DÜRR GROUP.

SUSTAINABLE AUTOMATION

ANNUAL REPORT 2024

KEY FIGURES[1]

		2024	2023	2024/2023 Change in %
GROUP AS A WHOLE (INCLUDING ENVIRONMENTAL TECHNOLOGY BUSINESS)				
Incoming orders	€ million	5,137.2	4,615.5	11.3
Orders on hand (Dec. 31)	€ million	4,452.2	4,201.2	6.0
Sales revenues	€ million	4,698.1	4,627.3	1.5
Gross profit	€ million	1,012.0	1,005.1	0.7
EBITDA	€ million	368.3	322.2	14.3
EBIT before extraordinary effects	€ million	257.9	280.4	–8.0
EBIT	€ million	206.0	191.4	7.6
Net profit/loss	€ million	102.1	110.2	–7.3
EBIT margin before extraordinary effects	%	5.5	6.1	–0.6 pp
EBIT margin	%	4.4	4.1	0.3 pp
Earnings per share (basic)	€	1.47	1.62	–9.3
Earnings per share (diluted)	€	1.41	1.55	–9.0
Dividend per share	€	0.70[2]	0.70	–
CONTINUED OPERATIONS (EXCLUDING ENVIRONMENTAL TECHNOLOGY BUSINESS)				
Incoming orders	€ million	4,745.7	4,182.8	13.5
Orders on hand (Dec. 31)	€ million	4,160.6	3,886.9	7.0
Sales revenues	€ million	4,290.9	4,196.0	2.3
of which abroad	%	85.5	83.2	2.3 pp
Gross profit[3]	€ million	903.0	901.3	0.2
EBITDA[3]	€ million	307.5	261.9	17.4
EBIT before extraordinary effects[3]	€ million	196.0	224.3	–12.6
EBIT[3]	€ million	152.4	139.8	9.0
EBT[3]	€ million	112.4	118.9	–5.5
Net profit/loss[3]	€ million	62.4	71.0	–12.1
Free cash flow	€ million	129.6	60.9	112.9
Cash conversion rate	%	207.7	85.7	–
Net financial status (Dec. 31)	€ million	–396.2	–516.6	–
Net working capital (Dec. 31)	€ million	421.3	545.3	–22.7
Employees (Dec. 31)		18,604	19,320	–3.7
of which abroad	%	52.2	52.9	–0.7 pp
Gearing (Dec. 31)	%	24.5	30.5	–6.0 pp
Gross margin	%	21.0	21.5	–0.5 pp
EBIT margin before extraordinary effects	%	4.6	5.3	–0.7 pp
EBIT margin	%	3.6	3.3	0.3 pp
Net financial debt/EBITDA		1.3	1.6	–
ROCE	%	11.4	14.8	–3.4 pp

[1] Please note the information on page 30 concerning the figures.
[2] Dividend proposal for the annual general meeting.
[3] The key earnings figures for the continued operations include charges from allocation effects (€–16.7 million) attributable to the discontinued operation.

Minor variances may occur in the computation of sums and percentages in this report due to rounding.

THE DÜRR GROUP

The Dürr Group is one of the world's leading mechanical and plant engineering firms with particular expertise in the technology fields of automation, digitalization, and energy efficiency. Its products, systems, and services enable highly efficient and sustainable manufacturing processes – mainly in the automotive industry and for producers of furniture and timber houses, but also in sectors such as the chemical and pharmaceutical industries, medical devices, electrical engineering, and battery production. In 2024, the company generated sales of €4.7 billion. The Dürr Group has around 20,000 employees and 139 business locations in 33 countries. As of January 1, 2025, the former divisions Paint and Final Assembly Systems and Application Technology were merged to form the new Automotive division. Since then, the Dürr Group has been operating in the market with four divisions.

Our four divisions

Continued operations			Discontinued operation
AUTOMOTIVE	**INDUSTRIAL AUTOMATION**	**WOODWORKING**	**CLEAN TECHNOLOGY SYSTEMS ENVIRONMENTAL**
▪ Painting technology ▪ Final assembly, testing and filling technology	▪ Automated assembly and test systems for automotive components ▪ Medical devices and consumer goods ▪ Balancing technology solutions ▪ Coating systems for battery electrodes	▪ Machinery and equipment for the woodworking industry	▪ Air pollution control and noise abatement systems
€2,057.1 M SALES	**€851.9 M** SALES	**€1,413.5 M** SALES	**€407.2 M** SALES
€171.8 M EBIT BEFORE EXTRAORDINARY EFFECTS	**€30.9 M** EBIT BEFORE EXTRAORDINARY EFFECTS	**€50.8 M** EBIT BEFORE EXTRAORDINARY EFFECTS	**€61.9 M** EBIT BEFORE EXTRAORDINARY EFFECTS
6,682 EMPLOYEES	**4,258** EMPLOYEES	**6,802** EMPLOYEES	**1,290** EMPLOYEES

SUSTAINABLE AUTOMATION

We are committed to sustainable and highly automated production processes. In this way, we support the users of our technologies in tackling two of the most important challenges of our time.

