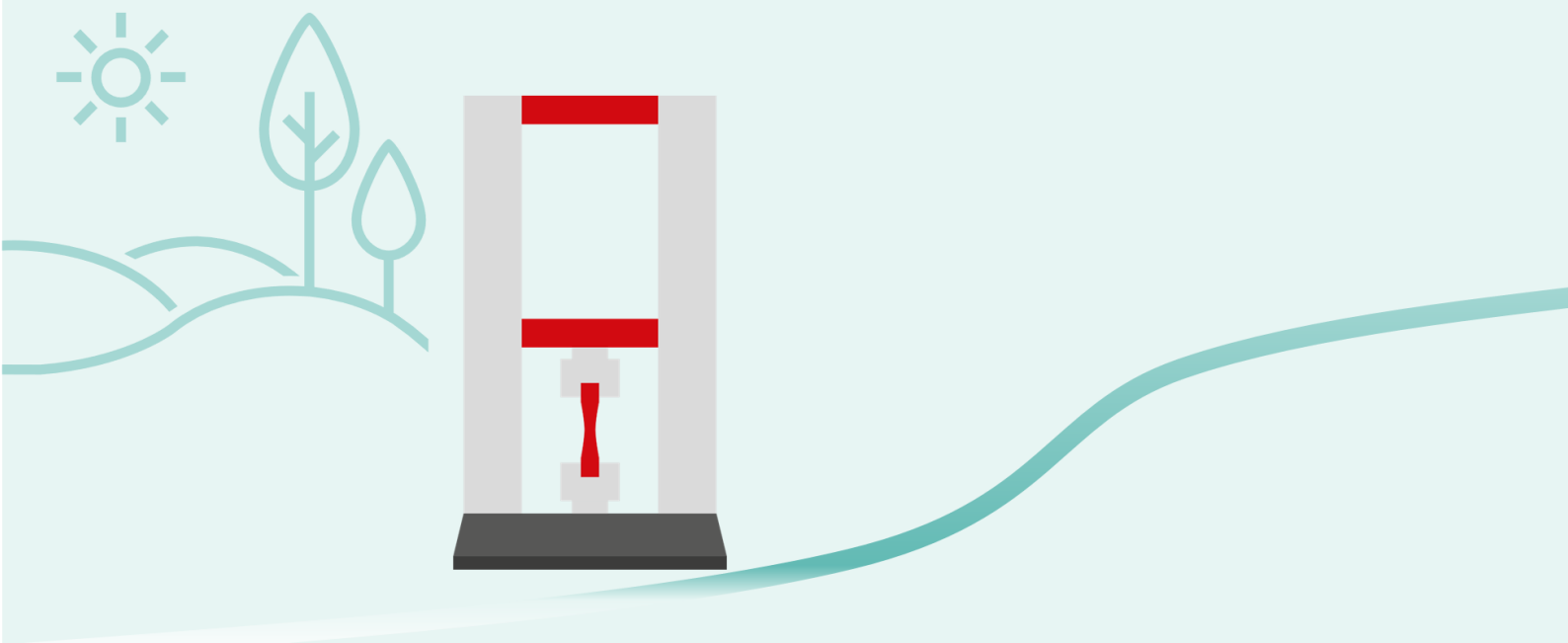


# CORPORATE SUSTAINABILITY REPORTING (CSRD) 2024



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# 1 ESRS 2 – GENERAL INFORMATION

## 1.1 Sustainability at ZwickRoell

For the ZwickRoell Group, sustainable corporate management means: We take full responsibility for our products and processes. We work sustainably for the future of the world and our children. We believe that: Sustainable action yields returns for our future and must be in harmony with business success, protection of the environment and social responsibility.

### **Sustainability organization**

We have implemented a sustainability team at ZwickRoell that is responsible for the following topics:

- Preparation of the CSRD report in the Group
- Preparation of a sustainability agenda
- Determination of the CCF
- Preparation of the energy balance
- Organization of offsetting projects
- Participation in sustainability portals
- Monitoring of ESG risks
- Material consideration of the value chain (life cycle analysis)

The sustainability team is a staff unit and reports directly to the CEO. In addition, our Chairman of the Supervisory Board and majority shareholder Dr. Roell provides intensive advice on the preparation of the sustainability report.

### **Consolidated Group**

Our sustainability report focuses on our main company, ZwickRoell GmbH & Co.KG in Ulm (ZRU), which, as the main production site, accounts for the majority of emissions and, with just under 1,200 employees, is the subsidiary with the largest workforce within ZwickRoell SE.

We have involved our consolidated subsidiaries worldwide by conducting annual interviews with all managing directors. All CSRD topics classified as material were discussed in these interviews and incorporated into this report.

We have also integrated sustainability-related topics into our risk management. Our global subsidiaries report any risks that may arise on a quarterly basis. In this way, we also ensure regular reporting within our international subsidiaries.

With regard to the carbon footprint, we prepare this annually for ZwickRoell GmbH & Co.KG on the basis of actual evaluations. For the subsidiaries, we use this CO2 footprint to extrapolate the GHG emissions of the entire ZwickRoell Group. For this purpose, ZRU was used as the basis of a manufacturing company and ZR EC as the basis of a sales and service organization.

### **Internal control and reporting**

#### **Risk management**

ZwickRoell SE operates a Group-wide risk management system. This is intended to raise awareness of various risks that could affect the company. The goal of our risk management system is to sustainably increase the value of the company and achieve our goals.

As part of the new CSRD sustainability reporting, we have expanded the content of our risk management categories to include sustainability issues that were assessed as material as part of the double materiality analysis.

We have also added the new category “O05 Climate change and sustainability”. These include the following topics:

### **O05 Climate change and sustainability**

#### Risk description:

Climate change poses a significant challenge for the mechanical engineering industry as it requires the need for effective climate protection strategies. Failures/shortfalls in this area can not only lead to regulatory penalties, but also jeopardize the company's image and competitiveness.

In addition, the effects of climate change, such as heavy rainfall, flooding and heat waves, pose a risk to our international locations.

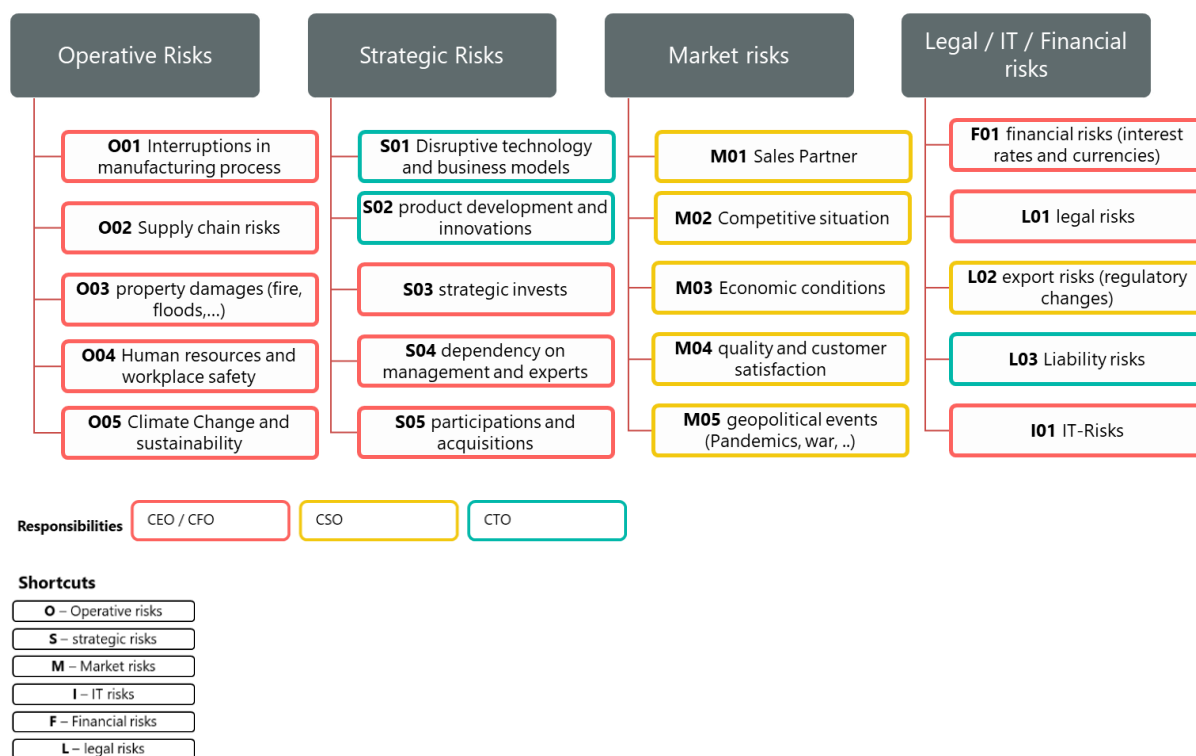
Environmental pollution (air, water, soil pollution, substances of concern) caused by industrial processes is another key risk. Insufficient consideration of these aspects can lead to negative effects on the environment and the health of employees.

Implementing a resource-conserving circular economy is crucial for machine manufacturers. Emissions and waste can be reduced by using environmentally friendly materials and production methods. By developing durable products and methods to further extend the life cycle, such as modernization, companies can not only improve their environmental footprint, but also reduce costs and tap into new business opportunities.

#### Risk management:

- Definition of climate protection strategies based on climate accounting
  - Reduction of CO2 emissions, e.g. through the use of renewable energies such as photovoltaic systems or green electricity
  - Offsetting and elimination of CO2 emissions
- Review of international locations to protect against the effects of climate change
  - Contingency plans
- Monitoring and limiting risks by analyzing relevant environmental and safety aspects
  - Safety inspections, occupational safety committee
  - Internal audits and certification audits
- Promotion of sustainable production methods
- Promotion of sustainable product development

Our risk management is structured as follows:



Risk management of the ZwickRoell Group

Risk issues are reported on a quarterly basis. The responsible risk managers report to the main company ZwickRoell GmbH & Co. KG. For the subsidiaries, the respective managing directors.

### Annual managing directors interviews

In addition to regular risk surveys, we introduced annual interviews with all our managing directors for the entire ZwickRoell Group for the first time in 2024. In these interviews, we specifically drew attention to sustainability issues and discussed individual initiatives by the national organizations. The results are compiled in the CSR report.

### Sustainability agenda and internal and external communication concept

The sustainability strategy falls under the umbrella of the guiding principle “Future Testing is Green” and focuses on the following action areas:

**Will be developed for the reporting year 2025.**



## 1.2 Materiality analysis

### Double materiality assessment (DMA)

The double materiality assessment is a strategic and holistic approach to evaluating the impacts, risks, and opportunities in the area of sustainability. We conducted a double materiality analysis for the first time in 2024.

In accordance with the inside-out and outside-in analysis, the first step was to list all positive and negative impacts on people and nature, as well as the risks for ZwickRoell. The topics were then mapped to the respective ESRS topics and evaluated. Furthermore, the affected stakeholders were listed and the IRO (impact/risk/opportunity) was assessed as actual or potential impact and indicated where it occurs in our value chain (own operation or value chain upstream/downstream).

In accordance with ESRS guidelines, the assessment of impact materiality is based on an evaluation of the severity of the impact (scale), the number of people affected/the severity of the environmental damage (scope), and irremediability. The total score is calculated by adding up the points. The threshold for materiality is  $\geq 8$ .

IMPACT MATERIALITY (Inside-out) - Impact on people and nature						
<b>Scale</b>	0 None	1 Minimal	2 Low	3 Medium	4 High	5 Very high
<b>Scope</b>	0 None	1 Local	2 Regional	3 National	4 Continental	5 Global
<b>Irremediability</b>	0 Very easy to reverse	1 Easy to reverse/short-term	2 Remediation involves costs and time	3 Hard to reverse / mid-term	4 Very hard /long-term	5 Irreversible

Impact materiality assessment

For the assessment of financial materiality, the financial impact, the probability of occurrence and the speed of exposure were used as assessment criteria.

For the financial impact, we used the threshold values that are also used in the risk analysis.

The overall score is calculated by adding the scores, which in turn are made up as follows, as shown in the table:

FINANCIAL MATERIALITY (Outside-in) - Impact on ZwickRoell company				
<b>Financial Impact</b>	0 None	1 < 1 Mio.€	2 1- 10 Mio.€	3 > 10 Mio.€
<b>Probability</b>	0 None	1 < 5%	2 5-30%	3 > 30%
<b>Speed of Exposure</b>	0 None	1 > 1 year	2 < 1 year	3 Immediate

Financial materiality assessment

The threshold for a materiality assessment for financial materiality is  $\geq 5$ .

## Report scope and DMA matrix

The sustainability report for the ZwickRoell Group was prepared in accordance with EFRAG's ESRS.

The analysis of the double materiality identified six key topics for us:

- Climate change
- Pollution
- Resource use and circular economy
- Own workforce
- Consumers and end-users
- Business conduct

The overall scores for impact and financial materiality for each main topic were calculated from the average of all sub-topics rated as material.

The ESRS topics that do not appear in our sustainability reporting were either classified as insignificant in the double materiality analysis or do not occur in our company and are therefore not relevant to us.

### Overview of ESRS topics that occur in the company but are insignificant in terms of financial and impact materiality:

	Topic	Sub-Topic	Sub-Sub-Topic
E3	Water and marine resources	Water	Water consumption
			Water withdrawals
			Water discharges
E4	Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change
		<input type="checkbox"/> Impacts on the extent and condition of ecosystems	Soil sealing
S4	Consumers and end- users	<input type="checkbox"/> Personal safety of consumers and/or end-users	Health and safety
G1	Business conduct	Protection of whistle-blowers	
		Political engagement and lobbying activities	
		Corruption and bribery	Prevention and detection including training Incidents



**Overview of ESRS topics that do not occur in the company and are therefore not reported:**

E2	Pollution	Pollution of living organisms and food resources		no
		Substances of very high concern		no
		Microplastics		no
E3	Water and marine resources	Water	Water discharges	no
		Microplastics	Water discharges in the oceans	no
			Extraction and use of marine resources	no
E4	Biodiversity and ecosystems	Direct impact drivers of biodiversity loss	Climate Change	no
			Land-use change, fresh water-use change and sea-use change	
			Direct exploitation	no
			Invasive alien species	no
			Pollution	no
			Others	no
		Impacts on the state of species	Example: Species population size	no
			Example: Species global extinction risk	no
		Impacts on the extent and condition of ecosystems	Example: Land degradation	no
			Example: Desertification	no
			Example: Soil sealing	
		Impacts and dependencies on ecosystem services		no
S1	Own workforce	Other work-related rights	Child labour	no
			Forced labour	no
			Adequate housing	no
			Privacy	
S2	Workers in the value chain	Working conditions	Secure employment	no
			Working time	no
			Adequate wages	no
			Social dialogue	no
			Freedom of association, including the existence of work councils	no
			Collective bargaining	no
			Work-life balance	no
			Health and safety	no
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	no
			Training and skills development	no
			The employment and inclusion of persons with disabilities	no
			Measures against violence and harassment in the workplace	no
			Diversity	no
		Other work-related rights	Child labour	no
			Forced labour	no
			Adequate housing	no
			Water and sanitation	no
			Privacy	no
S3	Affected communities	Communities' economic, social and cultural rights	Adequate housing	no
			Adequate food	no
			Water and sanitation	no
			Land-related impacts	no
			Security-related impacts	no
		Communities' civil and political rights	Freedom of expression	no
			Freedom of assembly	no
			Impacts on human rights defenders	no
		Rights of indigenous peoples	Free, prior and informed consent	no
			Self-determination	no
			Cultural rights	no
S4	Consumers and end- users	Information-related impacts for consumers and/or end-users	Freedom of expression	no
		Personal safety of consumers and/or end-users	<input type="checkbox"/> Protection of children	no
		Social inclusion of consumers and/or end-users	Non-discrimination	no
			Access to products and services	no
			Responsible marketing practices	no
G1	Business conduct	Animal welfare		no

**Double materiality analysis (without the topics that do not occur at ZR):**



The colored quadrants of the matrix contain all topics that are material to us. These topics are material either in terms of financial or impact materiality. The white quadrant contains the two non-material topics.

Our detailed double materiality analysis can be found in Appendix 2.

Below is a list of all topics, subtopics, and sub-subtopics that we report on in our CSRD report. The voluntarily added topic is marked in yellow here:

#### Overview of ESRS topics that are material to ZwickRoell:

	Topic	Sub-Topic	Sub-Sub-Topic	Total score Impact Materiality	Total score Financial Materiality
E1	Climate change	Climate Change adaptation		11	7
		Corporate Carbon Footprint		10	6
		Energy consumption		10	7
E2	Pollution	Pollution of air		9	3
		Pollution of water		9	3
		Pollution of soil		9	3
		Substances of very high concern		9	4
E5	Resource use and circular economy	Resource in- and outflows		9	7
		Waste		10	5
S1	Own Workforce	Working conditions	Secure Employment	11	5
			Working time	10	5
			Adequate wages	13	5
			Freedom of association, the existence of work councils, and the information, consultation and participation rights of workers	10	5
			Collective bargaining, including rate of workers covered by collective agreement	13	5
			Work-life balance	12	5
			Health and safety	12	6
		Equal treatment and opportunities for all	Gender equality and equal pay for work and equal value	12	5
			Training and skills development	9	5
			Employment and inclusion of persons with disabilities	6	5
			Measures against violence and harassment in the workplace	5	5
			Diversity	8	5
			Trainees / future workforce	8	6
		Other work-related rights	Data protection / Privacy	9	8
S4	Consumers and end-users	Information-related impacts for consumers and/or end-users	Data protection / Privacy	9	8
			Access to (quality) information	9	4
		Personal safety of consumers and/or end-users	Health and safety	8	6
G1	Business conduct	Corporate Culture		13	5
		Management of relationships with suppliers, including payment practices		11	6

#### Identification and engagement of stakeholders & validation of materiality analysis

One objective of the double materiality assessment was to understand how our key stakeholders view the sustainability-related impacts, risks, and opportunities of ZwickRoell. To achieve this, we identified the stakeholders affected by each issue.

According to our stakeholder analysis, the following groups are our most important stakeholders: our customers and suppliers, our owners, management, our employees and potential employees (applicants), as well as nature as a silent stakeholder.

In our double materiality analysis, impacts, risks, and opportunities were identified with the representatives representing the respective stakeholder group. These were experts from the specialist departments. No additional external stakeholders were involved in the current process. After identification, the representatives evaluated the issues according to the evaluation criteria described above.

Based on the evaluation of the impacts, risks, and opportunities by internal representatives, a draft materiality matrix was created. The matrix was then submitted for validation to our CEO and our chairman of the Supervisory Board, who as CEO and majority owner held responsibility for ZwickRoell or more than 30 years.

