change, the corporate culture and sustainable and holistic leadership in order to adequately reflect the various requirements within the Company. International, cross-functional groups are established in order to facilitate networking within the Company and encourage the transfer of expertise across departmental boundaries.

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

All training and employee development measures are subject to a reporting process in which the results are evaluated and key figures are measured in order to ensure continuous feedback for the purposes of quality improvement and target attainment.

Attractive working conditions

The average length of service with HEIDELBERG is around 21 years, which is significantly higher than the average for German industrial companies (11 years; IWD study, reference year: 2019). The aim is to be an attractive employer for potential applicants and to retain new employees for the medium and long term.

Employer branding

In order to be perceived as an attractive employer on the internal and external employment market, we are currently designing a new employer branding campaign for the HEIDELBERG Group that will authentically communicate the core messages to the various target groups. The Company's own employees will be incorporated into this concept. This also includes adapting the Company's website so that potential applicants can obtain tailored information and apply directly for the positions advertised.

Active sourcing

In conjunction with the new personnel marketing strategy, the recruitment process is being standardized and harmonized internationally. This project began in the last quarter of the financial year and will be implemented in the Workday system in the coming financial year. This means the internal recruitment process will be integrated into the Workday system, thereby enabling a consistent process from the initial application through to appointment. The process will be supported by target-group-oriented recruitment channels. The relevant target groups will also be addressed directly at trade shows and events.

One key focal point is attracting trainees and students.

In order to persuade these target groups to enter vocational training with the Company, HEIDELBERG participates in information events such as training fairs and school information events and initiatives like the Girls' Day, which is aimed at encouraging more female applicants for STEM professions, and the "Long Night of Training". In the past financial year, the doors to the main production site in Wiesloch were opened as part of the "Ausbildung live" initiative. A large number of interested visitors gained an insight into day-to-day life as a trainee. The young people, many of them accompanied by their parents, were able to ask trainees directly about the content of the training programs and what it is like to be a trainee at the Company.

HEIDELBERG also works in partnership with the vocational schools and Baden-Württemberg Cooperative State University, Mannheim, under the "Ulm Model".

We cooperate with regional and nationwide universities that offer relevant courses of study. In exchange, we offer events, internships and places for students working on their degree theses in order to establish contacts with a view to future recruitment.

Benefits

HEIDELBERG provides support through targeted social engagement at its various locations. This is planned and managed locally by the respective Company units.

The conclusion of the "Mobile Work" central works agreement has established the framework for a modern form of work. The business and organizational requirements of the individual specialist departments, such as production, were taken into account. This was accompanied by the implementation of new work approaches in administrative areas, where a modern working environment is intended to encourage interaction and communication between employees within the specialist departments and across departmental boundaries.

The Company also offers additional benefits to support sustainability. For example, bicycle leasing was introduced at some of the German sites in 2022 under a voluntary works agreement. This was made available to all employees covered by and not covered by collective wage agreements. The bicycle is leased under a deferred compensation model and can be purchased or returned at the end of the contract period. More than 450 eligible employees have made use of the scheme since it was introduced in January 2023. Employees at the Wiesloch-Walldorf site can also benefit from the subsidized Jobticket, allowing them to travel to and from work without using their car.

Health management

The pandemic-related regulations were implemented until March 2023 in accordance with the respective federal and state legislation. Protecting employee health and remaining operational on a sustainable basis were given top priority. The internal hygiene procedures were adapted following the lifting of the mandatory COVID-19 regulations. The Company continues to offer vaccinations in order to reduce the risk of infection.

Operational health management continues to occupy an important role. The "WIEfit" health center that was established in 2017 at our largest site, Wiesloch-Walldorf, returned to regular operation with a full range of activities. In addition to conventional fitness training, it offers prevention courses (for example, stress management through progressive muscle relaxation, yoga and back fitness) as well as integrated physiotherapy. Encouraging employees to engage in specially designed exercises at their workstations helps to prevent illnesses resulting from musculoskeletal disorders.

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

The "WIEfit Healthy Eating" concept that continued in the financial year is now an established and well-accepted element of the food selection. The buffet, with its salad and

vegetable bar, was reintroduced following the lifting of the COVID-19 restrictions and has been well received by employees.

More than 400 in-house first-aiders are integrated into operational health management, ensuring a rapid response to medical emergencies across all departments and buildings on the Company's premises. These first-aiders are given annual training by the Company medical service to ensure that they meet the necessary standard.