Firstly, our customers need to decarbonize their factories to reduce their ecological footprint and meet ambitious emission targets. Secondly, an increasing number of products can only be manufactured using fully automated processes – to comply with top quality standards, achieve high production volumes, reduce costs, and counteract labor shortages.

Both sustainability and automation in production are at the core of our strategic focus. We support this with targeted investments, innovative strength, first-class project execution, and 20,000 employees who know their fields of business better than anyone else. This is how we create value – for our customers, shareholders, employees, and society.

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CHAIRMAN'S LETTER

Dear readers,

2024 was a year of political and macroeconomic volatility – and it looks like 2025 will be no less turbulent. Even in times like these, our aim is to demonstrate resilience, achieve our targets, and continue our strategic development.

We fulfilled this aim in 2024. At €5.1 billion, we achieved an all-time high in incoming orders, while the EBIT margin before extraordinary effects was at 5.5%, reaching the upper end of our forecast range. Free cash flow came to €157 million, exceeding the €100 million mark for the fifth consecutive year, benefiting from early incoming payments at year-end. Overall, we fulfilled all our forecasts and delivered on our promises. This is extremely important to us because, as specialists in handling complex projects, we know that reliability matters.

2024 was a record year for the automotive business in paint and final assembly systems. This caused some surprise on the capital market, where the development of the automotive sector was critically monitored. We invested considerable time explaining to investors the reasons behind our strong automotive performance: firstly, a robust modernization cycle, as many paint shops are outdated, and secondly, the switch to sustainable painting processes, which we enable through leading-edge technologies. Additionally, many large orders in the automotive industry are of great strategic relevance. As an innovation leader, we work with our customers to shape the factories of tomorrow. Our technologies are perfectly aligned with their long-term goals such as reduced energy consumption, decarbonization, and efficiency in the construction of future vehicle models. The investments made by the automotive industry to pursue these goals often span several years. Customers remain committed to them, even when faced with stronger headwinds.

HOMAG met its forecasts in a challenging market environment and successfully boosted its earnings resilience. Fixed costs were reduced by €50 million, localization in best-cost countries was driven forward, and efficiency was increased through investments in manufacturing and logistics. There are strong indications that business with the woodworking industry will pick up in the second half of the year. I firmly believe that HOMAG, with its competitive cost structure, will benefit from this to an above-average extent.

One of our key strategic projects is the establishment of a new pillar in automation technology. To this end, we had strengthened our position in previous years through the acquisitions of BBS Automation, Teamtechnik, and Hekuma. In 2024, our focus was on integrating the companies previously acquired. In automation systems for the automotive industry, we faced a temporary market weakness due to the stalled development of e-mobility. In contrast, in the growth market of automated systems for manufacturing medical products, our strategic calculus paid off from the start. Here, we secured large orders that none of the acquired companies would have obtained on their own. This shows that the market is rewarding our buy-and-build strategy. We are also one of the first ports of call as a technology partner for blockbuster products such as weight-loss injections.

Dr. Jochen Weyrauch

"The guiding principle **Sustainable Automation** sums up our focus: innovative production technologies that deliver both **climate friendliness** and **maximum automation**. This enables us to support our customers in addressing two of their most pressing challenges, namely decarbonization and securing their competitiveness."

In strategic terms, 2024 was marked by far-reaching measures to position our company optimally for the future. We streamlined the Group structure and drove the focus on our core business. The guiding principle of our strategy is “Sustainable Automation”. It sums up our focus: innovative production technologies that deliver both climate friendliness and maximum automation. This enables us to support our customers in addressing two of their most pressing challenges, namely decarbonization and securing their competitiveness through highly efficient production processes.

The focus on “Sustainable Automation” goes hand in hand with active portfolio management and divestments in our non-core business. In 2024, we took the first step by divesting the filling technology specialist Agramkow. The next, significantly larger step we are preparing is the divestment of the environmental technology business. In doing so, we are moving away from a business outside our automation focus, and generating funds for the further development of the Group and for debt reduction.