# Our Impacts, Risks and Opportunities (IROs)



## Positive Impacts

- 1 By using renewable energies, we are significantly reducing our emissions.  
(OO) – Actual

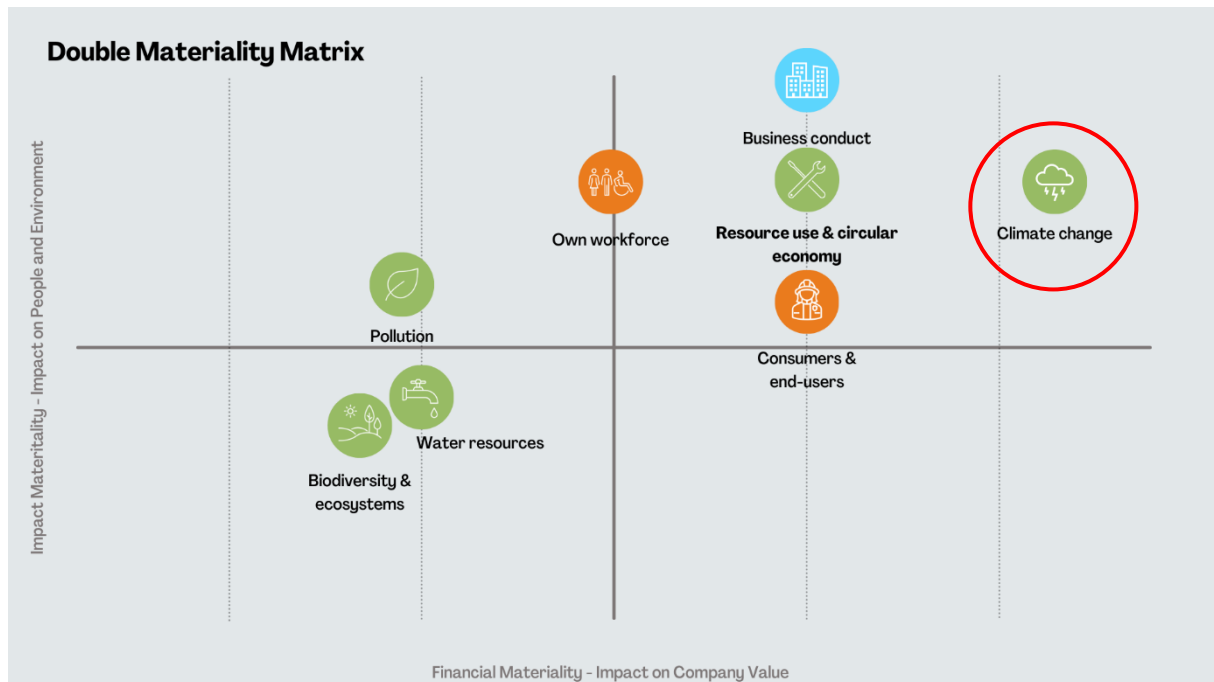
## Negative Impacts

- 2 CO2 emissions generated by our administration and production of our products.  
(OO) – Actual
- 3 Our energy consumption contributes to global warming and harms the environment.  
(OO) – Actual

## Risks

- 4 Property/building damage caused by the effects of climate change.  
(OO) – Potential

## 2 ESRS E1 – CLIMATE CHANGE



Climate change is one of the greatest global challenges we face, and we see it as our responsibility to actively contribute to reducing greenhouse gas emissions. Through energy-efficient production processes, sustainable product design, and the increased use of renewable energies, we minimize our carbon footprint and promote a climate-friendly value chain.

We continuously analyze our direct and indirect emissions and implement targeted measures to improve our carbon footprint. These include the use of renewable energies, the reduction of energy consumption, and innovative solutions that help our customers achieve their own sustainability goals.

Our goal is to contribute to climate protection through responsible action and technological innovation and to consistently align our business processes with the requirements of a climate-neutral future.

In the double materiality analysis, the topic of climate change was rated with an impact materiality score of 10 and a financial materiality score of 7.

## 2.1 Strategies related to climate protection and adaptation to climate change

Materiality development	
Impact materiality score	Financial materiality score
11	7

### Climate change adaptation

#### Our status quo:

The climate protection efforts of ZwickRoell to date are the starting point for future climate protection strategies. To date, the focus has been on our main site of the largest company (our headquarters) in ZwickRoell GmbH Co. KG, which has the largest GHG emissions due to the size of the site and therefore the greatest leverage for minimizing our climate impact.

Our achievements to date include the following in particular:

#### ZwickRoell GmbH & CO KG, Ulm, Germany:

- Recording GHG emissions in the form of a carbon footprint since 2014
- New photovoltaic systems
  - 3 photovoltaic modules with a total net nominal output of 1255 MWp on three building roofs
  - EUR 1.2 million investment
  - This means that a significant proportion of our electricity requirements can be generated from our own PV systems.
- Use of a combined heat and power plant
- 100% green electricity
- Offsetting our calculated scope 1 and 2 greenhouse gas emissions, partly pro rata scope 3, since 2014 with a total of €475,458
- 10 of 262 company vehicles are electric vehicles
- Charging infrastructure for electric vehicles
- Sustainable disposal of IT hardware

International subsidiaries that implement special climate protection measures are mentioned below:

#### ZRT, Taicang, China:

- Recording GHG emissions in a carbon footprint for the year 2023
- Offsetting GHG emissions from scope 1 and 2
- Reduction of the energy consumption by replacing with LED light bulbs

#### ZRF, Fürstenfeld, Austria

- Photovoltaic systems
- 100% green electricity
- 2 of 6 company vehicles are electric vehicles
- Own charging station infrastructure

#### EMCO-Test, Kuchl, Austria:

- Photovoltaic system 83,315 MWh
- 100% green electricity
- 7 of 9 company vehicles are electric vehicles
- Own charging station infrastructure

#### GTM, Bickenbach, Germany:

- Photovoltaic system covers 70% of energy requirement for building 1 (largest building)
- 100% green electricity
- Own charging station infrastructure
- 1 of 4 company vehicles are electric vehicles

#### ToniTechnik, Berlin, Germany

- 100% green electricity

#### ZwickRoell GmbH & Co. KG, Haan, Germany:

- Photovoltaic systems
- 100% green electricity

#### ZRUK, Worcester, Great Britain

- Photovoltaic systems
- 60% green electricity
- Own charging station infrastructure
- 8 of 22 company vehicles are electric vehicles, 6 hybrid
- Entire heat requirement is covered by the company's own combined heat and power plant

### **Our measures and goals**

#### ZwickRoell GmbH & CO KG, Ulm, Germany:

- Determination of our PCFs (product carbon footprints) for both products
- Construction of another PV system for our training center
- Offsetting of our scope 1 and 2 GHG emissions
- Analysis of the use of renewable energy (heat)

#### Group:

- 100% green electricity coverage in all ZRX by the end of 2026 (except for ZRT, electricity is distributed by the state, there is no choice for green electricity)

## 2.2 Corporate carbon footprint

Materiality development	
Impact materiality score	Financial materiality score
10	6

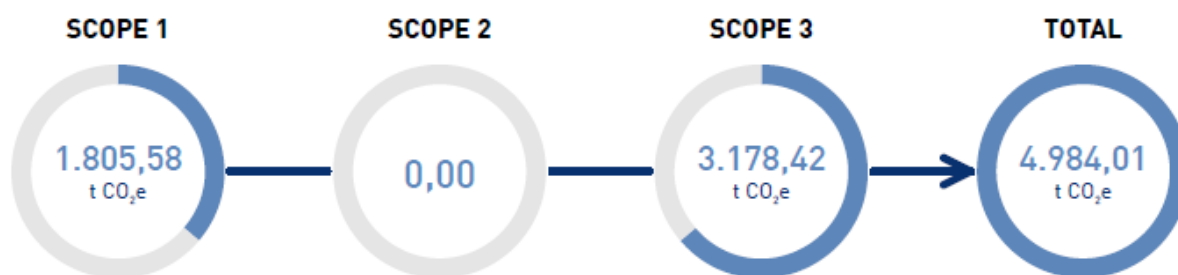
### **Our status quo:**

We have been recording our greenhouse gas emissions in ZRU since 2014 and publishing them in the form of a corporate carbon footprint report.

For the year 2024, our CO<sub>2</sub> emissions at our main production site in Ulm amount to **4,984.01 t CO<sub>2</sub>e**. When calculating the ZRU emissions, the emissions emitted by the activities of our sales and service office in the home market are included. Here, 36% are scope 1 emissions, emissions that arise from our own vehicle fleet and our use of natural gas and heating oil.

In 2024, we purchased 3,300,469 kWh of electricity in ZRU. Since 100% of this electricity comes from renewable sources, it is calculated as 0% in scope 2 emissions.

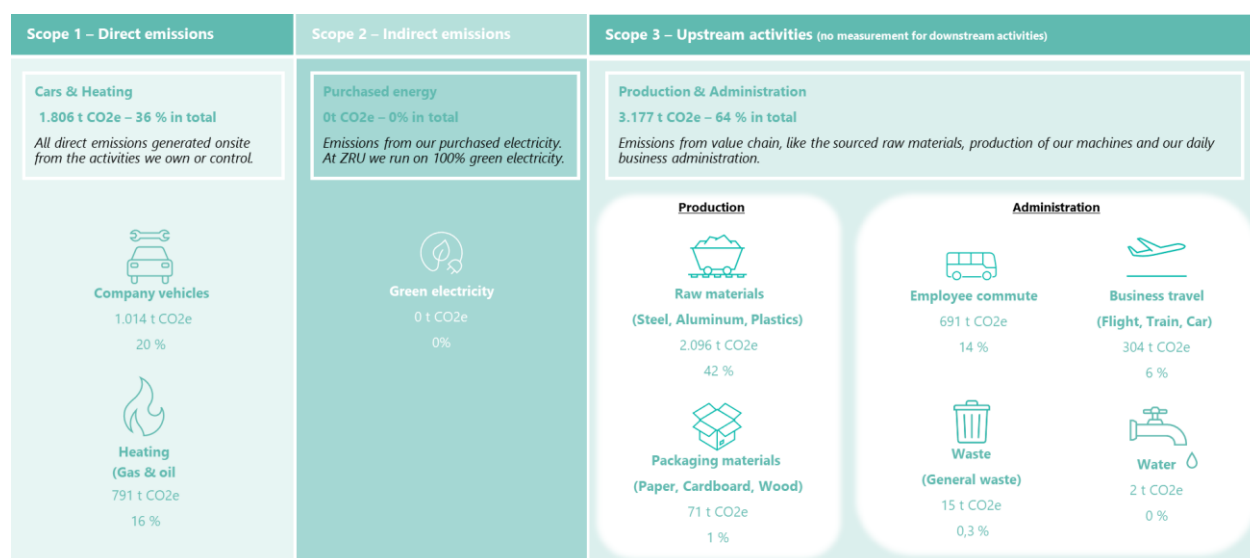
At 64%, our scope 3 emissions are the most significant in our carbon footprint. These emissions are generated by our production and administration activities. As expected, the proportion of emissions from the purchase of raw materials is the highest at 42%.



Carbon footprint for ZwickRoell GmbH & Co. KG, Ulm

Appendix 3 contains our detailed carbon footprint for ZwickRoell GmbH & Co. KG.

The following graphic shows which emissions occur where in our value chain in ZRU:



CO<sub>2</sub> emissions of ZwickRoell GmbH & Co. KG in Ulm along the value chain

We have set up a calculation model to determine the amount of greenhouse gas emissions from the entire ZwickRoell SE. This uses our largest production site in Ulm-Einsingen as the calculation basis for our 7 manufacturing subsidiaries (ZRX). The total emissions of our foreign production sites therefore amount to **1,202.90 t CO<sub>2</sub>e**.

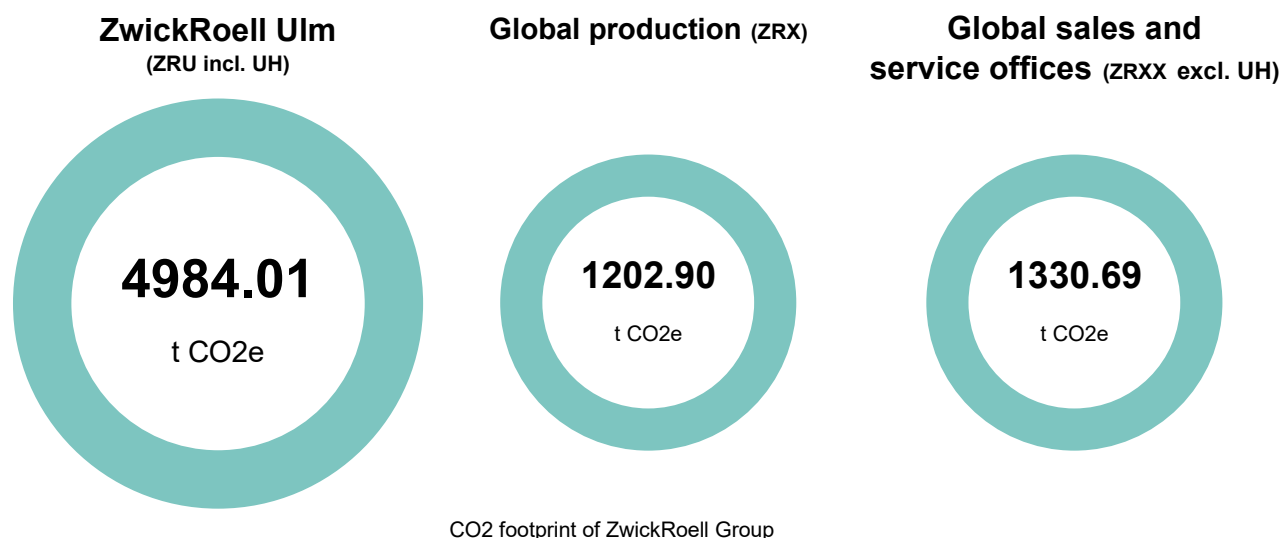
To calculate the CO<sub>2</sub> emissions for our global sales and service offices (ZRXX), we use our home market sales and service office (UH) including the Haan and Gottmadingen bases as the basis for calculation. Appendix 4 contains this detailed carbon footprint.

For the items company vehicles, business travel, and employee commute, the values from the ZRU carbon footprint were used as the base values and extrapolated to the headcount of the home market.

In the case of the sales and service offices, the CO<sub>2</sub> emissions that occur in production (GHG emissions from raw materials and packaging materials) are eliminated. The total emissions of our 12 foreign sales and service offices amount to **1,330.69 t CO<sub>2</sub>e**.



The calculation model for CO2 emissions of our group can be found in appendix 5.



### Our measures and goals:

In terms of reducing our CO2 emissions, we are focusing on Scope 2 in 2025:

- Expansion of PV systems: We are planning an additional PV system at our headquarters for the training center, which will be built in 2025.
- 100% green electricity for all manufacturing subsidiaries by 2026 and therefore zero scope 2 emissions for the entire ZwickRoell Group.

## 2.3 Energy consumption

Materiality development	
Impact materiality score	Financial materiality score
10	7

### Our status quo:

For a manufacturing company, corporate growth usually involves increasing energy requirements. Set against this background, we feel obliged to concentrate on new technologies for improving energy efficiency and climate protection.

The main **energy sources** are electricity and gas (for heating, at the Ulm site also for combined heat and power and the paint process). After commissioning a photovoltaic system with 30 kWp in 2008 and the combined heat and power station (run on gas) in 2010, we expanded our contribution to the generation of renewable energy (power) in the following years with four additional photovoltaic systems to a total of 1,350 kWp nominal output.

The development of the amount of electricity generated is shown in the following overview.

Year	Total generated [kWh]
2022	757423
2023	668129
2024	1100010

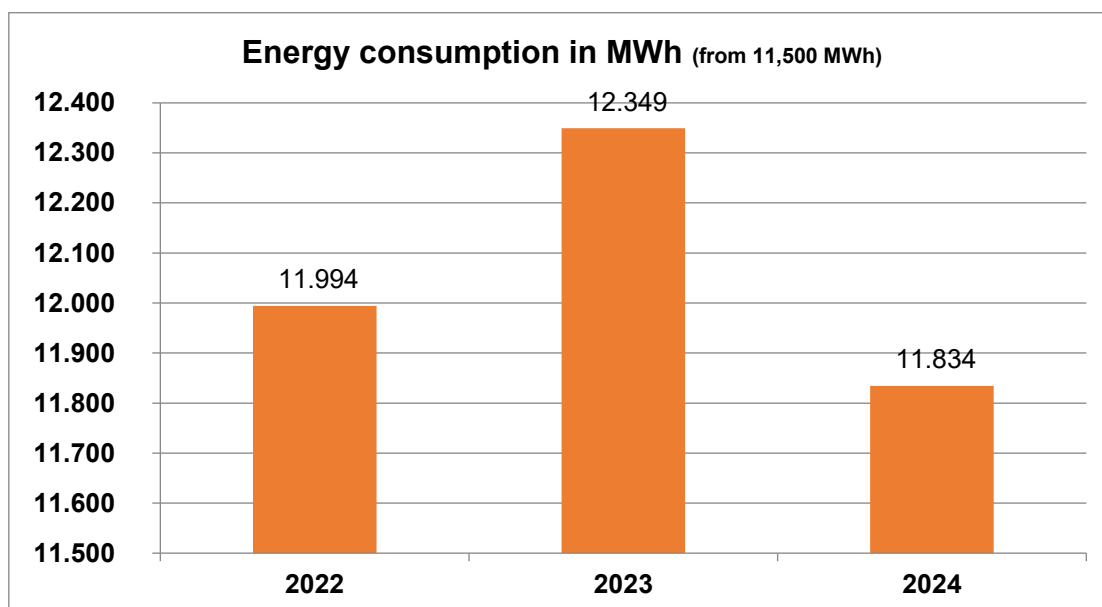
Electricity generated 2022-2024, ZwickRoell Ulm

Of note is the energy-efficient **air-conditioning system** installed in our server room. Special features: Free cooling technology: the compressor only responds when recooling via the external temperature is insufficient. It is controlled via two heat exchangers, one on the roof and one in the server room. Efficient airflow in the server room: cold air is blown into the server cabinets and the warm air is fed to the compressor for cooling.

Our company premises in Ulm include charging options for e-bikes and a charging station for electric vehicles (for customers and company cars).

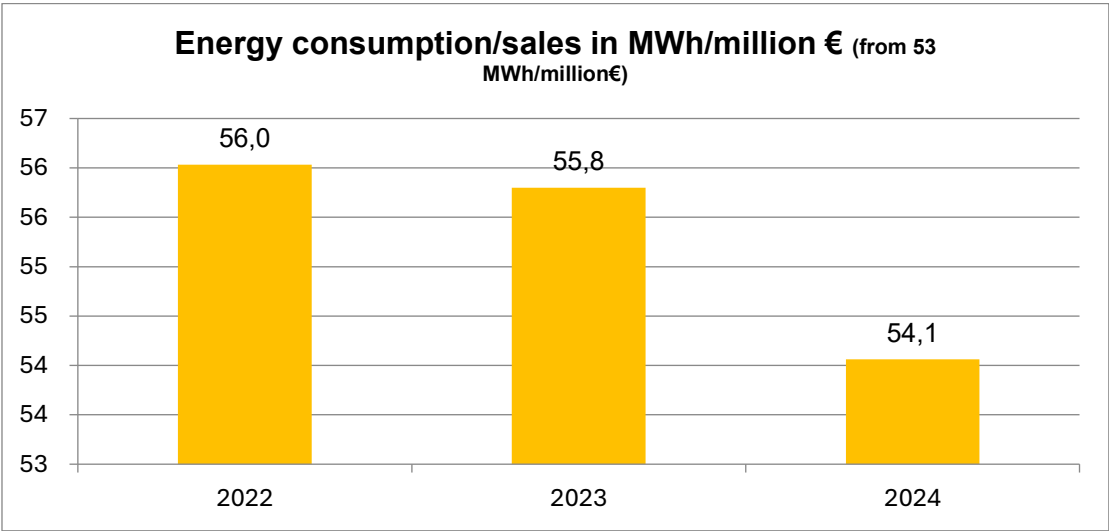
In 2023, the energy audit in accordance with the Energy Services Act was again performed using a comprehensive energy analysis at our location in Ulm-Eisingen.

Furthermore, additional consultation takes place in relation to energy.