In addition to first-aiders, the Company medical service ensures a rapid response at all times by providing paramedic and emergency medical care and an emergency call center that is staffed around the clock. In the past financial

Overview key figures employee matters

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Number of employees ¹⁾	Number	11,316	10,212	9,811	9,554	-2.6
of which:						
Asia/Pacific	%	14.7	15.5	16.7	16.6	
EMEA	%	73.8	73.1	71.7	72.2	
Eastern Europe	%	4.6	4.4	4.5	3.8	
North America	%	6.0	6.1	6.2	6.4	
South America	%	0.9	0.9	0.9	1.0	
Turnover rate ²⁾	%	3.7	13.3	8.9	9.1	
Average seniority ¹⁾	Years	20.3	21.3	21.1	20.5	-2.8
Percentage of female employees, total	%	16.7	16.3	15.8	16.1	
Percentage of female employees, Management Level 1 (ML1) ³⁾	%	-	-	-	8.2	
Percentage of female employees, Management Level 2 (ML2) ³⁾	%	-	-	-	8.5	
Percentage of part-time employees ¹⁾	%	6.5	6	6.2	6.3	
Training hours ⁴⁾	Number	-	-	-	98,583	
Training hours per employee ⁴⁾	Number	-	-	-	15.7	
Trainees, total	Number	326	326	362	390	

1) Excluding trainees

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

3) At Heidelberger Druckmaschinen AG companies

4) For voluntary and mandatory training for all employees at the sites in Germany

year, the Company medical service provided around 1,500 consultations and 625 vaccinations in addition to conducting 1,748 occupational health checkups. This figure shows that HEIDELBERG places great value on prevention and offers the corresponding measures above and beyond the statutory requirements.

Occupational health and safety

The HEIDELBERG Group actively works to prevent accidents in the workplace and health risks. The operational managers are responsible for occupational health and safety in their respective areas, while employees are involved in upholding and implementing occupational health and safety via the Code of Conduct. They are supported by the occupational health and safety specialists, who act in an advisory capacity.

Various occupational health and safety activities took place in the period under review in connection with combating the COVID-19 pandemic. A cross-site risk assessment was prepared by the occupational health and safety specialists at the German sites, coordinated with the specialist departments and made available to the pandemic team.

HEIDELBERG has an occupational health and safety management system (OHSMS) based on ISO 45001. At all of the German sites, the OHSMS is implemented using standardized software. This platform enables a standardized approach to the creation and updating of risk assessments for specific activities and workplaces and the documentation of inspections at all of the sites in Germany.

The specialists at the German sites regularly discuss occupational safety-related topics and develop standards to be implemented on a cross-site basis in the context of the safety management panel.

In addition to advising on risk assessments, the occupational health and safety specialists provide regularly updated instruction aids across a number of different media. The content is tailored to the respective activity and the corresponding specific situations and risks.

At the largest German production sites, there were 12.3 reportable¹⁾ workplace accidents per million working hours in the 2022 calendar year. This meant the accident rate²⁾ increased by around one reportable workplace accident per million working hours compared with the 2021 calendar year (11.1³⁾). HEIDELBERG therefore came in at around the industry-wide average accident rate of 11.0 in 2022 (source: German Employers' Liability Insurance Association of the Wood and Metal Industry (BGHM)). The data for our accident statistics is based on the calendar year and not the financial year, as the reporting period for the comparative sources is the calendar year; it covers the largest German production sites by number of employees, namely Wiesloch-Walldorf, Amstetten, Brandenburg and Ludwigsburg, which are allocated to BGHM. There were no fatal accidents at our production sites in the period under review. Cause analyses are performed and corresponding protective measures are determined in order to reduce the number of accidents.

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

Social issues

Diversity

HEIDELBERG is committed to diversity and equal opportunity. In 2022, it integrated a new function in the HR department in order to promote diversity within the Company through strategic and operational measures. The tasks of this function include defining a Group-wide diversity strategy and implementing it internationally. Diversity also forms part of our new mission statement, which aims to foster cultural change at HEIDELBERG. This expressly underlines the fact that all HEIDELBERG employees are equally welcome and are treated equally and that our Company believes that it is enriched by diversity.

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

2) Accident rate: reportable workplace accidents per million working hours

3) Accident rate for 2021 adjusted from 10.9 to 11.1 to reflect subsequently reported accidents

The advancement of women is a continuous task. Together with other companies from the metropolitan region, HEIDELBERG is a member of a cross-company mentoring program to promote talented young female employees. This program is updated annually and was carried out using online formats in the reporting year despite the restrictions resulting from the pandemic.

The Company also has the “WIN@Heidelberg” diversity network initiated by female employees, which is aimed at supporting talented female employees and harnessing diversity. The well-received business lunch, at which new projects and topics are presented to interested colleagues, and the digital networking lunch, a format for informal dialog during lunch breaks, both continued in the reporting year. The agenda of the “WIN@Heidelberg” program also includes presentations and content-related impetus.

We meet the statutory requirements (German Transparency in Wage Structures Act and establishment of a statutory gender ratio). We also make a particular point of encouraging more female applicants in STEM professions. As a member of the Arbeitskreis Hochschule-Wirtschaft working group of the employers' association Südwestmetall, we support efforts to attract talented new employees. A regular “Girls' Day” is held in order to highlight opportunities for young female employees.

Inclusion

HEIDELBERG also takes responsibility when it comes to inclusion. At 10.38 percent compared with the statutory requirement of 5 percent, we employ an above-average number of people with disabilities. The statutory representative for employees with disabilities is provided with assistance in their support work. This applies to occupational health (reintegration, occupational health management) as well as social policy (support in respect of rehabilitation and pension providers). Tailored support formats are individually designed and implemented together with the recipients of inclusion support in order to enable their participation in working life.