In parallel with the portfolio adjustment, we are making structural optimizations in our core business. One key measure was the merger of paint shop construction and painting robot technology within the Automotive division. This laid the foundation for even better order execution, integrated technology development, and the expansion of our global market leadership. At HOMAG, we coupled the reduction of fixed costs with a reorganization that has enabled more efficient processes, market-oriented decisions, and a reduced need for coordination in the furniture business.

“Sustainable Automation” will remain the guiding principle of our strategic actions in 2025 and beyond. Around 60% of automotive paint shops worldwide are over 20 years old. As a result, there is significant need for modernization and conversion to sustainable technologies – Dürr is the first port of call for this. Our focus on automation also offers great potential, given that reshoring, labor shortage, and increasing quality requirements are driving demand for highly automated solutions in production.

We are confident about our operating business in 2025. Sales are set to rise by up to 6%. We aim to improve the EBIT margin before extraordinary effects to up to 6.5%, mainly supported by growth in Woodworking and Industrial Automation. We expect order intake to range between €4.7 and €5.2 billion. The implied possibility of a decline stems from the fact that we booked an exceptionally large single order in the automotive business in 2024. Free cash flow is expected to be positive again at between €0 and €50 million. This rather conservative forecast takes into account the aforementioned pull-forward effect from customer payments at the end of 2024.

Given the challenging macro environment, it is crucial to be able to rely on our own strengths. Be it innovative strength, excellence in order execution, or service expertise – the Dürr Group combines many different competences. However, our greatest strength lies in our employees, with their knowledge, dedication, and work ethic. I am grateful that we can always count on them. Our thanks also go out to our customers and shareholders. We will make every effort to ensure that 2025 will be a successful year for them.

Yours sincerely

Dr. Jochen Weyrauch
CEO

Bietigheim-Bissingen, March 27, 2025

BOARD OF MANAGEMENT OF DÜRR AG

Dietmar Heinrich (61)
CFO

Dr. Jochen Weyrauch (58)
CEO

REPORT OF THE SUPERVISORY BOARD

Dear readers,

The year 2024 was marked by the wars in the Middle East and Ukraine, various trade disputes, the US elections, and political upheaval in European countries such as Germany, France, and the UK. This intensified global economic uncertainty and created additional insecurity for many businesses. Added to this were the pressure of transformation and the weak demand in key sectors such as the automotive and construction industries. In this challenging environment, the Dürr Group demonstrated exactly what mattered most – reliability and stability in achieving its declared targets. This applies not only to key figures such as order intake, sales, earnings, and free cash flow, but also to its strategy. In close consultation with the Supervisory Board, the Board of Management pushed ahead with the reduction of fixed costs at HOMAG, as well as the integration of the new automation activities, and continued the successful value-before-volume strategy in the business with the automotive industry. At the same time, it initiated the simplification of the Group structure, sharpened the strategic focus on sustainable and automated production technologies, and drove forward the divestment of non-core business activities.

The robust business performance and the visible strategic further development of the Group were also closely observed by the capital market. Many of the discussions the Board of Management conducted with investors focused primarily on success in the long-term business with the automotive industry. This success is based on the fact that Dürr, unlike traditional parts suppliers, is hardly dependent on the current production and sales figures of automakers. Far more relevant to our business are customers' long-term model and market strategies, as well as extensive plant modernizations to decarbonize production and enhance its efficiency.

WORK OF THE SUPERVISORY BOARD, PARTICIPATION IN MEETINGS, AND FURTHER TRAINING

The Supervisory Board continuously supported and advised the Board of Management in 2024. The Board of Management promptly and comprehensively provided and explained all the necessary information on business performance, strategic measures, planning, and activities requiring consent. The Supervisory Board adopted its resolutions following thorough review and debate, and based on written decision-making materials. Resolutions were generally passed at the Supervisory Board meetings. Two resolutions were passed by way of written circulation. The first circular resolution, passed on February 5, 2024, concerned an amendment to the Articles of Incorporation, which resulted from the change in the legal situation regarding the record date for the annual general meeting. In addition, on November 7, 2024, the Supervisory Board approved the conclusion of a domination and profit and loss transfer agreement between BBS Automation GmbH and Dürr Technologies GmbH.

Gerhard Federer
Chairman of the Supervisory Board

The Supervisory Board carefully monitored the Board of Management's conduct of the company's affairs and confirms that the Board of Management always acted lawfully, diligently, and economically. The Board of Management used the risk management system effectively in operational, financial, legal, and sustainability-related matters, and monitored risk-bearing capacity. In doing so, it was supported by various corporate departments such as Compliance, Legal, Controlling, and Internal Auditing. The Supervisory Board was regularly and comprehensively informed by the Board of Management about risks and opportunities.