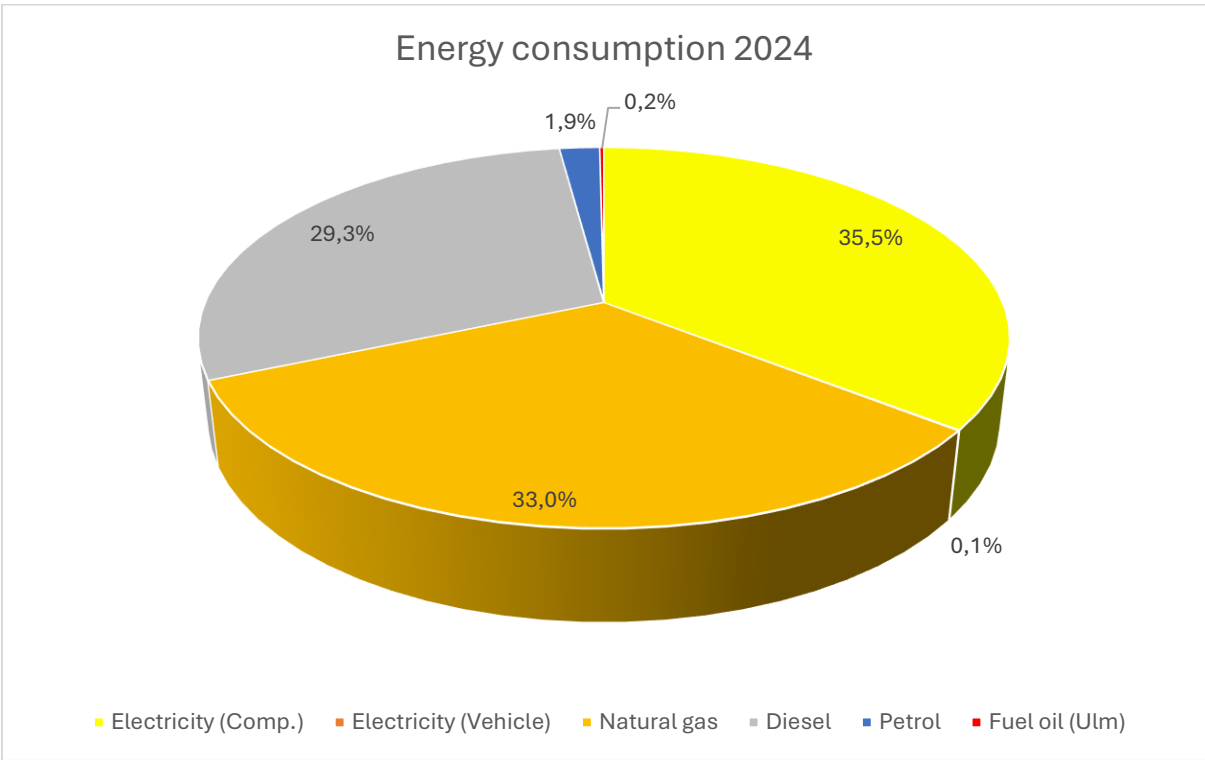
Development of energy consumption in absolute terms 2022-2024 (2022 ZR Ulm, as of 2023 Ulm, Gottmadingen, Haan)

Absolute energy consumption decreases slightly in relation to company growth:

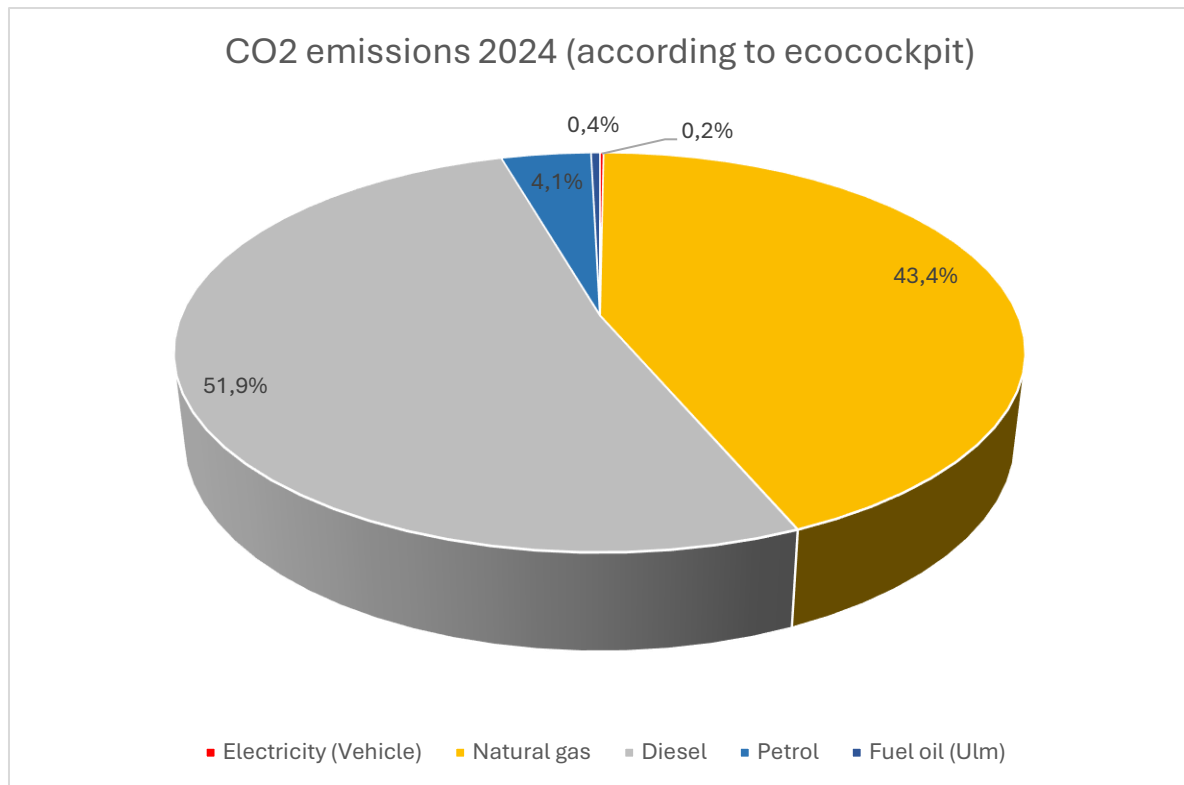


Development of energy consumption/sales 2022-2024 (2022 ZR Ulm, as of 2023 Ulm, Gottmadingen, Haan)

**Energy consumption** at ZwickRoell in Ulm can be subdivided into three main subareas: Electricity, natural gas and diesel.  
Note: For the vehicle fleet, an estimated amount of private journeys is deducted from the vehicles allocated to persons.



Breakdown of energy consumption 2024 at ZwickRoell GmbH & Co. KG



Breakdown of CO2 emissions 2024 at ZwickRoell GmbH & Co. KG

The vehicle fleet and gas consumption account for the largest share of greenhouse gas emissions. Electricity no longer plays a role due to the purchase of “green” electricity.

The emissions are shown in the CO<sub>2</sub> unit equivalents. The calculation is based on data from ecocockpit (a freely available tool from the Chamber of Industry and Commerce).

The two new PV systems (Building 11 and Building 7/8) have significantly increased the electricity generated in 2024.

From the 2023 energy audit report in relation to ZRG's German companies (in kWh):

Die Analyse des gesamten Energieverbrauchs im Jahr 2022 der ZwickRoell AG ergab folgende Aufteilung:

2022	Summe Standort	%-ual pro Standort
Demgen Werkzeugbau GmbH (58239 Schwerte) ab 24.05.2023 nicht mehr in der Gruppe	301.361	3,0%
DOLI Elektronik GmbH (81373 München)	79.855	0,8%
DOLI Elektronik GmbH (72525 Münsingen)	180.961	1,8%
GTM Testing and Metrology GmbH (64404 Bickenbach)	429.326	4,3%
Latzke Härteprüfung GmbH (51674 Wiehl-Marienhagen)	15.747	0,2%
polymerphys IK GmbH (65926 Frankfurt)	258.778	2,6%
Toni Technik Baustoffprüfsysteme GmbH (12526 Berlin)	112.876	1,1%
ZwickRoell GmbH & Co. KG (78244 Gottmadingen)	24.342	0,2%
ZwickRoell GmbH & Co. KG (42781 Haan)	47.535	0,5%
ZwickRoell GmbH & Co. KG ZwickRoell Verwaltungsgesellschaft GmbH ETG Elektronik Technologie GmbH (89079 Ulm)	8.522.487	85,5%
<b>Summen</b>	<b>9.973.268</b>	<b>100,0%</b>

Tabelle 1: Bilanzgrenzen der ZwickRoell AG

## Our measures and goals:

Measure	2023				2024				2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Photovoltaics 1451.4 kWp																
Replacement of lighting	Further implementation to follow if individual lights need to be replaced or if simply possible															
Load management & peak shaving					Check in connection with BMS and input from new PV				Possible implementation after testing and planning							

Legend:

Planning
Implementation

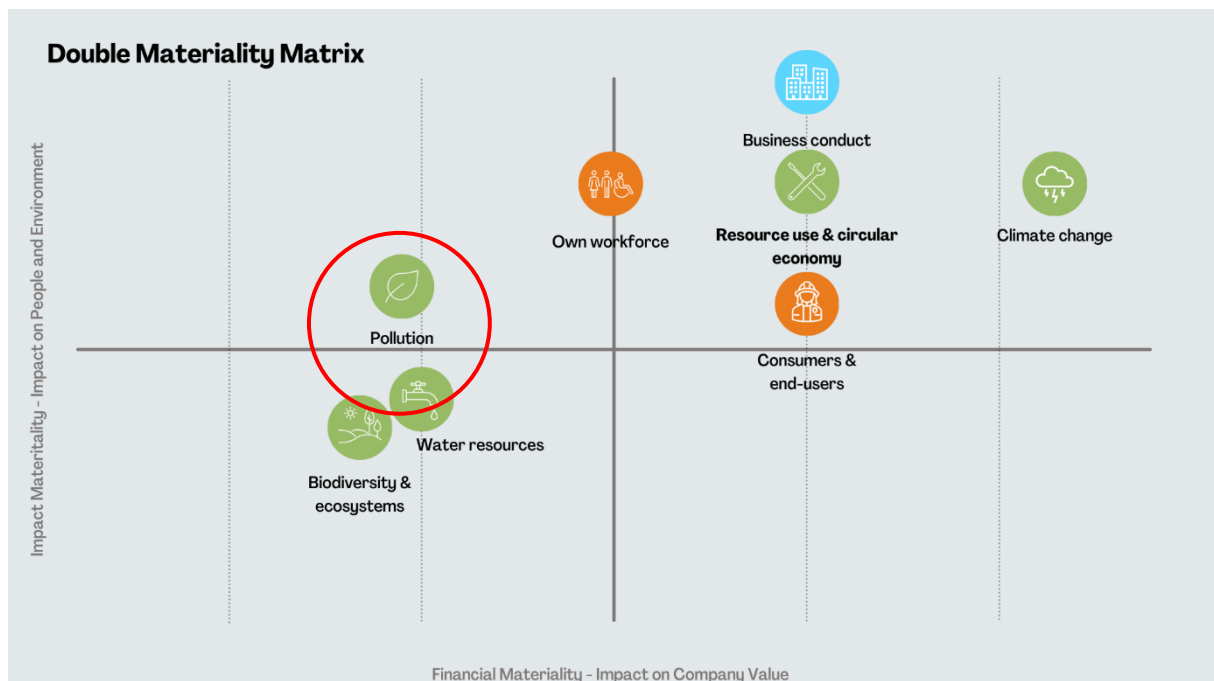
### Our Impacts, Risks and Opportunities (IROs)



#### Negative Impacts

- 1 Environmental pollution caused by industrial processes poses a risk to both nature and the health of our employees.  
*(OO) – Potential*
- 2 Our machines have an impact on the environment because they are not fully ROHS compliant. We are working step by step to achieve compliance.  
*(OO) – Actual*

### 3 ESRS E2 – POLLUTION



We take responsibility for minimizing environmental impact along our entire value chain. We focus on environmentally friendly production processes, the reduction of emissions, and the responsible handling of chemicals and waste.

Our aim is to actively contribute to the reduction of environmental pollution through preventative measures and innovative technologies and to continuously improve our ecological footprint.

In the double materiality analysis, the topic of pollution was rated with an impact materiality score of 9 and a financial materiality score of 3.

### 3.1 Pollution of air

Materiality development	
Impact materiality score	Financial materiality score
9	3

#### **Our status quo:**

Thanks to the use of state-of-the-art filter systems in our production at our headquarters in Ulm-Einsingen, the environmental impact can be classified as low.

Extraction systems take the strain off employees. In addition, they are provided with the best possible protection through the provision and use of personal protective equipment (respiratory protection). Workplace examinations are performed for staff.

Changing legal regulations can tighten limit values and thus require constant adaptation of the building technology. This creates effort in project planning, implementation, maintenance, and documentation and therefore generates one-time and ongoing costs.

#### **Our measures and goals:**

Furthermore, we want to observe the development of protective measures and always adhere to at least the minimum legal requirements. We keep ourselves informed about the current state of the art and will optimize our measures if necessary. We are currently up to date.

### 3.2 Pollution of water

Materiality development	
Impact materiality score	Financial materiality score
9	3

#### **Our status quo:**

Used cooling lubricant is used in the systems for as long as possible in order to keep the amount of waste to a minimum. It is therefore monitored and maintained on a weekly basis. Cooling lubricant that needs to be disposed of is collected and disposed of professionally by a waste disposal company. Similarly, contaminated cloths, for example, are collected separately and processed or disposed of by a specialist company.

Leaks in machines can lead to cooling lubricants and oils spilling. The entire production hall has a coated floor that prevents cooling lubricants and oils from seeping into the groundwater. Any spilled liquids are immediately extracted and the surfaces cleaned. In addition, the machines are regularly maintained and checked for leaks.

#### **Our measures and goals:**

Our production machines must be in perfect technical condition in order to keep the consumption of cooling lubricants and oils to a minimum and to avoid endangering the environment. Regular preventive inspections are carried out for employees in order to identify risks of skin contact at an early stage.



### 3.3 Pollution of soil

Materiality development	
Impact materiality score	Financial materiality score
9	3

#### Our status quo:

Leaks in our production machines can lead to cooling lubricants and oils spilling. In our main production facility in Ulm-Einsingen, we have laid a floor with a coating that prevents the penetration of cooling lubricants and oils into the soil.

Any spilled liquids are immediately extracted and the surfaces cleaned. The machines are regularly maintained and checked for leaks.

#### Our measures and goals:

Machines must be in perfect technical condition in order to keep the consumption of cooling lubricants and oils to a minimum and to avoid endangering the environment.

### 3.4 Substances of very high concern

Materiality development	
Impact materiality score	Financial materiality score
9	3

#### Our status quo:

- **Tri** is relevant at ZwickRoell in connection with the remediation measures on the fence between buildings 4 and 6 at the headquarters in Ulm-Einsingen.  
The remediation measures were imposed on us because elevated levels of tri were found in the groundwater. The measure has been agreed upon with the city of Ulm as the responsible authority and has been in operation for many years (pumping out groundwater, cleaning via carbon filters, and discharging into the sewage system). A geologist is responsible for regular monitoring and communication with the authorities.  
Reports and protocols are available.
- **Lead** is found in many materials, known to us in printed circuit boards and raw materials (aluminum alloys). The limits are specified in the RoHS Directive.  
We have surveyed our suppliers in a project with the purchasing department and are looking for replacement materials in detail.  
As of today, we cannot yet say that our products are RoHS compliant.  
From our point of view, the RoHS Directive was designed for mass-produced items. We did not see the same relevance for us.
- **REACH:** The REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals) regulates the registration, evaluation, authorization and restriction of chemicals in the EU. Since we do not manufacture any chemicals ourselves, we are a downstream user. Our customers receive the safety data sheets for relevant hazardous substances in the operating manuals. Examples of operating materials that fall under the REACH regulation and are used by ZwickRoell are commercially available hydraulic oil and lubricants that we purchase from our suppliers.
- **CLP:** The CLP regulation (Classification, Labeling and Packaging) regulates the classification, labeling, and packaging of substances and mixtures in the EU. Hazardous substances that pose a risk to people and the environment are listed in our safety data sheets. In addition, our employees are informed by operating instructions.

**Our measures and goals:**

The primary goal is to know the legal requirements and to comply with them as far as possible and reasonable. We want to gradually achieve ROHS conformity for all products.

As soon as substances of concern are used, we inform our employees and customers in our safety data sheets.

### Our Impacts, Risks and Opportunities (IROs)



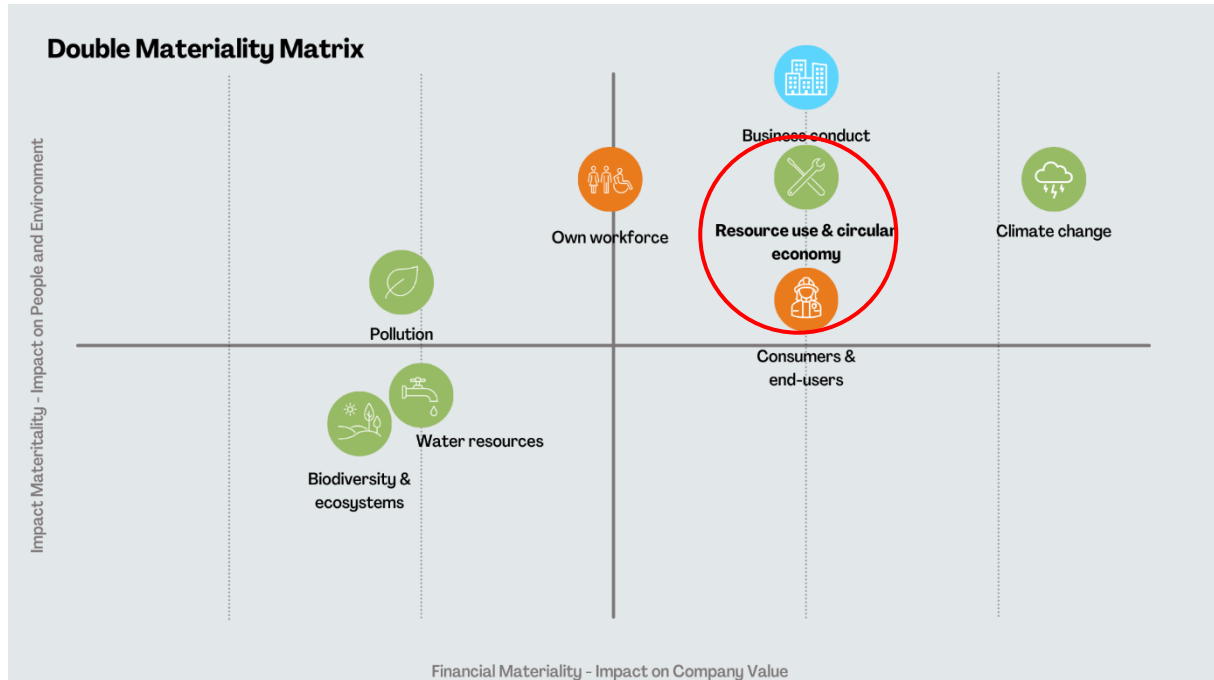
#### Positive Impacts

- 1 Promotion of sustainable product development and production methods.  
(OO) – Actual
- 2 We produce almost exclusively with renewable energies. Of our seven production facilities, five are currently powered 100% by green electricity.  
(OO) – Actual
- 3 Our machines have an average service life of 20 years.  
(VC upstream) – Actual
- 4 We have been offering extensive modernization and complete overhauls of our used machines since the 1990s.  
(VC upstream) – Actual

#### Negative Impacts

- 5 Greenhouse gas emissions caused by the use of raw materials for the production of our machines.  
(VC upstream) – Actual
- 6 Waste generation in business has a negative impact on the environment.  
(OO) – Actual

## 4 ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY



As a manufacturer of materials testing machines, the responsible use of resources is a central component of our sustainability strategy. We focus on the efficient use of materials, durable product designs, and innovative solutions to minimize waste and promote the circular economy.

Our machines are designed to ensure a long service life and to be used sustainably through maintenance and retrofitting. We prioritize recyclable materials and resource-saving production processes right from the development phase.

Our goal is to make a positive contribution to the environment through the sustainable use of resources and at the same time offer our customers high-quality, future-proof solutions.