HEIDELBERG also provides support by commissioning the Lebenshilfe organization (workshop in accordance with section 219 of the German Social Code, Book IX) and the Child

Protection Association in Wiesloch-Walldorf and arranging deliveries from our company restaurant, Heidelberg Catering Service GmbH. Heidelberg again provided more than 11,000 free meals to Lebenshilfe HEIDELBERG and the Child Protection Association in Wiesloch-Walldorf in the financial year 2022/2023.

Social commitment with a focus on promoting education

As a global Group, HEIDELBERG wishes to contribute to regional economic development with its sites, employees and suppliers and thus make an indirect contribution to the prosperity of society and individuals. The Company exerts a direct influence with targeted social engagement, which is planned and managed locally by the respective Company units. Heidelberger Druckmaschinen Aktiengesellschaft focuses its social activities on education projects and is active in this field with its own projects and as a “Knowledge Factory – Companies for Germany” partner. With the help of its trainees, HEIDELBERG supports projects at 12 schools that give children hands-on experience of technology and science. HEIDELBERG's Brandenburg site is committed to the “Round Table for Youth and Business for Brandenburg”, whose goal is to improve the development prospects of young people, and is also involved in “Jugend forscht” as a regional sponsor company.

The educational concept at HEIDELBERG encompasses not just subject-based learning but also the social and personal aspects of education. This is supported by targeted project work. The proceeds benefit low-income families.

Preventing bribery and corruption

The Management Board of HEIDELBERG is committed to adhering to the applicable laws, provisions and regulations and to systematically pursuing and punishing compliance misconduct and violations. The Management Board has established a compliance management system (CMS) based on Audit Standard (PS) 980 issued by the Institute of Public Auditors in Germany, Incorporated Association (IDW) in order to ensure that the employees, managers and executive bodies of HEIDELBERG act with integrity and in accordance with the law. HEIDELBERG's CMS aims to avert compliance misconduct and violations through prevention and early

risk identification in order to minimize liability and reputational damage to HEIDELBERG and its employees, managers and executive bodies.

HEIDELBERG continued to expand the compliance measures and controls in the financial year 2022/2023 in order to achieve this objective and as part of the permanent enhancement of the CMS. The systematic enhancement of the compliance program focused in particular on the planning and implementation of Group-wide training, the continuous expansion of internal communication and the revision of guidelines and the Code of Conduct, including with a view to preventing bribery and corruption.

The corporate culture is founded on the Company-wide Code of Conduct, in which the Company commits to respectful cooperation. The Code is accompanied by an extensive set of guidelines that are published and made available on the intranet.

The Code of Conduct for employees, which has been adopted by the Management Board, is based on HEIDELBERG's values and reflects the Ten Principles of the UN Global Compact. Among other things, it contains commitments on combating bribery and corruption, compliance with the regulations of antitrust, anti-money-laundering and tax law, integrity with respect to customers, suppliers and business partners, sustainability and product responsibility, compliance with foreign trade and customs law, compliance with human rights, data protection, protecting corporate assets, and ensuring working conditions that are fair, respectful and free from discrimination. The Code of Conduct sets out the principles that HEIDELBERG undertakes to uphold. It constitutes a binding framework and provides guidance for HEIDELBERG's day-to-day actions and decisions. The managers and executive bodies are called upon to act as role models and support their employees in complying with the Code of Conduct.

HEIDELBERG also expects its suppliers and business partners to uphold these principles by signing up to the Business Partner Code of Conduct.

The Business Partner Code of Conduct contains guidelines and principles aimed at ensuring compliance with laws, provisions and regulations. It provides the framework for continuous, long-standing partnerships with HEIDELBERG's suppliers and business partners on the basis of integrity.

To ensure this across the board, HEIDELBERG has implemented guidelines for the prevention and combating of money laundering and the financing of terrorism as an aid for the risk-based evaluation of business partners, among other things. The aim of this approach is to identify (potential) risks concerning money laundering or the financing of terrorism at an early stage in order to prevent or minimize them. The evaluation also helps to ensure that business partners are selected carefully and properly.

To minimize the potential compliance risks arising from the risk analysis that was completed in the previous financial year, measures were taken to further raise awareness of anti-corruption and antitrust risks and to strengthen general compliance awareness in the form of training and interactive events.

As part of this, the compliance office has developed a corresponding risk- and target-group-oriented training concept and appropriate training documents. Compliance training is intended to help HEIDELBERG's employees, managers and executive bodies to act with integrity and in accordance with the law.

In the financial year 2022/2023, the training program was supported by risk- and target-group-oriented classroom training as well as the roll-out of Group-wide e-learning. The learning content included compliance principles and specific topics such as corruption and compliance along the supply chain. In total, employees from various hierarchical levels and from 37 different countries completed around 80 percent of the assigned e-learning modules on these topics in the financial year 2022/2023.

The compliance office also conducted special training in person and online with regard to specific risks and for particular target groups. This focused on the prevention of corruption and money laundering.