In 2024, the Supervisory Board held five regular and two extraordinary meetings, four of which were held in person and three in hybrid format (with both in-person and video participation). The clear majority of Supervisory Board members attended the hybrid meetings in person. The Supervisory Board was fully represented at six of the seven meetings. The regular meeting on July 30 and 31 was the only one not attended in full, as Mr. Mirko Becker was unable to participate due to illness.

Of the nine committee meetings held in 2024, five took place in person and four were held virtually. With the exception of the Audit Committee meeting on July 30, which Mr. Becker was unable to attend, all committee meetings were fully attended. As a result, the attendance rate at the full Supervisory Board and committee meetings was 100% for 11 members and 88% for Mr. Becker. One notable aspect is that, at its meeting on October 1, the Audit Committee consisted of only five members instead of the usual six. The reason for this was that Dr. Martin Schwarz-Kocher had resigned from the Supervisory Board, and thus also from the Audit Committee, at his own request, as of August 31. His successor, Mr. Maximilian Locher, had not yet been elected as a member of the Audit Committee by October 1 and therefore attended the meeting as a guest only.

The members of the Board of Management took part in the Supervisory Board meetings unless the Supervisory Board Chair had made other provisions. Any meeting segments not attended by the Board of Management typically focused on topics that either concerned the Board of Management itself or involved substantive discussions with the auditors. In my capacity as Chair of the Supervisory Board, I had regular contact with the Board of Management between the meetings. There were no conflicts of interest for any of the Supervisory Board members in 2024.

The majority of the Supervisory Board members took part in various Supervisory-Board-specific further training sessions in 2024. These included an internal training session on climate protection, conducted by experts from the Dürr Group as well as external trainers. In addition, some Supervisory Board members took part in various external training events. Key topics for these were sustainability, economic transformation, corporate governance, strategy, financial performance, and financial reporting. Other training sessions focused on specialized topics related to committee activities.

COMPOSITION OF THE SUPERVISORY BOARD

As mentioned above, Dr. Schwarz-Kocher resigned from his position as employee representative with effect from August 31, 2024. The Supervisory Board would like to thank him sincerely for his valuable contributions and the dedication with which he carried out his role for 13 years for the benefit of the company and its workforce. Mr. Maximilian Locher was appointed by court order as Dr. Schwarz-Kocher's successor with effect from September 19, 2024. With the exception of Mr. Locher and Dr. Markus Kerber, the latter of whom has been a member of the Supervisory Board since 2023, the current term of office for all members began in 2021. The shareholder representatives are elected for a term of four years, while the employee representatives' term of office is five years in accordance with the German Co-determination Act.

KEY TOPICS

The Supervisory Board dealt with the company's business performance at all meetings held during 2024. Key focal points included investments by the automotive industry, which were largely directed toward the modernization and decarbonization of paint shops, the development of HOMAG following the order slump in 2023, as well as demand in the Production Automation Systems business unit. The Supervisory Board also received regular information about the financial situation and the outlook. When assessing the economic situation, it primarily looked at the development of incoming orders, sales, and EBIT margin before extraordinary effects, as well as free cash flow, ROCE, net working capital, net financial status, and liquidity. Additional subject areas addressed by the Supervisory Board at multiple meetings included the transformation of the automotive industry, the creation of the new Automotive division, the strategic review of the environmental technology business, the integration of the automation business, as well as the market situation and outlook for HOMAG. Further topics were the new requirements for sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD), as well as corporate governance and remuneration for the Board of Management. In 2024, no discussions were held between institutional investors and myself as Chair of the Supervisory Board.

The first regular Supervisory Board meeting in 2024 was held on March 19 to approve the financial statements. In his role as Chair of the Audit Committee, Mr. Arnd Zinnhardt reported on factual issues, results, and key points in the preparation of the 2023 annual and consolidated financial statements.

The auditors also provided information about their work and were available to answer questions in the subsequent discussion. Following the audit and approval of the annual and consolidated financial statements, the target achievement for the variable Board of Management remuneration for 2023 was defined and the agenda for the annual general meeting was approved. Furthermore, Dr. Weyrauch presented the current personnel report for the Dürr Group.

On May 17, 2024, the Supervisory Board held another regular meeting before the start of the annual general meeting. Following an overview of the Group's business situation, the Supervisory Board received detailed information from the Board of Management about the development of the BBS Automation Group, which was acquired in 2023. In addition, the Board of Management explained its considerations for reducing the Group's complexity. Finally, the Supervisory Board discussed the appropriateness of the maximum age limit for its members set out in the skills profile (70 years at the start of office). It concluded that there was no need for adjustment.