In the double materiality analysis, the topic of resource use and circular economy was rated with an impact materiality score of 10 and a financial materiality score of 6.

## 4.1 Resource outflows related to products and services

Materiality development	
Impact materiality score	Financial materiality score
9	8

### Our status quo:

As a manufacturer of testing machines, we can support our customers in the development of sustainable solutions. In today's world, sustainability and environmental awareness are core values that are becoming increasingly important not only due to legal requirements and international climate targets, but also due to the expectations of society and our customers. With our technology and expertise, we can make a significant contribution to helping companies in a wide range of industries achieve their own sustainability goals by optimizing their materials.

Sustainability and resource conservation are becoming increasingly important in the industry. The focus is on companies that offer innovative solutions for recycling materials and waste. By helping our customers to develop sustainable solutions, we strengthen their competitiveness and make an active contribution to combating climate change.

We also focus primarily on three levers of the circular economy:

#### Circular inputs

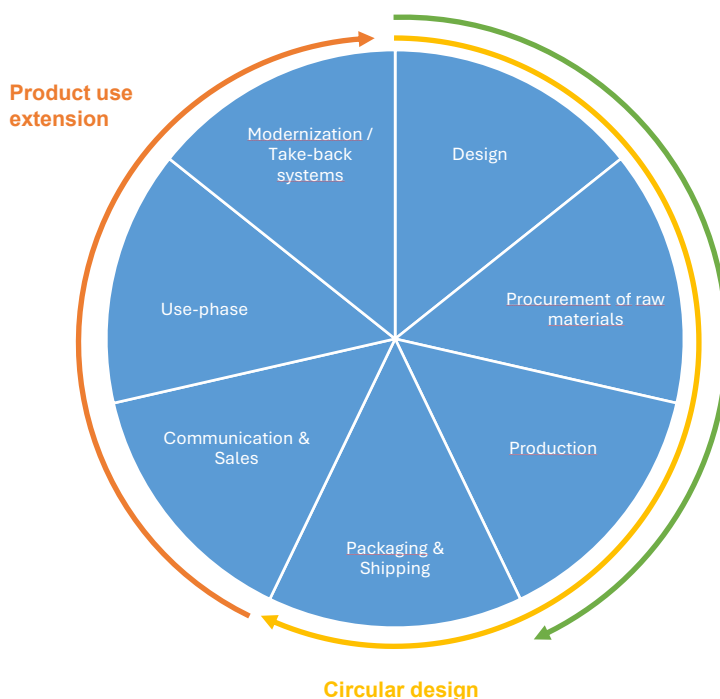
Use of renewable energy, bio-based & man-made materials that are recycled or highly recyclable to enable partial or total waste reduction.

#### Circular design

Development of products that have a long service life. Easy to dismantle and retain their value over several product life cycles.

#### Product use extension

The use of the product is maximally extended by repairs, modernizations, and retrofits.



### Circular inputs

We rely on CO<sub>2</sub>-free factories. Of our seven production facilities, five are currently powered 100% by green electricity. By the end of 2026, we aim to run another production facility entirely on renewable energy. The energy supply for our production in Taicang is regulated by the state, so it is not possible to switch to green electricity.

In addition to purchasing renewable energy, we have photovoltaic systems in operation at the following companies:

- ZRU, Ulm, Germany
- ZRF, Fürstenfeld, Austria
- EMCO-TEST, Kuchl, Austria
- GTM, Bickenbach, Germany
- ZRU, Haan, Germany
- ZRUK, Worcester, Great Britain

The majority of our machines are made of steel. Steel or aluminum production is largely a circular economy through the recycling of steel scrap or production waste. We will determine how high our recycled material content is in a PCF (Product Carbon Footprint) study in 2025.

### Circular design

**Durability:** The basic structure of the load frames of our testing machines is generally designed to be durable. This means that they can be modernized again as required even after a long period of use (decades) and fitted with new/other tools, drive or electronic components, for example.

**Stability/Robustness:** As a premium manufacturer, we offer products with high stability and robustness. In addition to durability, the demand for stability also arises from the requirements for operational safety in order to comply with the Machinery Directive.

In the case of machine elements that are subject to wear for technical reasons, such as bearings, lead screw drives, etc., we strive for long service lives in order to keep repair work and costs to a minimum for our customers

**Resource utilization:** Our products are subjected to value analyses at regular intervals. In addition to improving costs and thus competitiveness, this also results in savings in material consumption and energy use in production.

**Ease of maintenance:** In addition to the long service life of our machines of 20 years on average, we guarantee the availability of spare parts for at least 10 years after product discontinuation.

ZwickRoell offers preventive, regular maintenance and inspection, thus protecting against degradation and extending the service life of the testing machine.

At the customer's request, it is possible to extend the oil change intervals for servohydraulic materials testing machines by analyzing the condition of the oil and then changing it depending on the condition. This allows fewer resources to be used.

### Product use extension

ZwickRoell has been taking the sustainable step of modernizing and overhauling used materials testing machines since the 1990s.

We have implemented a special After Sales product division, which deals with the sectors of modernization, accessories and used machines, as well as the value retention and adaptation of the latest technology for delivered products.

**Modernizations:** Many years of experience and the good training of our service technicians have contributed to the fact that a large number of modernizations can be performed directly at the customer's premises. This not only reduces transport emissions, but also makes modernization work more accessible globally.

**Life cycle model:** Actively approaching our customers to extend the service life of their machines. Among other things, this is achieved through sensible maintenance intervals, wear part replacements, modernizations, and retrofits for new testing requirements.

**Repurchase of used machines:** Active repurchase of used (also defective) machines / devices / extensometers. The machines are refurbished and put back into circulation.

**Modernization of third-party machines:** Extending the machine service life of competitors – even for manufacturers that no longer exist.

**Condition monitoring:** Software for the timely detection of malfunctions and thus the timely restoration of normal machine condition.

**Support for older machine models:** Support, software adaptations, retrofitting for older machine generations (also with previous electronics generation). A tool rental service also enables the repair of older models.

#### Our measures and goals:

We are aiming to run another production facility entirely on renewable energy by the end of 2026. This would mean that 6 out of 7 production facilities would be powered by green energy.

In 2025, we will determine our PCF in a joint project with the Fraunhofer Institute.

This analysis will provide us with further information on sustainability indicators in our products.

In 2025, we want to revise our OPUS product realization process again and, if necessary, include sustainability-related points.

## 4.2 Waste

Materiality development	
Impact materiality score	Financial materiality score
10	5

#### Our status quo:

We have defined the following in our environmental policy: We participate in recycling practices. We have put this into practice by collecting and disposing of waste separately. We work with specialist waste management companies to ensure that waste is disposed of properly and, where possible, recycled.

In our international subsidiaries, waste is separated wherever recycling is permitted by the government.

#### Our measures and goals:

We are examining the use of technical options to reduce the amount of waste (in volume).

Example: Cardboard box presses These are already being used successfully.

Another consideration is the briquetting of chips when purchasing new machines.

Our Impacts, Risks  
and Opportunities (IROs)



Positive Impacts

- 1 A secure workplace and fair, flexible working conditions promote loyalty and motivation.  
(OO) – Actual
- 2 The majority of our workforce is paid according to collective agreements, which guarantees stable and fair remuneration.  
(OO) – Actual
- 3 The high value placed on training is reflected in the more than 100 trainees in our company.  
(OO) – Actual

Negative Impacts

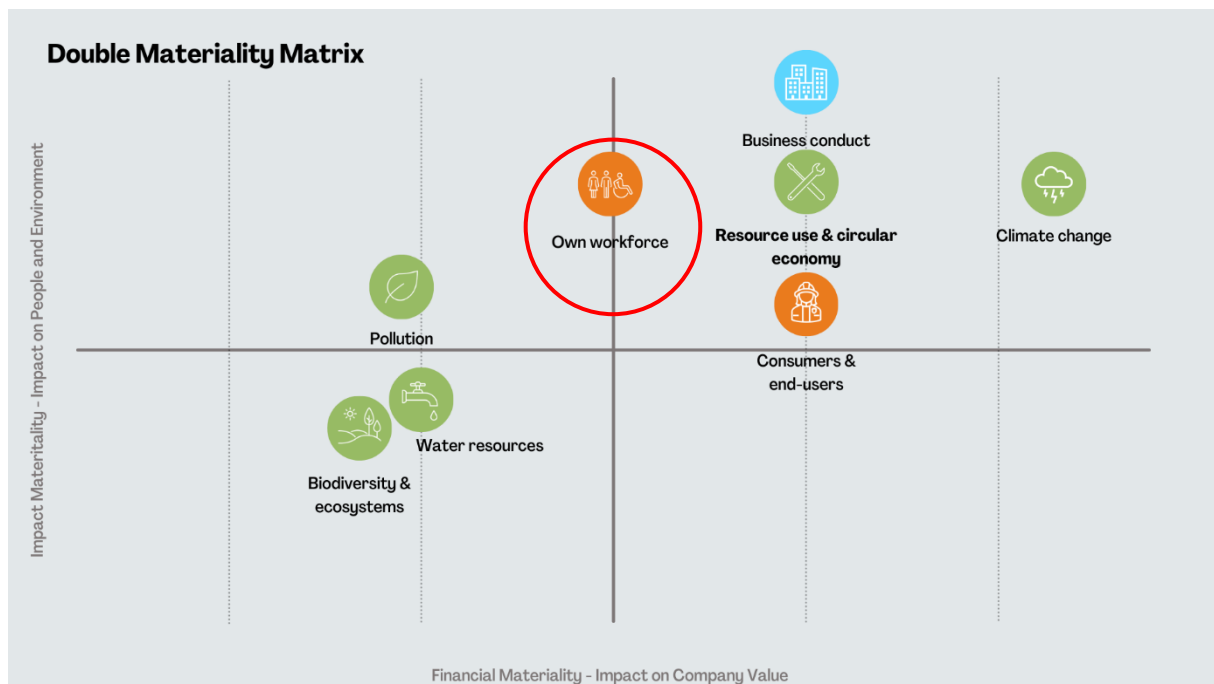
- 4 Low proportion of women in the workforce, especially at management level.  
(OO) – Actual

Risks

- 5 High wage agreements affect the level of remuneration and thus place a strain on the company's cost situation.  
(OO) – Actual
- 6 Data loss or misuse can disrupt internal processes and result in significant costs.  
(OO) – Potential



## 5 ESRS S1 – OWN WORKFORCE



At ZwickRoell, we focus on people – both our employees at our main production site in Ulm and all our colleagues at our international subsidiaries. We strive to build sustainable and positive relationships with people. Mutual respect and understanding form the basis of all our interactions. This is in line with our fundamental principles: respecting human rights, promoting diversity and inclusion, and maintaining high health and safety standards.

Our employees at ZwickRoell are competent, professional, and work as a team. Commitment, motivation, and qualifications are crucial to the company's success. We operate our personnel policies against this background. As an attractive employer with high performance standards, we wish to create working conditions that contribute to satisfaction and loyalty amongst the employees.

We have drawn up the working paper “We.Together.Work.Future” between company management and the works council. This agreement outlines a shared objective in the following areas of action and defines key points for their implementation:

- Clarifying and promoting the purpose and value of work
- Increasing and recognizing mobility
- Empowering employees and maintaining their ability to work
- Expanding and maintaining networks
- Developing working relationships in an agile manner

In the double materiality analysis, the company's workforce was given an impact materiality score of 10 and a financial materiality score of 5.

## 5.1 Working conditions

### 5.1.1 Secure employment

Materiality development	
Impact materiality score	Financial materiality score
11	5

#### Our status quo:

Offering our employees job security is a top priority at ZwickRoell. We ensure this through targeted measures:

	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Average
<b>Total personnel</b>	1107	1109	1107	1100	1101	1096	1100	1094	1094	1106	1105	1104	1101.92
<b>Personnel status: Fixed term</b>	28	31	32	33	38	38	46	46	49	62	63	63	44.08
<b>Personnel status: Permanent</b>	1079	1078	1075	1067	1063	1058	1054	1048	1045	1044	1042	1041	1057.83
	<b>2.53</b>	<b>2.80</b>	<b>2.89</b>	<b>3.00</b>	<b>3.45</b>	<b>3.47</b>	<b>4.18</b>	<b>4.20</b>	<b>4.48</b>	<b>5.61</b>	<b>5.70</b>	<b>5.71</b>	<b>4.00</b>

Ratio of fixed-term employees to permanent employees in ZwickRoell Ulm

In 2024, 96% of our salaried employees had a permanent employment contract. The majority of fixed-term employees are trainees who are receiving an employment contract for the first time.

With a few exceptions (12 contracts in total), the majority of employees at our foreign subsidiaries are also on permanent contracts.

#### **Planning**

We have very detailed annual corporate and personnel planning for the following year in order to be able to hire sustainably.

#### **Long notice periods (especially on the part of the employer)**

The collective agreement protects older and long-serving employees in particular through special termination conditions: An employee who has reached the age of 53, but has not yet reached the standard retirement age and has been with the company for at least 10 years can only be dismissed for good cause. In principle, employers are subject to longer notice periods after certain periods of employment:

#### **Older employees**

Older employees are subject to special protection once they reach a certain age and have been with the company for at least five years. The number of years calculated 10 years backwards from the current official retirement age represents the start of the special protection against dismissal and earnings (at the time of writing this document, this is age 67, i.e. the special protection against dismissal and earnings begins at the age of 57). From this age, an employment relationship may only be terminated for good cause. A reduction in salary that is not based on a reduction in working hours or the employee's desire for a different/lower-paid job is also inadmissible from this age. Should the retirement age increase significantly in the future, the aforementioned age limit "67" will be adjusted accordingly. Employees already in the security phase will enjoy protection of legitimate expectations. Should the parties to the collective agreement reach an agreement comparable to the aforementioned regulation, this should be adopted.

#### **Partial retirement**

There is also the option of a flexible transition to retirement within the framework of partial retirement offers. Employees who have been with the company for at least 12 years and have reached the age of 61 can agree a partial retirement employment contract with their employer under special conditions. In this case, the working hours can be distributed continuously over the entire duration of the partial retirement period of max. 4 years or divided into a working phase and a release phase. It can also be distributed flexibly over the entire duration, whereby the principle of half-time must be observed in all cases. The collective agreement allows for an equal or unequal distribution of working hours for up to 6 years.

### Employee satisfaction analysis

Employee satisfaction is determined through regular employee surveys, in cooperation with an external consulting partner, every four to five years. We use this opportunity to set a benchmark. In so doing, all the employees are asked about their current level of satisfaction. The results of the employee survey form the basis for the implementation of company improvements and are also intended to show development trends over recent years. The last employee survey took place in 2021. Overall satisfaction was 2.26 on a scale of 1 to 6 (1 = best rating), which is better than the benchmark average and better than the score of 2.30 from the previous survey in 2017. Especially exciting for us was the consistently above-average performance in the salary, collaboration with co-workers, communication, continuing education/development opportunities, and connection with the company and company culture categories. This shows as that our employees are happy to be part of the team.

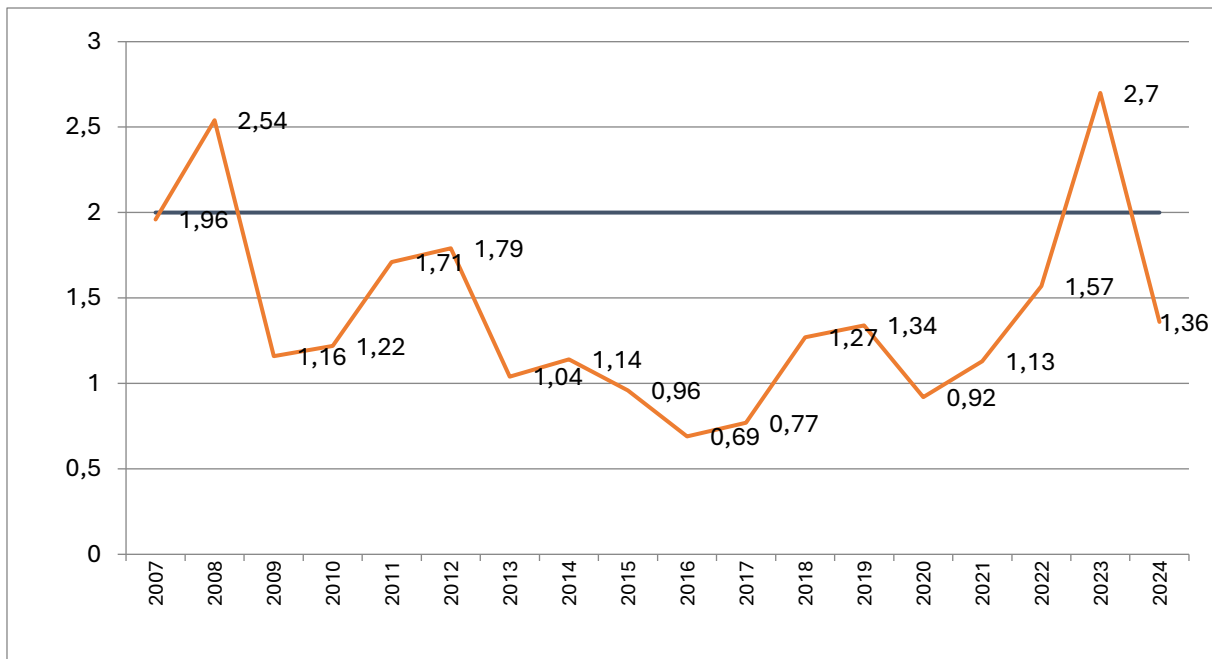
<b>Employee satisfaction</b>	
Only the scale 1-6 (1= Best evaluation)	≤ 2.4
<b>Employee turnover</b>	≤ 2% p.a.

Employee satisfaction and fluctuation at ZwickRoell in Ulm

An international employee survey initiated by HR-ZRU was conducted at various ZRG companies in 2017. The overall satisfaction rating here was 2.29.

### Turnover rate

We determine turnover rates using the BDA formula (BDA stands for Bundesvereinigung der Deutschen Arbeitgeberverbände, which is the Confederation of German Employers' Associations). Among other things, we take into account retirement, departures for continuing education opportunities and departures due to the end of fixed-term contracts, we do not take into account changes in temporary employees.



Fluctuation rate at ZwickRoell in Ulm

- Until 2022, the fluctuation rate was pleasingly low and well below the 2% threshold mark (since 2008). In 2023, the fluctuation rate rose above this mark again for the first time, but fell back to the usual level the following year.
- There are numerous measures in place to counteract staff turnover, which are covered in detail in the social topics.
- Among other things, we offer all employees who wish to leave our company an exit interview. During this meeting, an HR employee, a member of the works council if desired, and the employee have the opportunity to discuss the reasons for leaving and identify the strengths and weaknesses of the company, department, supervisor/manager, etc.

### **Our measures and goals**

With regard to job security of our employees, we are currently pursuing the measures already established as described above.

Furthermore, our goal is clear: to avoid any operationally-related layoffs of ZwickRoell GmbH & Co. KG's permanent staff.

## **5.1.2 Working time**

Materiality development	
Impact materiality score	Financial materiality score
10	5

### **Our status quo:**

We offer our employees virtually any working time model they desire. A total of 553 working time models (national and international) are stored in our time recording system. There are approximately 300 different working time models for ZRU alone. We want to respond to the individual requirements and life situations of our employees. Our goal is to offer our employees maximum flexibility and work-life balance in order to promote their satisfaction and increase their productivity.