All employees are obliged to complete the training assigned to them within defined, regular periods.

The e-learning will continue in the financial year 2023/2024 in order to further improve employee awareness of compliance-related issues. The basic training will also be included in the HR onboarding program so that new employees are also informed about the importance of topics in the area of compliance in a timely manner.

Communication is another key element when it comes to preventing compliance violations and improving Company-wide awareness. An open dialog with employees helps to further enshrine integrity and fairness in day-to-day business. For example, information on guidelines and compliance activities is communicated via intranet articles and videos.

The focus on the communication strategy in the previous financial year led to an improved understanding of compliance-related questions and strengthened employee awareness and the visibility of the function within the Company.

HEIDELBERG has established various reporting channels so that external and internal whistleblowers can report potential compliance misconduct and violations, including in the area of anti-corruption, at an early stage in order to ensure clarification. Sanctions are imposed on a case-by-case basis, taking into account the nature and seriousness of the compliance misconduct or violation and the applicable law.

The central compliance office and the regional and local compliance officers are available to HEIDELBERG's employees, managers and executive bodies as a point of contact for all issues relating to compliance. Compliance misconduct and violations can also be reported via various channels, including to the HEIDELBERG ombudsperson's office. Through the ombudspersons, HEIDELBERG ensures that employees, customers, suppliers and business partners can report potential compliance misconduct and violations confidentially and, if required, anonymously. In this financial year, the ombudsperson's office was expanded to in-

clude a female contact person in order to remove potential barriers to reporting.

Compliance misconduct and violations can also be reported to the compliance function directly, via the Management Board, the Works Council or line managers.

The financial year 2022/2023 saw the introduction of the electronic reporting tool SpeakUp, which is available to internal and external whistleblowers as an additional reporting channel. SpeakUp allows reports to be submitted using a real name or anonymously. It supplements the existing reporting channels.

The SpeakUp system is operated by an independent service provider and is available around the clock. Users can submit reports in their own language by telephone or online. Reports are processed by the compliance office.

The system can be used to report corruption, violations of antitrust law or money laundering, as well as human rights and environmental offenses. All substantiated reports are investigated internally and may have consequences in the form of corrective measures.

A Group-wide guideline governs the procedure and describes the process transparently. It also describes the protection afforded to whistleblowers and the subjects of reports.

Various communication tools are used in order to improve trust in the system and make it more widely known. For example, it forms part of the compliance training as well as interactive events within the Company. Information material has also been developed, such as flyers explaining the procedure.

The provision of various reporting channels is intended to ensure early reporting and seamless clarification. Reports were processed in close cooperation with Internal Audit and the Compliance department. In cases where the reported evidence was confirmed following further clarification – including with the support of local external law firms as required – corrective measures were initiated, such as disciplinary measures in coordination with the HR department. No serious compliance violations were identified in the year under review.

Respect for human rights

HEIDELBERG is pursuing the vision of an ESG-compliant supply chain with a focus on human rights, ethics and environmental aspects. The Group Management Board defines the compliance principles which the Company is committed to upholding in the documents that apply as a matter of principle on a Group-wide basis, i. e. the codes of conduct and the policy statement on human rights. In line with these principles, the HEIDELBERG Group undertakes to act with integrity and in accordance with the law. This integrity is firmly enshrined in the corporate culture and structure. Protecting and respecting human rights is an elementary component of the HEIDELBERG Group's system of values.

Work at the production sites and sales companies in the respective areas is based on principles that apply globally. The HEIDELBERG Group applies ethical values and principles, especially honesty, integrity and respect for human dignity, as set out in the principles of the United Nations Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the principles of the UN Global Compact and the fundamental conventions of the International Labour Organization (ILO), and the United Nations Guiding Principles on Business and Human Rights.

HEIDELBERG also expects its business partners to share and promote the HEIDELBERG Group's values and principles. This commitment is included in the HEIDELBERG Business Partner Code of Conduct. As part of this agreement, the HEIDELBERG Group reserves the right to review compliance with the Business Partner Code of Conduct.

A sustainable and socially responsible supply chain is extremely important to HEIDELBERG. In line with this, the period under review saw a particular focus on expanding or establishing and implementing procedures within the existing business processes with a view to identifying human rights and environmental risks in the individual business areas and in the supply chain and taking corrective action as required.

Responsibility and proactive risk analysis

Responsibility for compliance with the defined principles on human rights and environmental protection lies with the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft. Operational monitoring of compliance with the respective due diligence obligations has been delegated to a specially established German Supply Chain Due Diligence Act (LkSG) Steering Committee composed of managers from the Legal, Procurement, Risk Management, Quality and Sustainability functions, which meets on a quarterly basis and as required.

The LkSG Steering Committee met every 14 days during preparations for the introduction of the LkSG. At the same time, a project group met on a weekly basis to analyze the existing processes and identify and implement the necessary adjustments and optimizations.

The topic of human rights has been integrated into the HEIDELBERG Group's compliance management system. All business areas are included in HEIDELBERG's risk management process and have been subjected to a risk analysis in the form of a self-assessment.