At the extraordinary meeting on June 4, 2024, the Supervisory Board addressed in detail the simplification of the Group structure planned by the Board of Management. After an in-depth discussion, it noted with approval the plan to merge the Paint and Final Assembly Systems and Application Technology divisions into the new Automotive division. The same applies to the review, initiated by the Board of Management, of strategic options for the environmental technology business of the Clean Technology Systems division. In this regard, the Supervisory Board emphasized that no decision could be made at that time regarding a potential sale of the environmental technology business.

The next regular meeting of 2024 was spread over two days (July 30 and 31). It began with the Group and divisional strategies, which were presented by the members of the Board of Management and the division heads and subsequently discussed in detail. Afterward, the Supervisory Board was briefed on capital market communication as well as on the use of artificial intelligence within the Group and corresponding business models. The Supervisory Board's sustainability expert, Dr. Anja Schuler, reported on her work and current findings. Furthermore, Mr. Zinnhardt reported on the previous meeting of the Audit Committee. On the second day of the meeting, the Supervisory Board instructed Deloitte GmbH, as appointed by the annual general meeting, to audit the annual financial statements and the Group's Sustainability Statement for 2024, as well as the content of the 2024 remuneration report. After discussing the first risk report of the year, the Supervisory Board turned to the self-assessment of its work. This was based on a questionnaire completed by all members, and its results were discussed in detail. In my capacity as Chair of the Nominating Committee, I informed the full Supervisory Board about the meeting held by this committee on the previous evening.

The second extraordinary meeting on September 19, 2024, focused on the prospects of the environmental technology business. The Board of Management provided detailed information on the option of a sale and related aspects such as determining the purchase price, as well as the carve-out process and the situation of the employees. Following in-depth discussion, the Supervisory Board noted that the Board of Management would continue to assess a sale and requested an explanation of the next steps.

The next regular Supervisory Board meeting on October 2 initially focused on corporate governance topics that were due to be addressed as part of the regular schedule. Firstly, the Supervisory Board approved the updated Declaration of Compliance with the German Corporate Governance Code. Secondly, it thoroughly reviewed its skills profile and qualification matrix. The Supervisory Board noted that it had met the skills requirements it had formulated itself and that the corresponding objectives had therefore been achieved. Consequently, there was no need to change the skills profile. The review of the qualification matrix revealed that the individual qualifications of the Supervisory Board members, collectively, align with the skills and experiences listed in the qualification matrix. The Supervisory Board identified only minor needs for adjustments, partly due to the appointment of Mr. Locher. In addition, the Chair of the Dürr Technology Council, Mr. Ulrich Dietz, reported on the Council's activities and key topics. Following a report by Mr. Zinnhardt on the Audit Committee meeting held on October 1, the Board of Management provided an overview of the current business situation and the progress made in forming the new Automotive division. In addition, the Supervisory Board elected Mr. Locher as a member of the Audit Committee.

At the regular meeting on December 11, 2024, the Supervisory Board held an in-depth discussion about the future of the environmental technology business. After carefully weighing up all the arguments, the Supervisory Board agreed to the Board of Management's plan to sell the environmental technology business, subject to certain framework conditions. During the further course of the meeting, the Supervisory Board approved the budget for 2025 proposed by the Board of Management, and acknowledged the medium-term planning for the years from 2026 through 2028. The new climate strategy presented by the Board of Management was also approved by the Supervisory Board. In the context of the Board of Management's remuneration, the parameters proposed by the Personnel Committee for the short-term incentive (STI) in 2025 and for the long-term incentive (LTI) period from 2025 to 2027 were set. Other items on the agenda included the adoption of a new schedule of responsibilities for the Board of Management and a report by sustainability expert Dr. Schuler. Mr. Zinnhardt provided information on the Audit Committee meeting held the previous day and the current risk report, which was subsequently discussed by the full Supervisory Board.

PERSONNEL COMMITTEE

The Personnel Committee, which is also the Executive Committee, held three regular meetings in 2024. On March 11, 2024, it deliberated on the variable salary components (STI and LTI) in the Board of Management's remuneration for 2023. The committee members reviewed the target achievement for both components and drafted the corresponding resolution proposal for the Supervisory Board meeting on March 19.

On November 11, 2024, the committee focused primarily on the STI and LTI parameters in the coming years. This resulted in a proposal to the Supervisory Board that, going forward, the ESG target for the LTI should consist of a CO_2 reduction target. Until now, the ESG target has been based on the performance in the ISS agency's ESG rating.

At the meeting on December 6, 2024, the Personnel Committee drafted specific proposals for the 2025 STI and LTI targets, placing particular emphasis on sustainability targets. The committee submitted its proposals to the Supervisory Board for approval during the meeting on December 11.