MER	JANUAR 2024	FEBRUAR 2024	MÄRZ 2024	APRIL 2024	MAI 2024	JUNI 2024	JULI 2024	AUGUST 2024	SEPTEMBER 2024	OKTOBER 2024	NOVEMBER 2024	DEZEMBER 2024
FTE	1.030,66	1.030,43	1.025,85	1.017,08	1.018,19	1.014,81	1.014,79	1.010,61	1.035,83	1.046,26	1.044,21	1.042,67
Headcount	1.177	1.177	1.175	1.165	1.166	1.164	1.165	1.159	1.186	1.198	1.196	1.195
Arbeitszeitmodell: Vollzeit	1.025	1.020	1.015	1.003	1.003	997	994	991	1.013	1.018	1.015	1.012
Arbeitszeitmodell: Teilzeit	158	162	164	167	168	171	175	171	175	182	183	184

#### Working time models in the ZwickRoell Group

All working time models are also possible at our foreign subsidiaries. Of the 721 active employees working internationally, 84 are currently working part-time.

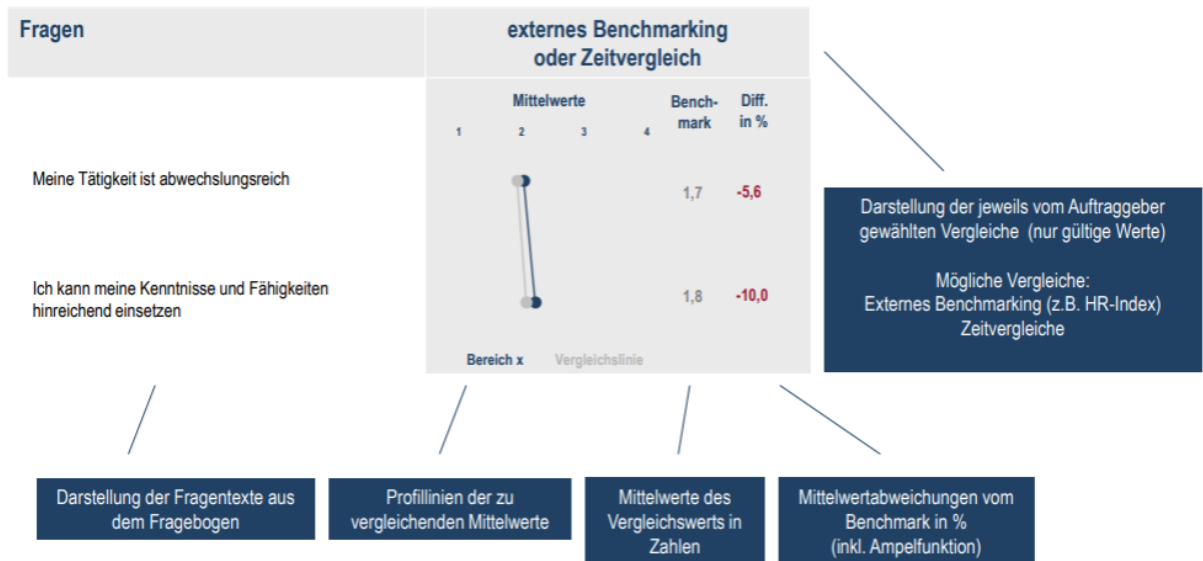
#### Employee satisfaction survey

In our employee satisfaction survey, we regularly ask about satisfaction with working hours:

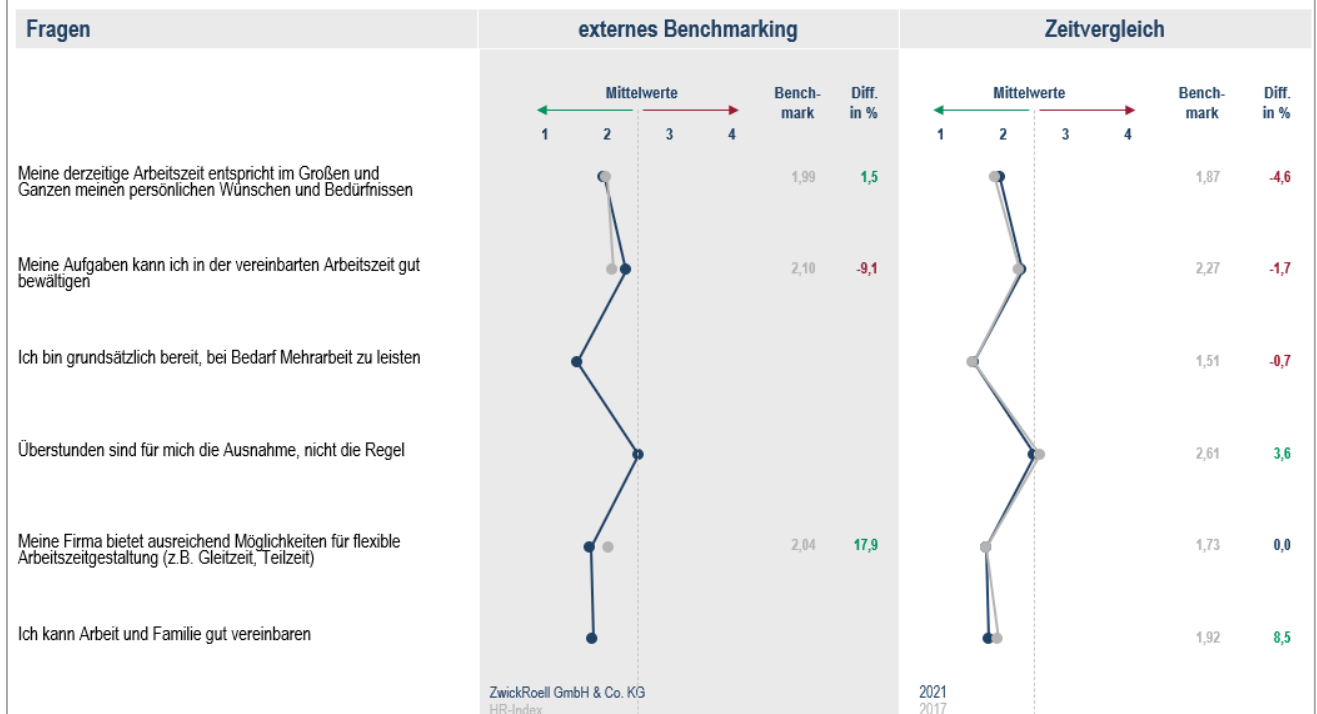
Excerpt from the overall report of the last survey in 2021:



## Leitfaden zum Benchmarking bzw. Zeitvergleich



## Benchmarking: Arbeitszeit



Excerpt from 2021 employee satisfaction analysis at ZwickRoell GmbH & Co. KG

## Annual reviews

Satisfaction with working time (working hours) and work-life balance (rated on a scale of 1–6, where 1 = very good and 6 = very poor) is also surveyed in the annual employee reviews.

The following evaluation shows the average rating from all employee reviews conducted in March 2024 (1,042 reviews):

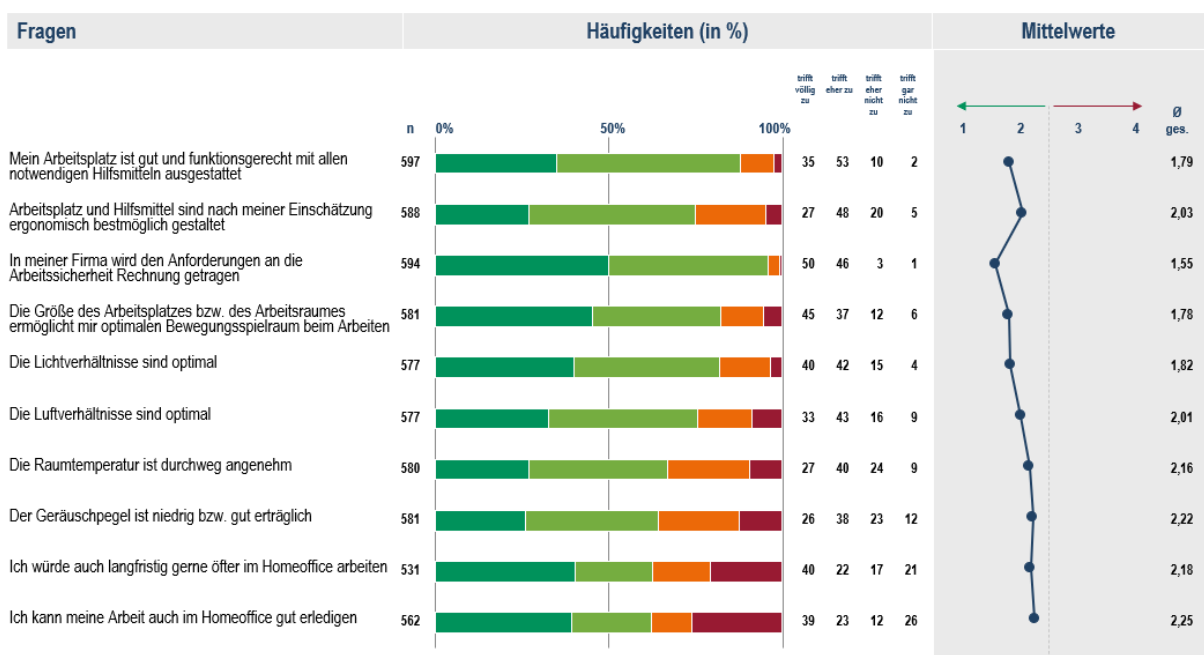
Gespräch	Stelle	Allgemeine Zufriedenheit - Bewertung	Vereinbarkeit v. Beruf und Familie - Bewertung
		2,13	1,79
Mitarbeitergespräch Tarif an VG1	Marketingreferent	1	1
Mitarbeitergespräch Tarif an GM	Monteur Mechanik	2	1
Mitarbeitergespräch Tarif an VG1	Produktionsmitarbeiter	3	1
Mitarbeitergespräch Tarif an VG1	Staplerfahrer	2	1
Mitarbeitergespräch Tarif an VG1	Versandmitarbeiter	2	2
Mitarbeitergespräch Tarif an GM	Service-ADM/-ingenieur/-techniker	3	2
Mitarbeitergespräch Tarif an VG1	Endmontage	3	1
Mitarbeitergespräch Tarif an VG1	Sachbearbeiter Personal	3	2
Mitarbeitergespräch Tarif an VG1	Monteur Elektrik	2	1
Mitarbeitergespräch Tarif an VG1	Monteur Elektrik	3	1
Mitarbeitergespräch Tarif an VG1	Projektmanager	2	2

Average of all employee annual reviews in 2024 at ZwickRoell Ulm in terms of overall satisfaction and work-life balance

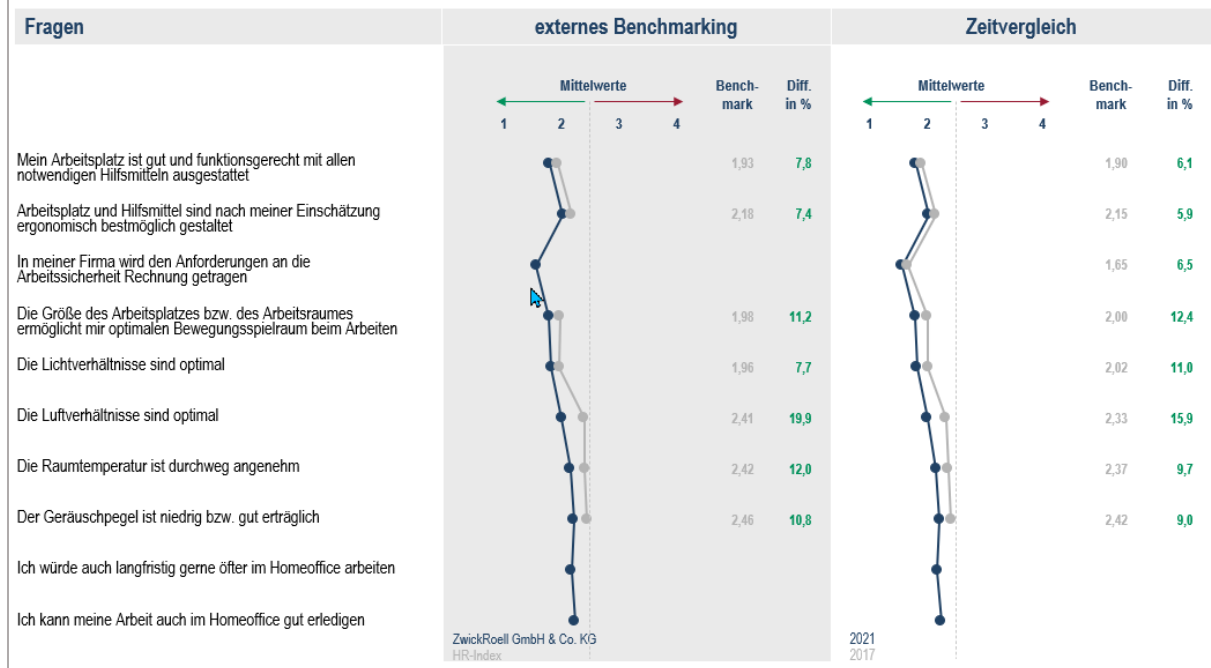
## Remote work

The topic of remote work is also regularly addressed in the employee satisfaction survey:

### Arbeitsbedingungen / Homeoffice



## Benchmarking: Arbeitsbedingungen / Homeoffice



Excerpt from the overall report of the 2021 employee survey on working conditions / remote work

### Our measures and goals:

With regard to the working time of our employees, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the requirements and our objectives. Therefore, no new goals are planned.

### 5.1.3 Adequate wages

Materiality development	
Impact materiality score	Financial materiality score
13	5

### Our status quo:

87% of our employees at our headquarters in Ulm/Einsingen, Germany have a collective bargaining agreement. This means that these employees are paid in accordance with the provisions of the ERA collective agreement for the metal industry in North Württemberg-North Baden (collective bargaining partners IG Metall and the employers' association of the Baden-Württemberg metal and electrical industry).

The non-tariff pay for 13% of employees is based on particularly responsible and complex work tasks that cannot be covered by the collective agreement. Remuneration is determined on the basis of individual negotiations as well as industry-specific and company-internal salary benchmarks. This method ensures that remuneration is not only in line with pay scale standards, but also takes into account employees' particular skills, experience and contribution to the company. This ensures fair and competitive remuneration that promotes both employee motivation and retention.



### **Description of “ERA”:**

The ERA remuneration system (remuneration framework agreement) in Baden-Württemberg is a modern and fair remuneration system used in the metal and electrical industry. ERA aims to ensure fair and transparent remuneration that corresponds to the actual requirements and demands of the job. Here are the key points:

- Equal work, equal pay: ERA ensures that equal work is remunerated equally, regardless of training.
- Assessment system: Work tasks are evaluated using a points system that comprises five characteristics:  
Knowledge and skills, thinking, scope of action/responsibility, communication, and leadership.
- Pay grades: There are a total of 17 pay grades based on the total number of evaluation points (see table above)
- Level examples: A catalog of 122 binding level examples helps in the evaluation of work tasks.
- Right of appeal: Employees and the works council can appeal the classification if they disagree with the assessment.
- Men and women receive equal pay.

International companies set their salaries in the respective country. Salaries are generally negotiated individually depending on the position, tasks, working hours, and regional conditions. In doing so, the companies base their salaries on local standards and generally pay above-average wages.

Some international companies are members of local trade unions. These include:

- ZRF, Fürstenfeld, Austria
- EMCO-TEST, Kuchl, Austria
- ToniTechnik, Berlin, Germany
- ZRBR, Birmingham, Great Britain
- ZRFR, Metz, France

### **Wincentive**

Another tool used as part of our remuneration system serves to promote motivation and employee participation: our WINcentive system. It was introduced in 2005.

In the context of this system, managers award Wincentive points to employees and teams to reward above-average performance. In addition, individual employees can award three points to teams each month. The employees and teams can then convert the collected points into various rewards.

### **Our measures and goals**

With regard to the working time of our employees, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the requirements of the collective agreement and our objectives. Therefore, no new goals are planned.

#### 5.1.4 Freedom of association, the existence of work councils, and the information, consultation and participation rights of workers

Materiality development	
Impact materiality score	Financial materiality score
10	5

##### **SE committee (IEC)**

To ensure the right to information and consultation in the ZwickRoell SE and to exercise its other duties and rights, an SE committee (SE Committee / International Economic Council - IEC) was established at ZwickRoell SE level in 2024. The IEC represents the rights of all employees of the ZwickRoell Group. It is responsible for matters that cannot be ruled out as having an impact on employees in at least two countries with ZwickRoell locations. The Executive Board of ZwickRoell SE must inform the IEC about the development of the business situation and the prospects of ZwickRoell SE once a calendar year in a joint meeting as part of the regular meetings, and consult with it. To this end, annual reports and copies of all documents submitted to the Annual General Meeting of Shareholders are to be presented.

The development of the business situation and prospects include, in particular, the structure of the SE as well as the financial and economic situation, the expected development of the business, production and sales situation, the employment situation and its expected development, investments, fundamental changes to the organization, introduction of new work and production processes, and overall software/IT projects, relocation of companies, operations or significant parts of operations as well as the relocation of production, mergers or demergers of companies, operations, or significant parts of operations as well as mass redundancies.

##### **Works council at the headquarters in Ulm**

ZwickRoell is generally in favor of the formation of works councils and considers the work of these bodies to be very valuable. ZwickRoell's Ulm plant is represented by a 15-member works council, while five works council members have been appointed for the Haan location. There is also a five-member Youth and Trainee Council and a General Works Council. The works council is not only consulted on all matters subject to co-determination, but is also consulted in confidence on many other issues. The opinions and advice of the Works Council are taken into account in all decisions affecting the workforce or working conditions. The cooperation is extremely trusting. This is why the works council is even invited to Supervisory Board meetings and is an important advisor.

In addition to the collective agreement, there are almost 50 works agreements that have been negotiated between the works council and the company. In most cases, these agreements extend the company's benefits beyond the scope of the collective agreement or the legal framework.

A representative of the trade union is also invited to the annual works meeting, to which the works council issues invitations.

Examples for co-determination cases at ZwickRoell:

- Working time regulations
- Company closures, e.g. over Christmas or long weekends
- Reorganizations
- Time recording, documentation of working hours
- Regulations on the prevention of accidents at work and occupational diseases, as well as on health protection in the workplace
- Introduction of idea management
- Individual personnel measures (Section 99 BetrVG [Works Constitution Act]), such as hiring, classification, reorganization, and transfers
- Terminations (§ 102 BetrVG [Works Constitution Act])

- Construction of new buildings, renovation of buildings, new work concepts

### **Regular-occurring works meeting**

The works council usually holds one formal works meeting per year. This takes place after the presentation of the group's annual financial statements. The works council provides detailed information about the past year and provides an outlook on current issues. Normally, the works meeting is supplemented by a speech from a representative of a trade union represented in the company. The management comments in detail on the works council's report and the trade union's contribution and presents its own assessment of the current situation.

Immediately after the works meeting, the management holds an information event on the current situation. This may include reports on current or planned projects of overriding importance. The works meeting and information event conclude with a shared snack.

### **Management information event**

The management informs the workforce in person up to four times a year about the current situation, current topics, and short/medium-term business expectations. These information events take place in March, July (together with the works meeting), October (at the start of the testXpo), and December (as part of the Christmas party).

The content of the information event will be discussed and agreed upon with the works council in a timely manner.

### **Economic committee**

As a sub-committee/auxiliary body of the works council, the Economic Committee is seen as an important body by the management. As a rule, a joint meeting is held annually between management and the Economic Committee with the aim of providing full information on all economic issues.

### **Ongoing information exchange**

Various laws (essentially the Works Constitution Act) and the collective agreement stipulate numerous obligations on the part of the employer to inform the works council formally and regularly about a wide range of circumstances. The works council determines the extent to which this obligation to provide information must be fulfilled (information as a duty to bring and collect).

### **Participation of the works council in management meetings**

In addition to the rights under works constitution law to participate in various meeting formats, the works council is entitled to participate in the monthly management meeting.

The works council is also invited to all other important meetings and decides independently whether to attend. The works council sends either the Chairman or the Deputy Chairman to the meetings.