In the period under review, a risk analysis was conducted in order to create transparency with regard to human rights and environmental risks in HEIDELBERG's global supply chain. This involved analyzing and evaluating the HEIDELBERG Group's global supplier base with the support of an external service provider. The evaluation was based on the country of origin and the product groups and purchasing volumes involved. In this risk analysis, human rights risks were identified solely on the basis of country indices. The following indices were used: Worldwide Governance Indicators (World Bank), Fragile States Index (Fund for Peace), Environmental Performance Indicator (Yale University), Global Freedom Scores (Freedom House) and Global Slavery Prevalence (Walk Free Foundation). The product group analysis identified "Use of mercury" and "Use of harmful chemicals" as environmental risks. Data from the What a Waste Global Database (The World Bank) was applied in order to roughly estimate the "Failure to handle waste in an environmentally friendly manner" and "Import/export of hazardous waste" risks. The results were validated by way of a bottom-up analysis in which Procurement examined the individual high-risk suppliers and excluded some of them from the risk pool based on empirical data and internal knowledge.

High-risk suppliers were also investigated for industry-specific risks using the supply chain risk management tool developed by Prewave. Finally, a random sample of 30 suppliers from this category of high-risk suppliers were subjected to an extended risk analysis in the form of a self-report questionnaire with supporting documents.

This comprehensive risk analysis will be repeated on an annual basis in the future. In the current financial year 2023/2024, HEIDELBERG also decided to use a software-based LkSG risk management tool that supplements the risk analysis by providing continuous information on potential violations of human rights and environmental obligations using media screening. Any evidence identified by the tool is examined and, if confirmed, handled in accordance with the defined processes. In this way, HEIDELBERG ensures that risks and violations can be identified and rectified in a timely manner.

Training and prevention for employees and suppliers

Respect for human rights is relevant to every HEIDELBERG Group employee. To increase awareness, a training concept has been developed for all employees and is currently being rolled out to the workforce. In addition to general information on the various aspects of human rights and the statutory requirements, it includes specific training on the Group's

expectations of each and every employee. This is based on the policy statement on human rights and the HEIDELBERG Code of Conduct. A more comprehensive training concept for employees in regular contact with suppliers has been developed and rolled out. The aim is to create awareness of human rights risks and build knowledge of what this means in terms of the Company's business activities.

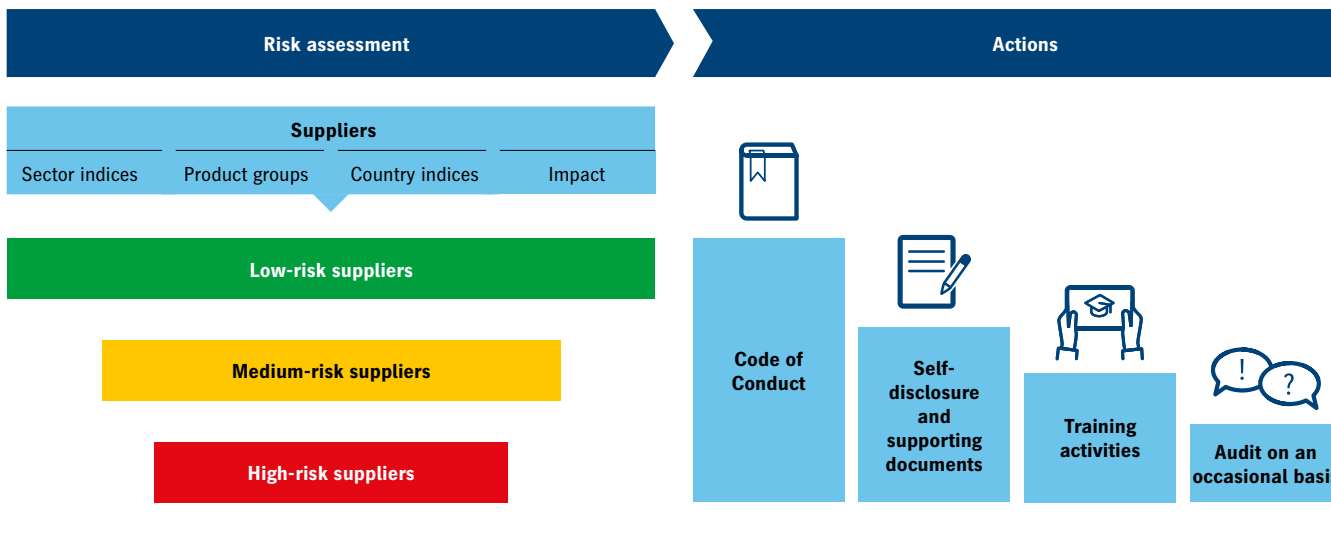
HEIDELBERG has established an LkSG due diligence process in order to identify potential violations of human rights and employment law in the supply chain. New suppliers are subjected to an LkSG due diligence audit at the start of the onboarding process. In the future, this will use a tool that facilitates the supplier assessment process on the basis of publicly available information. The onboarding process also includes reviewing new suppliers for whom an abstract risk is identified by conducting questionnaires, requesting certificates or performing local audits and taking corresponding preventive measures, such as entering into additional contractual agreements, in cases where the supplier is irreplaceable. Similarly, depending on the nature of the risk, suppliers for whom a risk is identified in the course of regular risk analysis are trained or audited or other preventive measures are initiated. Suitable mitigation measures are initiated in cases where a violation of obligations is identified.