AUDIT COMMITTEE

The Audit Committee held four regular meetings in 2024. A recurring task was the discussion about the consolidated and individual financial statements and about accounting matters. In addition, the committee was regularly briefed on the internal control system (ICS), the risk management system, and the internal auditing system, and dealt with their appropriateness and effectiveness. In the committee's view, no factors were identified in any material respects that would raise doubts about the appropriateness and effectiveness of these systems.

The Audit Committee also reviewed the financial reporting process, the compliance management system, as well as compliance with statutory regulations governing capital markets and with the requirements for dealing with non-audit services. In his capacity as Committee Chair, Mr. Zinnhardt had both regular and ad-hoc discussions with the auditors, who also attended three Audit Committee meetings.

At the first meeting on March 18, 2024, the committee reviewed the annual and consolidated financial statements, the non-financial statement, and the remuneration report for 2023. The discussion with the auditors was centered, among other things, on the first-time consolidation of the BBS Automation Group. Furthermore, the committee received reports on internal auditing and compliance, ESG ratings, and the preparation of sustainability reporting in accordance with the CSRD. Another topic was the review of the 2023 risk reports.

On July 30, 2024, the Audit Committee analyzed the first risk report of the year and addressed accounting topics such as the definition for taking account of extraordinary effects in EBIT, as well as the effects of foreign currency transactions on earnings. It received reports from the Internal Auditing and Compliance departments, as well as a report on IT security, which included an overview of the cybersecurity situation. Representatives from PricewaterhouseCoopers (PwC) presented their report on the review of the internal auditing system in 2023 and confirmed its appropriateness, implementation, and effectiveness. In the next step, the committee commissioned PwC to carry out a readiness check for the ICS.

The agenda for the meeting on October 1, 2024, included further reports on the work of Internal Auditing and Compliance. In addition, the Audit Committee addressed accounting matters, such as the reporting of discontinued operations. The discussion on sustainability focused on specific risks in this area and on the preparation of CSRD reporting.

The Audit Committee meeting on December 10, 2024, began with a further look at the upcoming CSRD reporting. This was followed by the presentation and analysis of the second risk report for 2024, as well as additional reports on IT security, internal auditing, and ICS. PwC also provided information on the results of the readiness check for the ICS. They showed no indications suggesting that the ICS was improperly structured. Other key points were the monitoring and review of the compliance area, accounting and tax matters, and the preparation of the annual and consolidated financial statements for 2024.

NOMINATING COMMITTEE AND MEDIATION COMMITTEE

The Nominating Committee met on July 30 and August 27, 2024. Both meetings focused on the election of shareholder representatives at the 2025 annual general meeting. All six current representatives have indicated their willingness to serve another term. With this in mind, the committee compared their qualifications with the qualification matrix. In addition, it used the skills profile to check whether the requirements regarding maximum age and maximum length of membership of the Supervisory Board were met. As in previous years, the Mediation Committee did not have to convene in 2024.

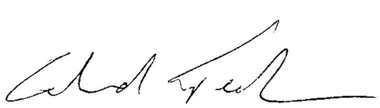
AUDIT AND ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS

Deloitte GmbH Wirtschaftsprüfungsgesellschaft audited Dürr AG's annual financial statements, consolidated financial statements, and the combined management report for Dürr AG and the Group prepared by the Board of Management for the period ended December 31, 2024, and issued unqualified audit opinions. The annual financial statements, the consolidated financial statements, and the combined management report were submitted to the members of the Supervisory Board in good time. They were discussed in detail with the Board of Management and reviewed on March 27, 2025, at the Supervisory Board meeting held to approve the financial statements. The same applies to the auditors' reports, which were also submitted in due time. The auditors signing the audit opinion participated in this Supervisory Board meeting held to approve the financial statements and in the Audit Committee meeting on the previous day. They reported on their audit and were available for further explanations and discussions. Mr. Jan Bühler from Deloitte GmbH was responsible for carrying out the audit for the third time. The remuneration report, prepared together with the Board of Management and agreed by the Board of Management and the Supervisory Board, was reviewed by the auditor in terms of form and content. It was noted in the auditor's report that the remuneration report had been prepared, in all material respects, in accordance with section 162 (1) and (2) of the German Stock Corporation Act (AktG).

At the Supervisory Board meeting held to approve the financial statements, the Audit Committee Chair, Mr. Zinnhardt, gave his detailed opinion on the audit documents, on the preliminary talks with the auditors, and on the Supervisory Board's key audit points. The latter included the impact of the intended sale of the environmental technology business on the consolidated financial statements and the audit of selected internal controls over financial reporting.