### **Idea management**

The newly implemented **idea management** system (previously continuous improvement process), which was introduced in 2024, is easy to use and promotes suggestions that can be implemented quickly. Two idea managers ensure sustainable processing of the suggestions.

<b>Year</b>	<b>Number of submitted suggestions</b>
<b>2021</b>	98
<b>2022</b>	72
<b>2023</b>	92
<b>as of 03/2024</b>	150

Since the introduction of the new idea management system in March 2024, 150 ideas have been submitted to date. The benefits of the ideas amount to 23 T€, the bonuses paid out to 14T€, and the participation rate to 7%. The ideas submitted can be divided into three groups. 76% internal processes, 10% customer processes, 14% products.

### **Further exchange of information**

It is in the interests of the company that there is a regular informal exchange of ideas between the CEO and all other members of management and the Chairman of the works council or the works council committee. A regular exchange and close coordination between HR management and the works council chairperson must also be ensured. To this end, for example, regular meetings can be arranged or invitations to attend works council meetings can be extended. Irrespective of any legal obligation, an exchange between the Chairman of the Supervisory Board and the Chairman of the (General) works council is planned at every Supervisory Board meeting of ZwickRoell AG.

### **Our measures and goals**

With regard to social dialog with our employees, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the legal requirements of the collective agreement and our objectives. Therefore, no new goals are planned.

## **5.1.5 Collective bargaining, including rate of workers covered by collective agreement**

Materiality development	
Impact materiality score	Financial materiality score
13	5

### **Our status quo:**

87% of our employees at ZRU have a collective bargaining agreement. This means that these employees are subject to the provisions of the umbrella collective agreement of the Baden-Württemberg metals and electrical industry. Remuneration is paid in accordance with the provisions of the ERA collective agreement for the metals industry in North Württemberg-North Baden.

High collective wage agreements influence the level of pay and therefore have a negative impact on the company's cost situation. As a member of the employers' association, we are forced to implement the collective wage agreements in full. Even in difficult economic times, there is no choice.

The ZwickRoell plant in Ulm is represented by a 15-member works council, while five works council members have been appointed for the Haan site. There is also a five-member youth and trainee representative body. The works council is not only consulted on all matters subject to co-determination, but is also consulted in confidence on many other issues. The opinions and advice of the works council are taken into account in all decisions affecting the workforce or working conditions. There is an exceptional level of trust in the cooperation.

In addition to the collective agreement, there are almost 50 works agreements that have been negotiated between the works council and the company. In most cases, these agreements extend the company's benefits beyond the scope of the collective agreement or the legal framework.

A representative of the trade union is also invited to the annual works meeting, to which the works council issues invitations.

	2024		2023	
	HC	%	HC	%
Employment relationship: Employed RRR - Collective agreement	1004	<b>87.23</b>	1007	<b>86.29</b>
Employment relationship: Employed ZRU - Not subject to collective agreement	147	<b>12.77</b>	160	<b>13.71</b>

Ratio of employees covered vs. not covered by collective agreements at ZwickRoell Ulm

Some international companies are members of local trade unions. These include:

- ZRF, Fürstenfeld, Austria
- EMCO-TEST, Kuchl, Austria
- ToniTechnik, Berlin, Germany
- ZRBR, Birmingham, Great Britain
- ZRFR, Metz, France

### **Our measures and goals**

With regard to our collective bargaining membership, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the requirements of the collective agreement and our objectives. Therefore, no new goals are planned.

## **5.1.6 Work-life balance**

Materiality development	
Impact materiality score	Financial materiality score
12	5

### **Our status quo:**

In order to promote our attractiveness as an employer, we offer our employees a wide range of options to increase the compatibility of family and career:

- Flexible working hours and flextime with almost any working time model
- A variety of part-time models
- A total of 23 employees took parental leave in 2024, 18 of whom were mothers
- Welcome return to work after maternity leave and parental leave, also part-time
- Lifetime working time account
- Granting of breastfeeding time
- Maximum flexibility in scheduling two-month parental leave for fathers
- Sabbatical
- Company agreement on support for caring for relatives
- Financial support for daycare places
- Company restaurant
- Remote work
- Various health offers as part of company health management
- Family Sunday as part of testXpo
- Vacation/school break program for children
- School and study internships, school partnerships
- Summer job opportunities for youth and college students
- Individual support in emergency situations
- High social security through secure and engaging jobs

### “Family-conscious company” award

In October 2023, we were once again awarded the "Family-conscious company" award as part of the "familyNET" project.



### Our measures and goals

With regard to work-life balance of our workforce, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the requirements and our objectives. Therefore, no new goals are planned.

### 5.1.7 Health and safety

Materiality development	
Impact materiality score	Financial materiality score
12	6

### Our status quo:

#### Measures to prevent accidents at work

The safety of our employees is at the heart of everything we do. In order to prevent accidents at work and ensure a safe working environment, we implement a wide range of preventive measures. These include continuous risk analyses as well as regular training and safety inspections.

- **Risk assessments:**  
We perform regular risk assessments for all workplaces and activities. All relevant hazards are identified and measures are taken to minimize them. This concerns both physical hazards and psychosocial risks. The risk assessments are regularly reviewed and updated, particularly in the event of changes to working conditions or new technologies. In this way, we ensure that all potential hazards are identified at an early stage and appropriate protective measures are introduced.
- **Regular instruction on occupational safety:**  
To raise our employees' safety awareness, we provide regular instruction on occupational safety. These are held at least once a year and cover both general safety topics and specific hazards in the company. In particularly high-risk areas such as production or in the event of changes to hazardous situations, these briefings are also held more frequently. Every employee receives comprehensive training in the safety-relevant aspects of their work in order to identify risks at an early stage and prevent accidents.
- **Annual safety inspections:**  
Regular safety inspections, which are performed at least once a year in all company buildings, are a central component of our safety strategy. Each building and work area is inspected by a team consisting of a safety specialist, company doctor, fire safety officer, safety officer, and a representative of the works council.

The aim of these inspections is to identify potential hazards, uncover safety deficiencies, and develop improvement measures. The inspections cover both general workplace safety and specific aspects such as fire protection, hygiene, and ergonomics. Corrective measures are immediately initiated and documented on the basis of the inspection results.

- **Safety and emergency plans:**

Detailed safety and emergency plans are drawn up for all high-risk activities and work areas. These contain precise instructions for emergencies, such as accidents or fires, and regulate the behavior of employees in crisis situations. All employees are regularly familiarized with these plans and regular emergency drills are conducted to ensure the ability to react in the event of an emergency.

- **Monitoring and feedback:**

We regularly collect feedback from employees in order to continuously improve our safety measures. Every incident, accident or near-accident is documented and analyzed in order to derive targeted measures for further risk reduction. Employees are actively invited to report potential hazards or safety deficiencies so that solutions can be developed immediately.

- **Supplementary safety measures:**

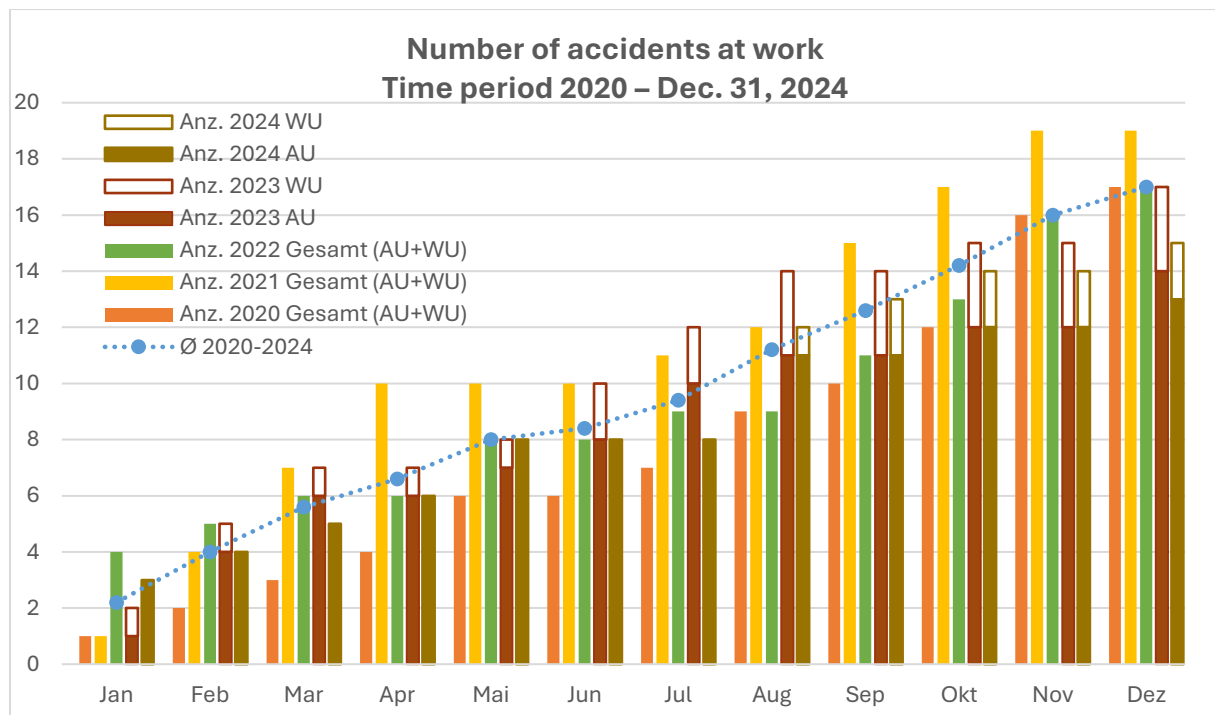
In addition to risk assessment and regular training, we take further preventative measures such as the provision of personal protective equipment (PPE), regular maintenance of machinery and equipment, and the continuous improvement of work processes. These measures help to prevent accidents and maintain a high level of safety in the workplace.

Through regular inspections, continuous training of our employees, and the systematic review of working conditions, we ensure that our company offers a safe working environment in which accidents at work are avoided as far as possible.

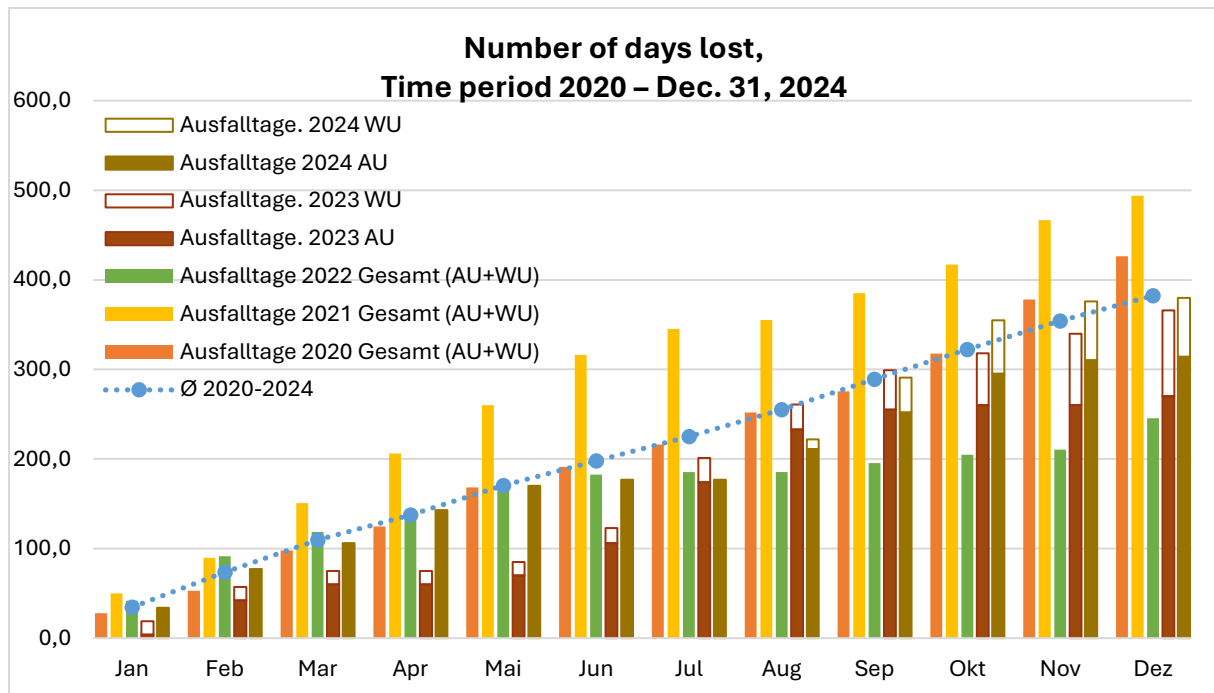
We record the number of reportable accidents at work and the resulting days lost.

In 2023, there were a total of 17 accidents at work, including three commuting accidents. These resulted in 366 days lost.

In 2024, a total of 15 accidents at work, including two commuting accidents, occurred up to December 31, 2024. This resulted in a total of 380 days lost.

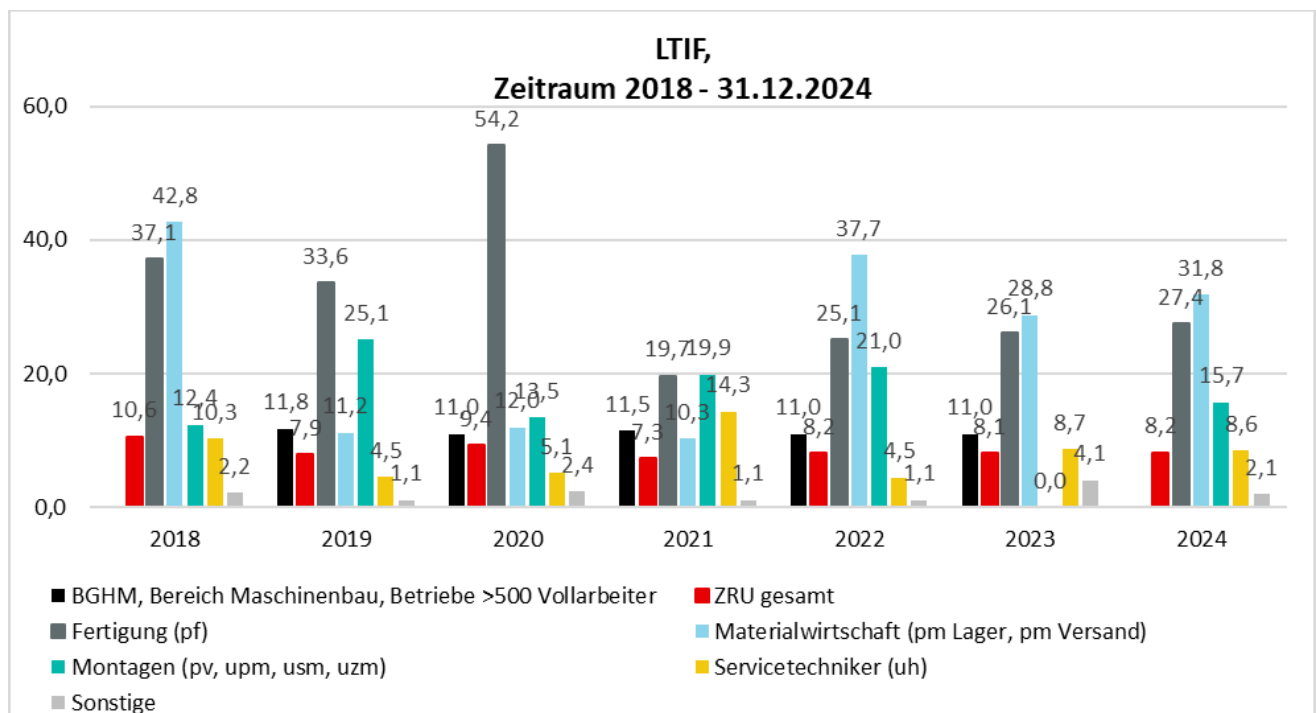


Number of accidents at work at ZwickRoell Ulm



Number of days lost at work at ZwickRoell Ulm

We also determine the work accident rate for ZRU as a whole and the individual divisions:



Total work accident rate and the individual areas at ZwickRoell Ulm



## Preventive examinations

Number of preventive medical check-ups in 2024 up to Dec. 31, 2024

Organization	Quantity
G20 Noise precaution (offered screening), quantity	40
G20 Noise precaution (mandatory), quantity	2
G23 Obstructive airway disease (mandatory), quantity	4
G24 Skin hazard (offered screening), quantity	40
G35 Trip abroad (mandatory), quantity	3
G37 Screen activity (offer), quantity	132
G46 Vibrations (offer), quantity	8
Total quantity	229

## Handling hazardous substances in the company

We have also implemented comprehensive measures and procedures for handling hazardous substances that comply with legal requirements and best safety practices in order to protect the health of our employees and minimize environmental risks.

- **Hazardous substances register:**  
All hazardous substances used in the company are recorded in a detailed hazardous substances register. This register contains all relevant information on the respective substances, such as substance-related information, quantity surveys, and safety precautions. It is updated regularly and ensures that an overview of all hazardous substances used in the company is available at all times.
- **Safety data sheets:**  
Safety data sheets (SDS) are maintained and centrally stored for all hazardous substances used. These SDS contain important information about potential hazards, safe handling procedures, protective measures, and first aid instructions in case of an accident. They are accessible to all employees and serve as the foundation for further safety measures.
- **Operating instructions:**  
Specific operating instructions are drawn up for all relevant hazardous substances on the basis of the safety data sheets. These instructions contain detailed handling instructions and safety precautions that must be observed when handling and using the hazardous substances. They are binding and ensure that all employees are familiar with the safe working methods.
- **Employee training and instruction:**  
All employees are regularly trained in the safe handling of hazardous substances. This includes both general instruction on the subject of hazardous substances and specific training on the respective operating instructions. The instructions are documented and repeated regularly to ensure safety at all times.
- **Approval process for new hazardous substances:**  
Before a new hazardous substance is used in our company, it undergoes an approval process. As part of this process, a specially established committee checks whether the use of the hazardous substance is safe and complies with legal requirements. Only after approval has been granted is the substance entered into the hazardous substance register and the necessary operating instructions can be drawn up.

These procedures ensure a continuous safety culture in the handling of hazardous substances and help to minimize risks for employees and the environment.

### **Our measures and goals**

With regard to the health and safety of our workforce, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the legal requirements and our objectives. Therefore, no new goals are planned.

## **5.2 Equal treatment and opportunities for all**

### **5.2.1 Gender equality and equal pay for work of equal value**

Materiality development	
Impact materiality score	Financial materiality score
12	5

### **Our status quo**

The metals and electrical industry is a male-dominated sector. Accordingly, the overall gender distribution of the ZwickRoell Group is in line with the industry average.

Women are underrepresented at the management level of department and division heads (ZRU) at 13%. At C-level and on the Supervisory Board, women are well represented at 1/3 each, given the industry average.