Channels for reporting human rights violations

HEIDELBERG has established various reporting channels so that external and internal whistleblowers can report potential misconduct and violations at an early stage in order to ensure clarification. As a neutral and independent party, the ombudsperson’s office that works with HEIDELBERG receives complaints concerning violations of due diligence obligations from employees or third parties confidentially, and passes them on to the compliance office for further processing, anonymously if desired. Employees and third parties can also report complaints concerning human rights

violations and environmental offenses confidentially and, if desired, anonymously via the SpeakUp whistleblower system, which can be contacted by telephone or via digital channels. Reports received are processed by the Company’s internal compliance office.

In addition to ensuring an understanding of and refusal to accept human rights and environmental violations, HEIDELBERG seeks to actively work to quickly and effectively resolve any such violations within its area of responsibility using the resources available to it.



Overview key figures

Overview of environmental key figures Input

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Input						
Energy consumption, total ¹⁾	GWh/a	288*	257*	256*	221	-13.5*
of which:						
Electricity ⁴⁾	%	49.1*	43.8*	52.1*	60.7*	
Natural gas ⁴⁾	%	42.0*	46.3*	37.7*	30.7*	
Heating ⁴⁾	%	3.0*	2.7*	2.1*	2.0*	
Oil ⁴⁾	%	0.2*	0.2*	0.8*	0.3*	
Fuel (vehicle fleet/production processes) ⁴⁾	%	5.7*	6.9*	7.3*	6.3*	
Energy consumption by site:						
Wiesloch-Walldorf ⁴⁾	%	50.7*	53.7*	44.5*	38.0*	
Heidelberg ⁴⁾	%	1.6*	1.3*	-	-	
Amstetten ⁴⁾	%	36.6*	33.9*	41.9*	46.8*	
Brandenburg ⁴⁾	%	4.9*	4.7*	5.7*	6.2*	
Qingpu ⁴⁾	%	1.6*	1.7*	3.2*	4.2*	
Others ⁴⁾	%	4.6*	4.8*	4.7*	4.8*	
Energy consumption, total (weather-adjusted) ²⁾	GWh/a	293*	261*	253*	226	-10.7*
Share of renewable energies in purchased electricity (Wiesloch-Walldorf, Amstetten, Brandenburg and Qingpu sites)	%	26.9*	28.6*	27.2*	48.2	
Water consumption, total ³⁾	m ³ /a	201,588*	156,399*	170,731*	165,224	-3.2*
of which:						
Wiesloch-Walldorf ⁴⁾	%	60.5*	62.2*	55.4*	51.4*	
Heidelberg ⁴⁾	%	1.1*	0.4*	-	-	
Amstetten ⁴⁾	%	22.7*	22.3*	27.8*	30.3*	
Brandenburg ⁴⁾	%	6.2*	5.5*	5.7*	4.3*	
Qingpu ⁴⁾	%	5.7*	4.9*	7.5*	9.9*	
Others ⁴⁾	%	3.9*	4.6*	3.6*	4.0*	

* Voluntary disclosure, not reviewed by the independent auditor

1) Total energy consumption of the 11 production and development sites, including vehicle fleet, Company fueling stations, and fuel used in production-related processes.

The Heidelberg site is not included from January 1, 2021

2) In accordance with VDI 2067, the heating energy supplied was adjusted based on the degree days figure of the Heidelberg site. In the year under review, the reference year was defined as the average for the last ten financial years (2012/2013 to 2021/2022)

3) Figures relate to the 11 production and development sites (see the list under "Environmental figures")

4) Voluntary breakdown, differentiation not reviewed by the independent auditor

Note: The figures for previous years are not comparable with those reported in previous years. This is because the scope of reporting has increased from four to 11 sites. The ten-year average for the degrees days figures used to adjust the key figures for energy consumption to reflect weather conditions was updated, resulting in a change to the prior-year figure.