Based on the documents presented to it and the reports of the Audit Committee and the auditors, the Supervisory Board examined and accepted the annual financial statements, the consolidated financial statements, and the combined management report (including the Group's Sustainability Statement). The Supervisory Board's own review found no cause for objection. The Supervisory Board approves the results of the audits of both sets of financial statements, agrees with the Board of Management in its assessment of the situation of the Group and of Dürr AG, and approves the annual financial statements and the consolidated financial statements prepared for the period ended December 31, 2024. The annual financial statements are thereby adopted. Considering the Audit Committee's recommendation and its own review, the Supervisory Board approves the Board of Management's proposal on the use of net retained profit – a dividend of €0.70 per share is planned for the 2024 fiscal year.

The Supervisory Board thanks the Board of Management, the senior managers, and the employee representatives as well as all employees for their commitment in 2024. Thanks are also extended to the shareholders of Dürr AG for the trust placed in the company.



Gerhard Federer
Chairman of the Supervisory Board

Bietigheim-Bissingen, March 27, 2025

CAPITAL MARKET

Reinforcement of core business opening up new avenues of growth

By providing transparent, factual, and timely information, we help to achieve a fair valuation of the Dürr share. In doing so, we attach importance to sustainable relations based on a spirit of mutual trust with private investors, institutional investors, and equity analysts.

In 2024, our capital market communications primarily revolved around the strategic measures being taken to simplify the Group's structure and strengthen its core business. Among other things, this included the sale of the Danish subsidiary Agramkow Fluid Systems, which had been announced in April. The filling technology specialist for the non-automotive sector, which had been operating within the Industrial Automation Systems division, no longer formed part of the Group's strategically relevant core business. Moreover, it offered few synergistic benefits with other parts of the Group.

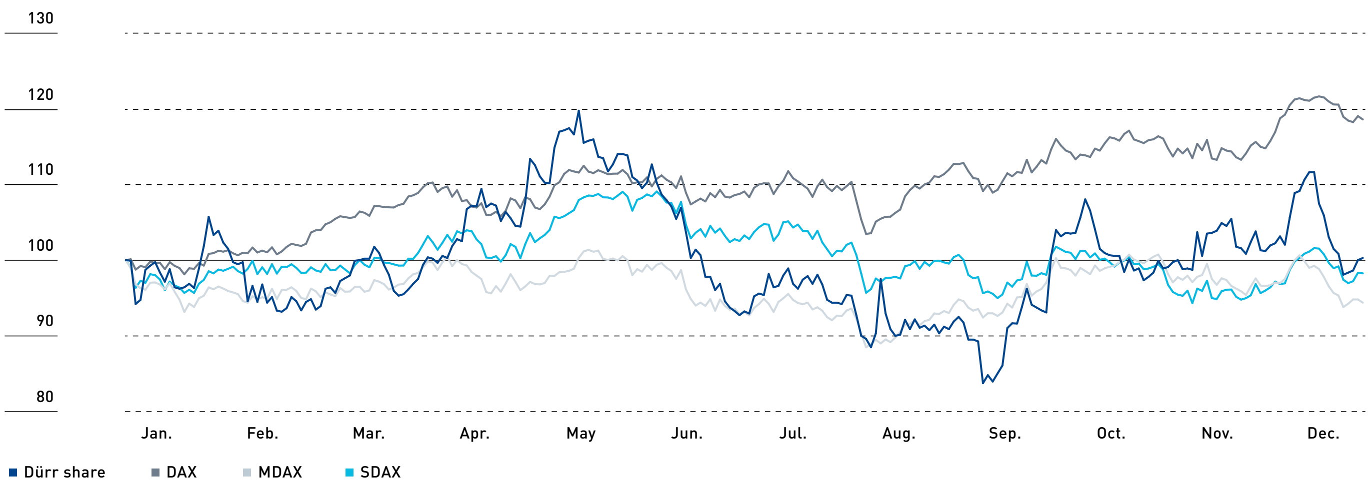
At the beginning of June, we announced the merger of the Paint and Final Assembly Systems and Application Technology divisions within the new Automotive division as from the beginning of 2025. This will ensure even more efficient support for customers in the automotive industry. At the same time, we announced that we would be exploring strategic options for the Clean Technology Systems division's environmental technology business. One of these options entails the possible disposal of the relevant exhaust air purification technology and sound insulation system activities.