#### **Proportion of genders overall (ZRU):**

*Gender breakdown: Not reported by various, therefore not included in table*

	2022		2023		2024	
	HC	%	HC	%	HC	%
<b>Women</b>	296	24%	302	24%	298	24%
<b>Men</b>	932	76%	960	76%	967	76%
<b>Total</b>	1228		1262		1265	

#### **Proportion of genders in management positions as department and division heads (ZRU):**

	2022		2023		2024	
	HC	%	HC	%	HC	%
<b>Women</b>	7	11	9	12	10	13
<b>Men</b>	54	89	66	88	68	87
<b>Total</b>	61	100	75	100	78	100

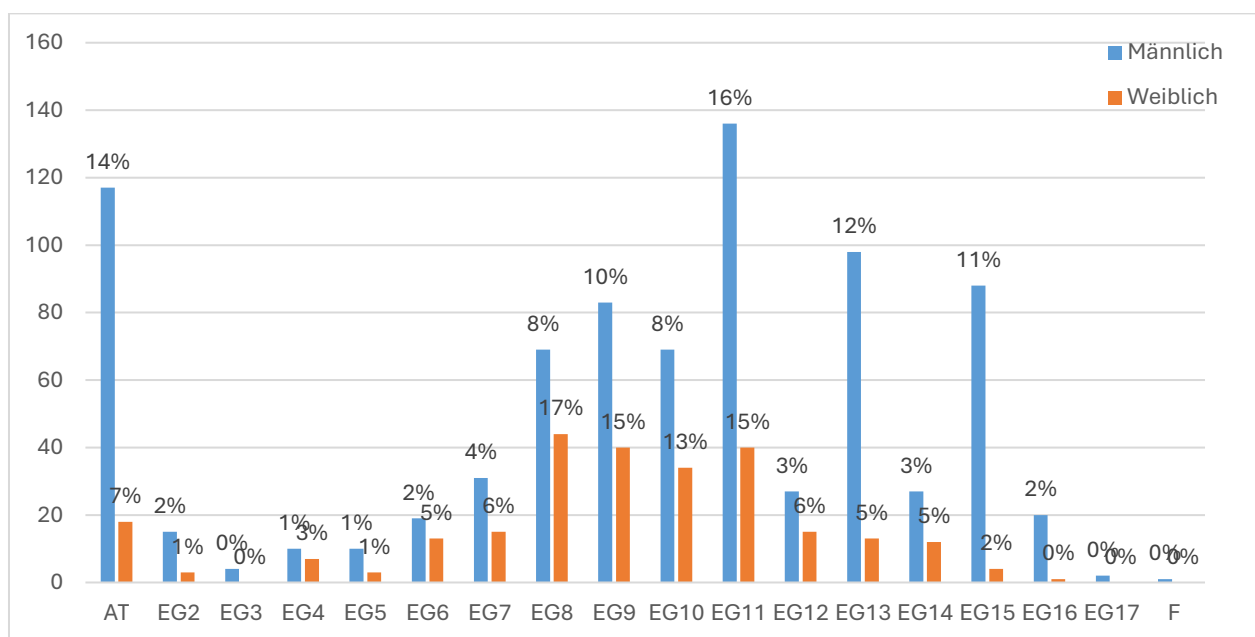
#### **Proportion of genders at C-level (ZRU):**

	2022		2023		2024	
	HC	%	HC	%	HC	%
<b>Women</b>	1	33%	1	33%	1	33%
<b>Men</b>	2	67%	2	67%	2	67%
<b>Total</b>	3		3		3	

### Gender ratio on the Supervisory Board:

	2022		2023		2024	
	HC	%	HC	%	HC	%
<b>Women</b>	2	33%	2	33%	2	33%
<b>Men</b>	4	67%	4	67%	4	67%
<b>Total</b>	6		6		6	

Although there is no pay gap in equivalent positions for employees covered by collective agreements, women are less represented in senior management positions and therefore less represented in well-paid positions.



Distribution of pay groups among employees covered by collective agreements (ZRU):

As we operate in a rather male-dominated industry, we want to specifically encourage girls and women to pursue a career in our company:

### Girls' Day

To make ZwickRoell more attractive to young girls in particular, we take part in Girls' Day every year.

Girls' Day is a nationwide orientation day for girls' career and study orientation. It is sponsored by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth and the Federal Ministry of Education and Research.

On Girl's Day, girls become familiar with professions or study subjects in which the proportion of women is below 40 percent, e.g. in the fields of IT, trades, natural sciences, and technology. Or they meet female role models in leading positions in business and politics.

### Talent management

The talent management concept is an important building block for the further development of our employees and therefore for the future of ZwickRoell. Within the scope of the talent management process, all employees will be evaluated regularly (1x/year; between January and the end of March) by their direct supervisor on their performance and potential, and will be categorized into a

performance-potential matrix (LPM). This LPM is a wide ranging personnel development tool. The objective of this evaluation is to identify employees who have “what it takes” and possess special, outstanding qualities, out of the many good/very good employees who work for our company. In the future, we intend to provide extended support for this group of people, in addition to our existing personnel development and training measures.

- 29 talents identified to date
- Of them, 12 are women (41%)

### **Women's network at ZwickRoell**

In 2024, we founded a women's network in ZRU that focuses specifically on promoting the professional (further) development of women.

Our common goal is to build a strong and supportive women's network that strengthens, inspires, and promotes each other. In terms of content, the focus is on topics relating to professional (further) development, family, and personal development. We want to create added value for the entire company by exchanging experiences on topics such as “convincing, self-confident appearance”, “individual (gender-specific) strengths/weaknesses”, “balancing career and family”, “returning to work after maternity leave”, etc.

The women's network offers a monthly networking breakfast where interested women can regularly exchange ideas. ZwickRoell also offers panel discussions with internal or external speakers three times a year.

In January 2025, the first panel discussion took place with Ms. Engstler-Karrasch, Managing Director of the Ulm Chamber of Industry and Commerce. Almost 90 women took part and shared valuable insights, personal tips and tricks, as well as exciting discussions in an open exchange.



### **Our measures and goals**

By nature, the metals and electrical industry is a male-dominated sector. Nevertheless, we would like to specifically encourage girls and women to pursue a career in our company. With Girls' Day, we want to introduce girls to the various professions in our company. Talent Management also identifies women in particular as outstanding talents who might not have dared to take up certain positions. And with our women's network, we want to strengthen and specifically promote the exchange of experience between our female employees.

## 5.2.2 Training and skills development

Materiality development	
Impact materiality score	Financial materiality score
9	5

### Our status quo

The topic of skills development has a long tradition at ZwickRoell. Technical and personal development play a major role. A comprehensive continuing education budget is planned and made available every year.

### **LMS (Learning Management System)**

In our LMS, we offer a comprehensive range of training courses for our employees in the following subject areas/categories: Sales, service, EDP/IT, specialist topics, foreign languages, leadership, health/occupational safety and environmental protection, customer orientation, methodological skills, and personal and social skills.

The need for further training is determined as part of the employee performance review, but can also be taken up at any time during the year.

ZwickRoell-specific topics are covered by internal experts, general topics by the open seminar program of the training institute or chamber of industry and commerce (IHK).

### **Learning Week 2024:**

A learning week event for employees takes place once per year at ZwickRoell. This week is all about personal development. In 2024, 159 face-to-face and online events and 78 web-based training courses (de + en) were offered for self-learning.

Learning Week Year	Filled spots	MA	Training courses / employee	With external trainers	With internal trainers	Presentations of BG and BAD	Total costs
2019	1907	481	3	51	51	6	€51,455
2020	1252*	330	3	13	/	11	€10,590
2021	2363	510	5	13	40	7	€52,320
2022	2474	606	4	21	45	5	€55,886
2023	2736	684	4	23	41	7	€60,863
2024	2946	709	4	25	48	8	€43,435

Overview of Learning Week in past years

### **Talent management**

In 2022, we introduced a Group-wide talent management system. The talent management concept is an important building block for the further development of our employees and therefore for the future of ZwickRoell. As part of the talent management process, all employees are regularly assessed by their direct supervisor with regard to their performance and potential and classified in a so-called performance potential matrix (LPM). This group of people receives additional support in addition to other personnel development and training measures.

Goal of talent management:

- We want to identify talents on all levels within the organization, promote their personal development and professional growth in a targeted manner, and match their performance capabilities and potential with company objectives.
- As we move forward, we want to avoid “wasting” talent.
- Wherever necessary and possible, we want to further the development of every employee in the position that optimizes their performance.
- We want to predominantly fill management/expert positions internally, on both a national and international level.
- We want to exemplify ongoing personal development and professional growth opportunities within ZwickRoell.
- We also want to identify employees who are not the right fit for their current position or the company as a whole.

Talent management measures:

- Special training for talents (communication, leadership principles, personal development)
- Individual development plan in preparation for the talent's development goal
- Exchange with the Executive Board at evening events
- Mentoring @ ZwickRoell: Each talent is assigned a suitable mentor

	ZRU				ZRG			
	Identified talents	Of which discontinued	Of which further developed	In the passive pool	Identified talents	Of which discontinued	Of which further developed	In the passive pool
2022	13	3	6	4	0	0	0	0
2023	11	2	6	4	18	1	9	8
2024	5				9			

Overview of identified talents in talent management

## Leadership development

We also offer management development in line with the ZwickRoell leadership principles for new managers, department heads, foremen, and service team leaders.

We also conduct an annual leadership effectiveness analysis. It is a 360-degree leadership feedback tool used to assess managers. The tool has been used at ZwickRoell for many years. As a rule, 6-10 managers are assessed each year by their supervisor, colleagues at the same hierarchical level, their employees and the works council, and the external assessments are compared with the manager's self-assessment.

## Our measures and goals

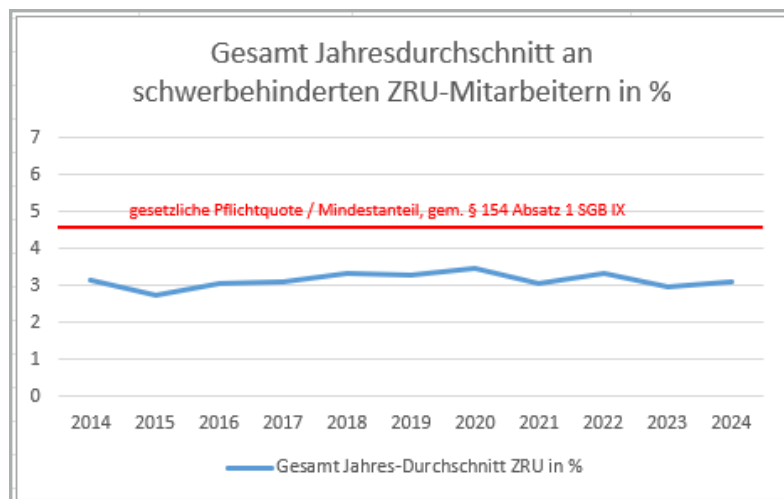
With regard to training and skills development, we are currently pursuing the measures already established, such as our learning week, talent management and management development. These are considered sufficient to meet the requirements and our objectives.

### 5.2.3 Employment and inclusion of persons with disabilities

Materiality development	
Impact materiality score	Financial materiality score
6	5

#### Our status quo

At our headquarters in Ulm, we have a representative body for persons with severe disabilities. The representative body for persons with severe disabilities is available to employees as a point of contact for advice when it comes to making various applications and dealing with the authorities due to an illness. This usually involves initial applications to determine a degree of disability, applications for equal opportunities, or rehabilitation applications. If a workplace inspection is necessary in this context and the need for technical aids is determined, it also supports this and works very closely with the relevant bodies such as the occupational safety specialist, the company doctor, the integration office, or the integration specialist service. In addition, it also accompanies recruitment, personnel or BEM meetings if people with a degree of disability are affected and it is informed or consulted in this regard.



Total annual average of employees with severe disabilities at ZwickRoell Ulm

#### **Compensatory levy (offsetting orders to workshops for persons with severe disabilities)**

In 2024, 35 people with disabilities worked at ZwickRoell's headquarters. In addition, we awarded around €130 thousand in contracts to sheltered workshops in 2024. When calculating the compensatory levy, there was no levy to be paid.

We currently employ five people with disabilities in our international companies:

- ZRNA: 2
- ZRUK: 1
- Doli: 2

#### Our measures and goals

With regard to the employment and inclusion of persons with disabilities, we are currently pursuing the established measures described above. These are considered sufficient to meet the legal requirements and our objectives. Therefore, no new targets are planned.

## 5.2.4 Measures against violence and harassment in the workplace

Materiality development	
Impact materiality score	Financial materiality score
5	5

### Our status quo:

Statistics show that a large number of women, but also many male colleagues, have been harassed at work. This includes not only sexual harassment, but also bullying, stalking, and any other form of discrimination. Any form of such harassment – be it through actions, words or gestures - is not tolerated at ZwickRoell and, in the worst case, can also have consequences under employment law.

We have appointed a neutral, external confidant at the company medical service (BAD) who can be contacted at any time. Information about this is available on our intranet. Additionally, this counseling service is always mentioned during the annual employee review, which is mandatory for every employee.

In 2024, the company medical service was used for 142 hours. Our employees received a total of 86 hours of advice on the following topics, among others:

- Stress in the workplace
- Management issues
- Family stress
- Stress management in project management
- Mental stress
- Stress/burnout

The company medical service also held 49 hours of workshops and presentations at our company.

The topics covered included:

- Nutrition
- Stress management
- Healthy leadership
- Resilience

BAD consulting		
	2023	2024
Workshop	29.5	48.78
Orga	7.5	7.452
Consulting	83.75	85.87
<b>Total</b>	<b>120.75</b>	<b>142.102</b>

Overview of BAD services

### Our measures and goals

With regard to measures against violence and harassment in the workplace, we are currently pursuing the established measures described above. These are considered sufficient to meet the requirements and our objectives. Therefore, no new goals are planned.



## 5.2.5 Diversity

Materiality development	
Impact materiality score	Financial materiality score
8	5

### **Our status quo**

We greatly value diversity and inclusion, as we are convinced that different perspectives enrich our company and promote innovation.

We ensure that diversity is actively practiced at all levels of our company. With a high proportion of trainees, we not only create opportunities for young people, but also bring fresh ideas and future-oriented thinking to our team (for more information, see 6. Trainees / future workforce).

We are committed to the integration of people with disabilities by creating barrier-free workplaces and giving these colleagues the opportunity to make full use of their skills (see 3. Employment and inclusion of persons with disabilities).

We also promote equality for women in our company through targeted programs and development opportunities (see 1. Gender equality and equal pay for work of equal value).

The integration of people from all cultures is also important to us. When a large influx of refugees arrived in Germany via the Balkan route in 2015, ZwickRoell felt it had a responsibility to help and support their integration. The company goal was formulated and announced to take on at least 12 refugees and offer them employment. The employment of refugees at ZwickRoell was to take place without any state funding/special programs.

However, as an industrial company with a predominantly skilled workforce, it was not easy to quickly find suitable areas of work for refugees. Nonetheless, five employees were employed by ZwickRoell on a long-term basis and 10 other refugees on a temporary basis.

In 2024, three colleagues from that time are still employed by us and doing a good job. All of them have settled into the “German” working world and are integrated in their departments.

### **Our measures and goals**

With regard to diversity in the company, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the requirements and our objectives. Therefore, no new goals are planned.

## 5.2.6 Trainees / future workforce

Materiality development	
Impact materiality score	Financial materiality score
8	5

### **Our status quo**

Very well trained and motivated employees form the basis for the successful expansion of our national and international activities. For this reason, training of the next generation is very important for ZwickRoell. As a rule, ZwickRoell trains more people than it needs itself. Motivated and qualified trainers working together with motivated trainees and students ensure the highest level of quality in training. The company provides all the necessary resources for the trainers and trainees to keep them up to date.

In addition to training, we offer dual technical and commercial degree programs in cooperation with the Baden-Württemberg Cooperative State University (DHBW) and Ulm University of Applied Sciences (THU).

The great value placed on training is also reflected in the high number of training and study openings provided each year. With an average of 100 trainees across all training years, they make up around 8% of the workforce.

Year	2022	2023	2024
Commercial training	6	4	6
Industrial/Vocational training	12	13	15
Dual study program	10	9	11
Total trainees	28	26	32

New trainees 2022 to 2024

In addition, we can offer students the option for internships, Bachelor's and Master's courses and are available as an employer to the graduates after their studies. A wide range of offers makes training at ZwickRoell an attractive opportunity.

Some examples include:

- Training in our own training workshops, from 2026 in a newly built training center
- A stay in other German and international ZwickRoell locations
- The opportunity to complete theory semesters abroad
- Special training programs for trainees
- Annual team development sessions across multiple professions and age groups

### **Social week: Getting to know other living environments**

During the social week, our trainees and students get to know a different working environment as well as other living environments. For one week, the second year trainees leave their familiar everyday life at the company and provide support in a social institution. They learn about the lives of people with disabilities and seniors, they meet young people and children in difficult situations, and homeless individuals, gaining experiences about things that really matter. In doing so, they change their perspective and can benefit professionally, but also personally, from sensitivity, appreciation, tolerance, and responsibility.

### **Team building days for trainees: Incorporating ZwickRoell values**

Every year, a team development session across multiple professions and groups is held with the trainees and students. Here, ZwickRoell's values such as openness, passion, and accountability are trained and internalized through challenging tasks in the team. The team building days play a significant role in fostering strong teamwork throughout the training period.



Team building 2024

### Active participation in the ZwickRoell junior company

The idea for a junior company was formed in 1994 to create attractive training content at ZwickRoell. All the trainees are involved in the various divisions, such as finance, marketing, production, etc. The goals of the junior company are practice-oriented learning, an overview of the operational context, gaining qualifications, independent problem-solving and decision-making, as well as taking on responsibility and teamwork. The profits from the junior company are reinvested into training, including the annual training dinner, team building days, and new machine purchases."



### School partnerships

To discover young talent, ZwickRoell works as a cooperation partner with all three types of school. Established partnerships with the Johann-Vanotti-Gymnasium Ehingen, the Technisches Gymnasium Ehingen, and the Realschule in Erbach are part of this cooperation. These collaborations include company tours, career exploration, internships for students and teachers, job application training, material support for technology lessons, the implementation of an annual software development project, financial donations to support students in acquiring language certificates and much more.

### The technical summer program at ZwickRoell: technology made fun

The technical summer program, which was created in 2012, is an integral part of ZwickRoell's social and corporate responsibility efforts every year. In the first week of the summer vacation, 20 young people between the ages of 12 and 15 again come to our premises and participate in the diverse program. The focus is on building a solar-powered helicopter. The young people can discover and develop their technical skills by sawing, filing, bending, and soldering. In addition, they learn more about our materials testing machines and carry out a variety of materials tests in the Application Technology Laboratory.



The following additional programs are offered for our trainees:

- Participation in Girls Day with internship opportunities
- Cooperation with the Ulm Student Engineering Academy
- Social internship for trainees and college students
- Personal development via a "Power-trainee workshop"
- Sending trainees and students to company locations abroad
- 2 scholarships each from Ulm University & Neu-Ulm University of Applied Sciences

### **ZwickRoell Academy in Chennai**

Together with the NGO Don Bosco Mondo e.V., Zwick Roell started a ZwickRoell testing machine operator training program in 2016 for young Indians. The program's focus are metals and plastics testing. The goal is to train underprivileged youth in the poorest living conditions to become testing machine operators. Through the training program, ZwickRoell offers these youth a better future by helping them acquire the expertise needed to start a career.

In the middle of one of the largest slums in the city of Chennai, a hall was rented, renovated, and equipped with state-of-the-art materials testing machines on the premises of the Don Bosco Mondo vocational training center - the Zwick Roell Academy.

Since the start of the project, 70 young people have already completed training and have been successfully placed in jobs. An important part of the project is to support the graduates in finding suitable jobs with attractive salaries.

In 2017, we won the German Entrepreneurship Award for Development and the Employer Brand Manager Award 2020 in 2024 for our project.



#### **Trainees at ZwickRoell locations as of December 31, 2024:**

- ZRU: 100 trainees and dual students
- ZET: 1 trainee
- ZRT: 4 trainees
- ZwickRoell Academy India: 10 students

#### **Our measures and goals**

##### **Construction of a training center in 2025**

In order to further increase our attractiveness as a training company, we have decided to set up a training center at our headquarters in Ulm-Einsingen.

In the future, this training center will be used to train trainees in the mechanical and electrical training workshop as well as to train service technicians in practice-oriented training rooms.

The existing junior company, a training company for trainees in the company, will also find its new home in the training center.

In addition to the training workshops and classrooms, the building offers space for meetings and events, projects and creativity, breaks, and changing rooms.

The second floor of the training center remains undeveloped for the time being and offers the opportunity for further growth at ZwickRoell.