Overview of environmental key figures Output

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Output						
Scope 1 emissions, total ¹⁾	metric tons CO ₂ e	31,914*	31,925*	27,590*	19,386	-29.7*
Scope 2 emissions, total ¹⁾	metric tons CO ₂ e	64,046*	49,099*	64,189*	46,331	-27.8*
Scope 3 emissions, total	metric tons CO ₂ e	-	-	1,975,842*	1,939,254	-1.8*
of which:						
- Category 3.1 (Purchased goods and services) ³⁾	%	-	-	37.19*	37.22*	
- Category 3.4 and 3.9 (Upstream and downstream transportation and distribution) ³⁾	%	-	-	3.14*	3.68*	
- Category 3.6 (Business travel) ³⁾	%	-	-	0.85*	1.02*	
- Category 3.11 (Use of sold products) ³⁾	%	-	-	52.31*	51.47*	
- Other categories ³⁾	%	-	-	6.51*	6.61*	
Scope 1 and 2 emissions, total ²⁾	metric tons CO ₂ e	95,960*	81,024*	91,779*	65,717	-28.4*
Scope 1 and 2 and 3 emissions, total	metric tons CO ₂ e	-	-	2,067,621*	2,004,971	-3.0*
Greenhouse gas (GHG) emissions (Scope 1 and 2)/turnover	metric tons CO ₂ e/ € millions	40.9*	42.4*	42.0*	27.0	-35.8*
Waste ¹⁾	metric tons	34,820*	25,311*	38,770*	35,264	-9.0*
Recycling rate ¹⁾	%	95.69*	95.32*	96.12*	96.00	

* Voluntary disclosure, not reviewed by the independent auditor

1) The figures relate to the 11 production and development sites (see the list under "Environmental figures")

2) CO₂ emissions resulting from energy and district heating supply are based on information from the respective electric utility at the particular site; other emissions are based on GEMIS and were updated to version 5.0 in the financial year 2021/2022. The prior-year figures were restated accordingly.

3) Voluntary breakdown, differentiation not reviewed by the independent auditor

Note: The figures for previous years are not comparable with those reported in previous years. This is because the scope of reporting has increased from four to 11 sites. The ten-year average for the degrees days figures used to adjust the key figures for energy consumption to reflect weather conditions was updated, resulting in a change to the prior-year figure.

Overview key figures employee matters

	Unit	2019/2020	2020/2021	2021/2022	2022/2023	Change 2021/2022 vs. 2022/2023 in %
Number of employees ¹⁾	Number	11,316	10,212	9,811	9,554	-2.6
of which:						
Asia/Pacific	%	14.7	15.5	16.7	16.6	
EMEA	%	73.8	73.1	71.7	72.2	
Eastern Europe	%	4.6	4.4	4.5	3.8	
North America	%	6.0	6.1	6.2	6.4	
South America	%	0.9	0.9	0.9	1.0	
Turnover rate ²⁾	%	3.7	13.3	8.9	9.1	
Average seniority ¹⁾	Years	20.3	21.3	21.1	20.5	-2.8
Percentage of female employees, total	%	16.7	16.3	15.8	16.1	
Percentage of female employees, Management Level 1 (ML1) ³⁾	%	-	-	-	8.2	
Percentage of female employees, Management Level 2 (ML2) ³⁾	%	-	-	-	8.5	
Percentage of part-time employees ¹⁾	%	6.5	6	6.2	6.3	
Training hours ⁴⁾	Number	-	-	-	98,583	
Training hours per employee ⁴⁾	Number	-	-	-	15.7	
Trainees, total	Number	326	326	362	390	

1) Excluding trainees

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

3) At Heidelberger Druckmaschinen AG companies

4) For voluntary and mandatory training for all employees at the sites in Germany

EU-Taxonomy Turnover FY 2022/2023

Template: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering the year from April 1, 2022 to March 31, 2023.

EU-Taxonomy Turnover year 2022/2023

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Substantial contribution criteria							DNSH criteria ('Do No Significant Harm')							Taxonomy-aligned proportion of turnover, year 2022/2023 (18)	Taxonomy-aligned proportion of turnover, year 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
			Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		mEUR	% ¹⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	% ¹⁾		E	T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of iron and steel	3.9	49.83	2.05 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	2.05 %			T
Infrastructure enabling low-carbon road transport and public transport	6.15	20.59	0.85 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	0.85 %		E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		70.42	2.90 %														2.90 %			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0 %																	
Total (A.1+A.2)		70.42	2.90 %	100 %	0 %	n/a	n/a	n/a	n/a								2.90 %			
B. Taxonomy-non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		2,364.11	97.10 %																	
Total (A + B)		2,434.53	100 %																	

1) Percentages refer to the total turnover of the Group.

2) Percentages here refer to the share of turnover attributable to the respective environmental goal in the total turnover of the economic activity.

EU-Taxonomy Capital Expenditure (CapEx) FY 2022/2023

Template: Proportion of capital expenditure associated with Taxonomy-aligned economic activities – disclosure covering the year from April 1, 2022 to March 31, 2023

EU-Taxonomy Capital Expenditure (CapEx) year 2022/2023

Economic activities (1)	Code(s) (2)	Absolute CapEX (3)	Substantial contribution criteria							DNSH criteria (‘Do No Significant Harm’)							Taxonomy-aligned proportion of CapEx, year 2022/2023 (18)	Taxonomy-aligned proportion of CapEx, year 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
			Proportion of CapEX (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		mEUR	% ¹⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	% ¹⁾		E	T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of iron and steel	3.9	1.29	1.28 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	1.28 %			T
Infrastructure enabling low-carbon road transport and public transport	6.15	0.86	0.85 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	0.85 %		E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2.15	2.13 %														2.13 %			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transmission and distribution of electricity	4.9	0.27																		
Storage of electricity	4.10	0.01																		
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	6.53																		
Infrastructure for personal mobility, cycle logistics	6.13	0.04																		
Renovation of existing buildings	7.2	0.18																		
Installation, maintenance and repair of energy efficiency equipment	7.3	2.38																		
Installation, maintenance and repair of renewable energy technologies	7.6	1.71																		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		11.12	11.01 %																	
Total (A.1 + A.2)		13.27	13.14 %	100 %	0 %	n/a	n/a	n/a	n/a								2.13 %			