## 5.3 Other work-related rights

### 5.3.1 Data protection/privacy

Materiality development	
Impact materiality score	Financial materiality score
9	8

#### **Our status quo**

Employee data protection is primarily guaranteed by HR. According to § 80 BetrVG [Works Constitution Act], the works council must also ensure that the laws applicable to employees, such as data protection, are implemented.

In the past, employees' personal documents were archived in locked paper files. With the introduction of the HR software rexx, personal documents are stored in this system with personalized access.

A data protection processing directory is kept by the data protection officer for the procedures for processing personal data.

To ensure transparency, HR has published information on data protection notices for employees on the intranet.

In the event of potentially necessary access by third parties to our IT systems (e.g. for the purpose of maintenance), an agreement for order processing in accordance with Art. 28 GDPR is concluded for data protection.

In the event of a "data protection breach", Art. 33 and 34 GDPR require an assessment of whether there is a risk to the rights and freedoms of natural persons and, depending on the classification, the state authority and the data subjects must be informed.

#### **Guidelines:**

- § 80 BetrVG [Works Constitution Act]
- General Data Protection Regulation

#### **Our measures and goals**

With regard to data protection in the company, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the legal requirements and our objectives. Therefore, no new goals are planned.

### Our Impacts, Risks and Opportunities (IROs)



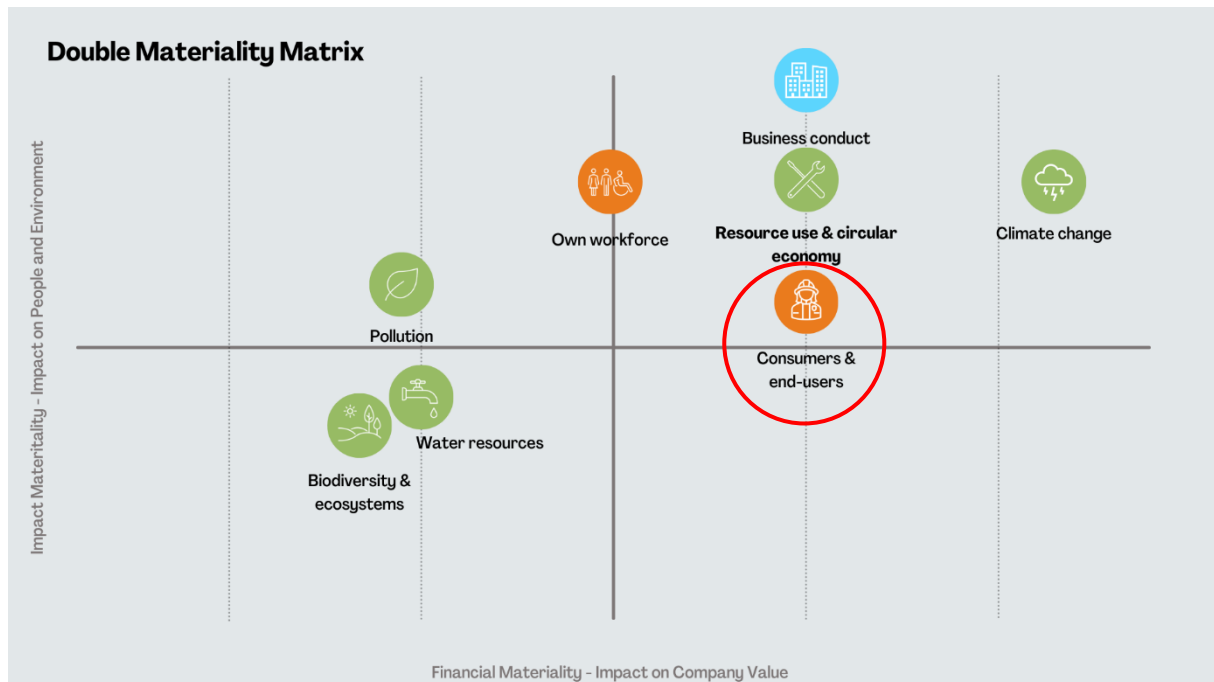
#### Positive Impacts

- 1 By providing clear and transparent product and service information, we increase our customers' trust in the ZwickRoell brand.  
(VC downstream) – Actual

#### Risks

- 2 Data breaches can result in heavy fines, lawsuits, or regulatory action, and damage the trust of our customers.  
(VC downstream) – Potential
- 3 An increase in accidents among our customers due to design faults in our machines could lead to liability risks and a loss of customer confidence.  
(VC downstream) – Potential

## 6 ESRS S4 – CONSUMERS AND END-USERS



### V

As a leading manufacturer of materials testing machines, we attach great importance to the satisfaction of our customers and end users. Our machines are used worldwide in various industries, from automotive and aerospace to medical technology and research.

To ensure that our products meet the highest quality and performance standards, we conduct an international customer satisfaction analysis. With every new machine we deliver, we collect targeted feedback from our customers. This enables us to gain valuable insights into product performance, user-friendliness, and overall customer service. The continuous analysis of this feedback helps us to constantly improve our products and services and tailor them optimally to the needs of end users.

Our goal is to create sustainable added value for our customers and build long-term partnerships through maximum precision, reliability, and excellent service.

In the double materiality analysis, the topic of consumers and end users was rated with an impact materiality score of 9 and a financial materiality score of 6.



## 6.1 Information-related impacts for consumers and/or end-users

### 6.1.1 Data protection/privacy

Materiality development	
Impact materiality score	Financial materiality score
9	8

#### **Our status quo**

The EU General Data Protection Regulation (GDPR) standardizes the rules for processing personal data, the rights of the data subjects, and the duties of the responsible persons throughout the EU.

Our marketing guidelines comprehensively describe all regulations on data protection for our customers.

Our data privacy statement can be viewed on our website: [Data privacy statement | ZwickRoell](#)

#### **Our measures and goals**

With regard to data protection in the company, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the legal requirements and our objectives. Therefore, no new goals are planned.

### 6.1.2 Information-related impacts for consumers and/or end-users

Materiality development	
Impact materiality score	Financial materiality score
9	4

#### **Our status quo:**

As a company, we attach great importance to providing our consumers and end users with comprehensive, transparent, and reliable information on products and services.

Various communication channels are used for this purpose. The focus is increasingly on digital communication channels. For this reason, we are continuously investing in the creation and translation of website content (currently 17 languages), usability and responsive design to ensure that content is multilingual, easy to find and optimally displayed on any end device. In the social channels (including YouTube, LinkedIn, Instagram, TikTok), we offer suitable content for different target groups and the opportunity for dialog and interaction. The digital customer portal also offers customers convenient access to their testing systems, including the associated service documentation and operating instructions.

We provide our customers with target-oriented advice, in order to find the right testing solution for them. Other information formats such as product and application information, application videos, catalogs, and brochures are used to provide the best possible advice, mainly in digital format and, if necessary, in printed format. Digital events such as webinars, online demos, expert panels as well as traditional trade fairs, events and, above all, personal visits on site offer customers an optimal opportunity for information and interaction. Compliance with relevant information standards is ensured through regular training in marketing and sales.

All product information, such as technical information, intended use and safety instructions, complies with legal requirements and is easily accessible. ZwickRoell's data protection guidelines are based on the EU General Data Protection Regulation (GDPR) to ensure the protection of customers' personal data. Up-to-date technical security measures are used to enable the secure handling of data

ZwickRoell stands for free and fair competition. Communication with our customers is therefore based on clear and truthful information so that they can make informed decisions.

### **Our measures and goals**

Our goal is to further optimize the information-related impact on consumers and end users in order to continue to provide comprehensive, transparent, and reliable information on products and services.

- Improved information availability and retrievability.
  - o Introduction of product information and media asset management (PIM and MAM), which facilitates the internal creation and maintenance of content and, above all, improves the retrievability of content for relevant target groups.
  - o Ongoing optimization of usability on the website with the aim of making content even easier to find based on individual customer requirements.
  - o Use of augmented and virtual reality applications to optimize product presentation at trade fairs and on the website.
  - o Redesign of brochures with the goal of improving the clarity of information and providing further information directly via QR code.
  - o Introduction of machine translation with the goal of making the customer-oriented operating manuals (KOBAs) available in various languages.

## **6.2 Personal safety of consumers and/or end-users**

### **6.2.1 Personal safety of consumers and/or end-users**

Materiality development	
Impact materiality score	Financial materiality score
8	6

### **Our status quo**

#### **Responsible product design and safety standards**

Occupational health and safety are integrated into our long-established and certified quality and environmental management system and play a central role in product development. The safety of our users is essential to us. An increase in customer accidents can lead to liability risks and a loss of customer confidence.

Our ZwickRoell machinery directive and our ISO 9001 certification comprehensively guarantee systematic compliance with the highest safety and quality requirements. Our OPUS product development process ensures that our products meet the required health and safety standards.

Reference is made to the respective hazardous substances in the operating manual and corresponding safety data sheets are made available to the customer. The operating instructions also provide comprehensive information for the safe operation of our machines within their intended use.

#### **Monitoring and responding to incidents**

An internal reporting system is in place at ZwickRoell to ensure that any occupational safety hazards at our customers are analyzed and rectified quickly. In addition, it should be ensured that product defects/customer complaints noted multiple times / or the impression of fundamental quality defects are systematically investigated.

Here we distinguish between

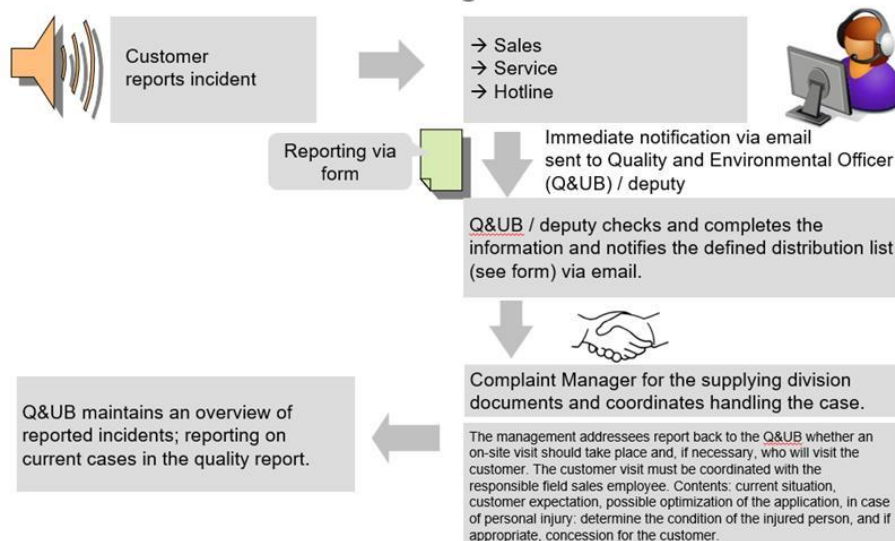
- 1.) reportable events and accidents and
- 2.) QRIs (quality-related issues)

1.) Reportable incident: Unexpected incident/event with the potential for posing hazards to occupational safety, reliable test results, the environment, or company image in relation to the use of our testing systems at customer sites.

Accident: An accident is a sudden event that results in personal injury or not insignificant damage to property.

The following process is initiated:

#### Immediate notification to the management



2.) QRIs (quality-related issues): Retrofits for customers due to quality problems with more than 10 affected customer installations and handover to the uz QRI team

#### Our measures and goals

With regard to the personal safety of our consumers and/or end-users, we are currently pursuing the measures already established as described above. These are considered sufficient to meet the legal requirements and our objectives. Therefore, no new goals are planned.

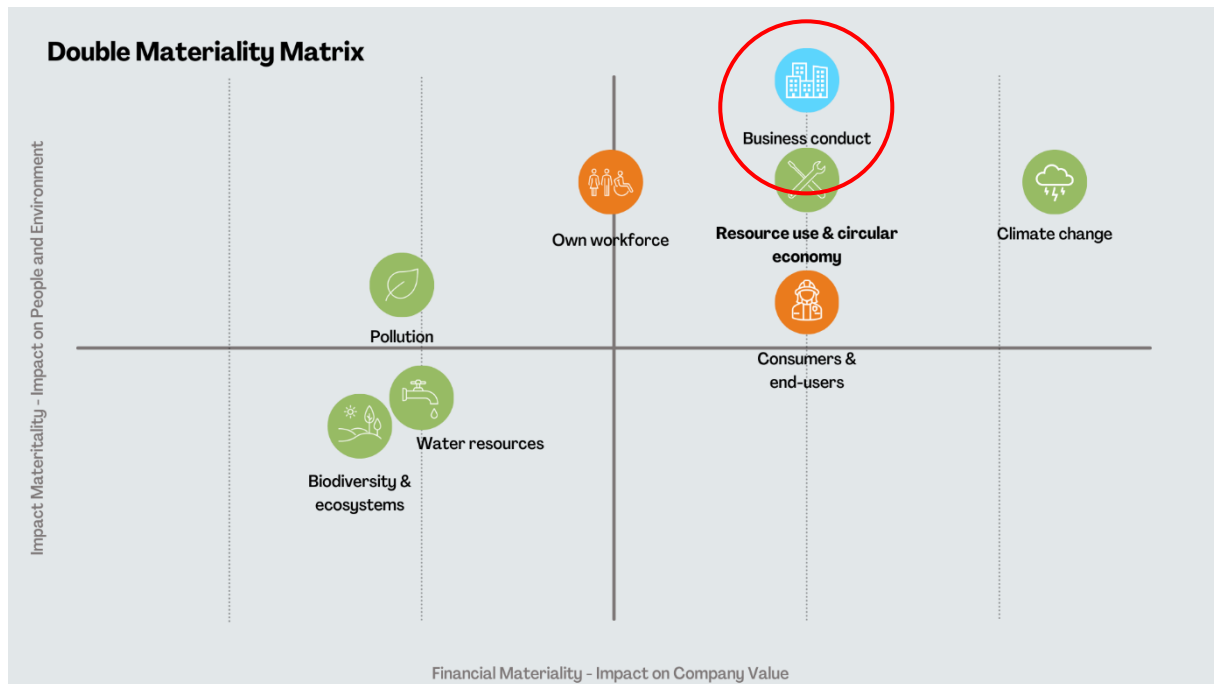
## Our Impacts, Risks and Opportunities (IROs)



### Positive Impacts

- 1** We strive for a healthy corporate culture that aligns the company with common goals.  
*(OO) – Actual*
- 2** Long-term, trusting supplier relationships in compliance with our Code of Conduct.  
*(OO) – Actual*

## 7 ESRS G1 – BUSINESS CONDUCT



Our corporate management is based on a strong corporate culture characterized by integrity, transparency, and long-term thinking. As a manufacturer of materials testing machines, we focus on sustainable business relationships and value-oriented management that actively involves both our employees and our partners.

A central component of our governance is the close and trusting cooperation with our suppliers. We attach great importance to long-term partnerships based on fairness, mutual respect, and common quality standards. Through regular exchanges and clear requirements, we ensure that ethical, social, and ecological principles are upheld along our entire supply chain.

Our corporate culture promotes open communication, a spirit of innovation, and a sense of responsibility – both internally and in cooperation with our business partners. In this way, we create the basis for sustainable success and long-term value creation.

In the double materiality analysis, the topic of business conduct was rated with an impact materiality score of 12 and a financial materiality score of 6.

## 7.1 Corporate culture

Materiality development (compared to previous year)	
Impact materiality score	Financial materiality score
13	5

### Our status quo

Our corporate culture describes the values, beliefs, behaviors, and standards that shape the everyday life of our company and how our employees interact with each other and with customers, partners, and society. It is the invisible network that connects all members of our company and guides their actions. Today more than ever, our strong corporate culture is a decisive factor for the long-term success of ZwickRoell.

### **Charter & guidelines**

Our corporate culture is based on more than 160 years of company history and is characterized by the values of the Zwick and Roell entrepreneurial families, which are documented in a family charter.

Our vision, our values and our guiding principles are derived from this:

- Vision Describes the long-term orientation of our company:  
“Through passionate customer commitment, we achieve worldwide growth and profitability.”
- Shared values Guide us in all of our decisions, in our interactions with each other, and in our behavior:  
“We are open-minded. We are passionate.”
- Guiding principles Describe step-by-step how we will achieve our vision:
  1. **Passionate commitment to our customers'** needs is the foundation of our success.
  2. With ZwickRoell Premium, we continuously set standards in our market.
  3. By practicing openness and accountability we create trusting relationships.
  4. “Insights” as a keyword to win new customers through innovative, quickly implemented solutions (guiding principle tbd)

### **Code of Conduct**

A Code of Conduct has also been developed on the basis of our guidelines, and was revised in 2021. The Code of Conduct contains the essential and mandatory principles which must be observed by all employees, some of which can also be derived from the guidelines. These principles of conduct apply not only to compliance with the legal requirements but also to the values and ethical principles of the company. A copy of the CoC is given to all employees and to new employees, upon hire.

### Our measures and goals

In our corporate strategy 2030, we are focusing on the topic of corporate culture, among other things. The roll-out of a new global strategy is planned for 2025.

## 7.2 Management of relationships with suppliers, including payment practices

Materiality development (compared to previous year)	
Impact materiality score	Financial materiality score
11	6

### **Our status quo:**

We at ZwickRoell aim to inspire our customers with innovative and high-quality products. And we expect the same from our suppliers. The basis for this is our Supplier Code of Conduct, which stipulates compliance with all applicable legal requirements, in particular respect for internationally recognized human rights. This includes fair and cooperative dealings with employees and business partners, observance of occupational health and safety, prohibition of corruption, guarantee of data protection, freedom of association, product safety, environmental protection, and sustainability. Our [Supplier Code of Conduct](#) can be found on our [website](#).

### **Teamwork**

As a company, it is important to us to work fairly and in partnership with our suppliers. One important aspect for us is payment practices. We attach particular importance to avoiding delays in payments to our suppliers.

### **LkSG (The Act on Corporate Due Diligence Obligations in Supply Chains)**

By improving transparency in the supply chain (as part of the LkSG), we can identify grievances in our supply chains and take measures together with our suppliers to improve the situation for those involved.

The majority of our suppliers (92% of around 1,400 active suppliers) are headquartered in Germany. This fact alone means that our upstream suppliers also deal or have to deal with the issue of sustainability. A further proportion of our suppliers are ISO 14001 certified. This certification means that these companies are already focusing on sustainable development with regard to environmental aspects and, in addition to these issues, also on social and economic aspects.

As a company, we are obliged to comply with the LkSG by 2025. Based on these requirements, we have already screened our entire supplier base in terms of human rights and environmental impacts in 2024. The result of this analysis was very positive, as there were no suppliers that we felt compelled to remove from our supplier base.

### **Packaging guidelines**

Furthermore, we mainly use renewable raw materials for our packaging and try to switch to alternative packaging where it makes economic sense to do so. By bundling our freight forwarding services with one main forwarder, we will be able to consolidate deliveries much more effectively in future and thus reduce the number of journeys to and from the company premises.

We have bundled our requirements in a packaging guideline, which can be found in our [supplier portal](#).

### **Guidelines**

- [Supplier Code of Conduct](#)
- [Packaging guidelines](#)
- [Purchasing conditions](#)

### **Our measures and goals**

Together with our suppliers, we want to improve further sustainability issues in the future. We are already seeing that the requirements of our suppliers have significantly higher priority and that they are already driving forward issues such as sustainable packaging or changes in mobility behavior.

We ourselves want to look more closely at our suppliers' certifications in the area of supplier qualification and consciously ask questions about sustainability when selecting suppliers. These criteria should then also be included in the assessment and selection of suppliers.

### **APPENDICES**

- Appendix 1: IROs along the value chain
- Appendix 2: Double materiality assessment (DMA)
- Appendix 3: Carbon footprint for ZwickRoell GmbH & Co. KG
- Appendix 4: Carbon footprint, Home market
- Appendix 5: Calculation of carbon footprint for ZwickRoell SE