Economic activities (1)	Code(s) (2)	Absolute CapEX (3)	Proportion of CapEX (4)	Substantial contribution criteria						DNSH criteria ('Do No Significant Harm')							Taxonomy-aligned proportion of CapEX, year 2022/2023 (18)	Taxonomy-aligned proportion of CapEX, year 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)				
		mEUR	% ¹⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	% ¹⁾		E	T
B. Taxonomy-non-eligible activities																				
CapEx of Taxonomy-non-eligible activities		87.74	86.86 %																	
Total (A + B)		101.01	100 %																	

1) Percentages refer to the total CapEx of the Group.

2) Percentages here refer to the share of CapEx attributable to the respective environmental goal in the total CapEx of the economic activity.

EU-Taxonomy Operating Expenditure (OpEx) FY 2022/2023

Template: Proportion of operating expenditure associated with Taxonomy-aligned economic activities – disclosure covering the year from April 1, 2022 to March 31, 2023

EU-Taxonomy Operating Expenditure (OpEx) year 2022/2023

Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Substantial contribution criteria							DNSH criteria (‘Do No Significant Harm’)							Taxonomy-aligned proportion of OpEx, year 2022/2023 (18)	Taxonomy-aligned proportion of OpEx, year 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)	
			Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)					
		mEUR	% ¹⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	% ²⁾	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	% ¹⁾		E	T	
A. Taxonomy-eligible activities																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Manufacture of iron and steel	3.9	2.44	2.23 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	2.23 %			T	
Infrastructure enabling low-carbon road transport and public transport	6.15	0.06	0.06 %	100 %	0 %	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	0.06 %		E		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2.50	2.29 %														2.29 %				
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																					
Total (A.1 + A.2)		2.50	2.29 %	100 %	0 %	n/a	n/a	n/a	n/a								2.29 %				
B. Taxonomy-non-eligible activities																					
OpEx of Taxonomy-non-eligible activities		106.78	97.71 %																		
Total (A + B)		109.28	100 %																		

1) Percentages refer to the total OpEx of the Group.

2) Percentages here refer to the share of OpEx attributable to the respective environmental goal in the total OpEx of the economic activity.

As no economic activities related to nuclear energy and fossil gas (activities 4.26–4.31) are carried out, the specific templates introduced by the amending delegated act for activities in certain energy sectors are not used.

Independent Practitioner’s Report on a Limited Assurance Engagement on Non-financial Reporting¹

To Heidelberger Druckmaschinen AG, Heidelberg

We have performed a limited assurance engagement on the combined separate non-financial report of Heidelberger Druckmaschinen AG, Heidelberg, (hereinafter the “Company”) for the period from 1 April 2022 to 31 March 2023 (hereinafter the “Combined Separate Non-financial Report”).

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

Responsibility of the Executive Directors

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

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

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their inter-

pretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section “Disclosures in accordance with the EU Taxonomy Regulation” of the Combined Separate Non-financial Report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Control of the Audit Firm

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

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

Responsibility of the Assurance Practitioner

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

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company’s Combined Separate Non-financial Report, other than the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, is not prepared, in all material respects, in accordance with §§315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the in-

1) PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the combined separate non-financial report and issued an independent practitioner’s report in German language, which is authoritative. The following text is a translation of the independent practitioner’s report.

terpretation by the executive directors disclosed in section “Disclosures in accordance with the EU Taxonomy Regulation” of the Combined Separate Non-financial Report.

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

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

- Gain an understanding of the structure of the Group’s sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Separate Non-financial Report about the preparation process, about the internal control system relating to this process and about disclosures in the Combined Separate Non-financial Report
- Identification of likely risks of material misstatement in the Combined Separate Non-financial Report
- Analytical procedures on selected disclosures in the Combined Separate Non-financial Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and combined management report
- Evaluation of the presentation of the Combined Separate Non-financial Report
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Separate Non-financial Report
- Inquiries on the relevance of climate-risks
- Evaluation of CO₂ compensation certificates exclusively with regard to their existence, but not with regard to their impact

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

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Separate Non-financial Report of the Company for the period from 1 April 2022 to 31 March 2023 is not prepared, in all material respects, in accordance with §§315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section “Disclosures in accordance with the EU Taxonomy Regulation” of the Combined Separate Non-financial Report. We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report.

Restriction of Use

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

Frankfurt am Main, 24 May 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke	ppa. Felix Wandel
Wirtschaftsprüfer	Wirtschaftsprüfer
[German public auditor]	[German public auditor]