In addition to information on these decisions, two topics in particular dominated the discourse with the capital market players in 2024. On the one hand, our continued strong order intake in automotive plant engineering provided cause for discussion. Unlike traditional component suppliers, whose activities are tied to current production quantities, our business is aligned to automotive manufacturers' long-term investment decisions – for example with regard to plant modernization, future model launches, or measures to boost efficiency. On the other hand, the development of efficiency measures at HOMAG was described in detail in discussions together with the timing of a recovery of the business in woodworking machines.

In 2024, we again regularly attended investor conferences and held roadshows in Germany and in other countries. At the Dürr Campus in Bietigheim-Bissingen, the financial community also had an opportunity to engage in personal contact with the Board of Management and company spokespersons and to acquaint themselves first hand with the Dürr Group. In addition, the investor relations team maintained contact with capital market participants in numerous telephone calls, video calls, and e-mail messages.

1.1 — PERFORMANCE OF DÜRR SHARE IN XETRA TRADING, JANUARY TO DECEMBER 2024

Compared to the DAX, MDAX and SDAX (indexed figures)



PEER GROUP AND CONSENSUS

The peer group of listed companies relevant to us includes plant and mechanical engineering companies and engineering service providers such as Andritz, Bertrandt, Deutz, EDAG, GEA, Heidelberger Druckmaschinen, Jungheinrich, Kion, and Krones. We benchmark our valuation against this peer group's key figures on a monthly basis, concentrating in particular on the price/earnings ratio, enterprise value (EV) relative to EBIT, EBITDA as well as sales, and the price-to-book ratio. Our website at www.durr-group.com presents the continuously updated analyst consensus for sales, EBIT, and earnings after tax for the current and future years under Investors/Share/Estimates. Prior to publishing our quarterly and annual reports, we calculate a consensus and disclose it on our website.

STOCK MARKETS SPURRED BY INCREASE IN INTEREST RATES – NEW ALL-TIME HIGH FOR THE DAX

In 2024, global stock markets went from record to record, with the DAX, NASDAQ, and Nikkei all reaching new highs. The benchmark DAX index entered the year at 16,829 points. Driven by market expectations of upcoming cuts in key interest rates, it rose rapidly, already reaching a level of just under 19,000 points by mid-May. Thereafter, it drifted sideways over a protracted period of time until the end of July. In August, a major correction emerged, pricing in influencing factors such as mounting geopolitical conflicts and the ongoing muted economic conditions in Germany. As the year proceeded, investors regained confidence, causing the DAX to climb steadily until the end of the year and reach new highs in the process. This trend was driven by several key interest rate cuts by the European Central Bank in the second half of the year. On December 3, the DAX passed the 20,000-point mark for the first time, closing the year 2024 at 19,909 points, equivalent to a performance gain of 18.8%.

Reflecting the absence of any upside impetus at the beginning of 2024, the Dürr share (ISIN: DE0005565204) initially hovered around the price of roughly €21 at which it had entered the year. However, as the forecast for 2024 published at the end of February was in line with analysts' expectations, the share subsequently rose steadily. The announcement of the decision to sell Agramkow generated further impetus, prompting the Dürr share to now outperform the benchmark indices. Our business figures for the first quarter also met with a favorable response on the capital market. Consequently, the Dürr share reached its year-high of €26.52 on May 14. The simplification of the Group's structure announced in early June and our plans for the environmental business were greeted by an upward move in the share price. After this, sentiment in the automotive industry began to cloud over due to the deteriorating business outlook. This was also increasingly reflected in the share prices of suppliers in this industry. Initially, the Dürr share was unable to escape this downward trend. It fell steadily over the summer months, hitting its yearly low of €17.61 on September 10.

After bottoming out at this level, the share price gradually began to recover again, underpinned by continued stable order intake in automotive business in the second and third quarters, the reduction in capacity at HOMAG, and the stabilization of demand for woodworking machines at a low level. A number of upgraded investment recommendations in the third quarter also had a positive impact on the Dürr share. At €21.44, it closed the year 3.6% up (including the dividend of €0.70). Thus, although the Dürr share fell short of the DAX (18.8%) and the F.A.Z. Mechanical Engineering Index (43.8%), it still outperformed the MDAX (−5.7%) and the SDAX (−1.8%).

1.2 — KEY FIGURES FOR DÜRR SHARES

€	2024	2023
Earnings per share (basic)[1]	1.47	1.62
Earnings per share (diluted)[1]	1.41	1.55
Book value per share (December 31)[1]	17.62	16.91
Cash flow per share[1]	5.55	4.15
Dividend per share[1]	0.70[2]	0.70
High[3]	26.52	36.70
Low[3]	17.61	18.54
Closing price[3]	21.44	21.38
Average daily trading volume (number of shares)[3]	112,000	118,000
Market capitalization (December 31) in €m	1,483.7	1,479.5
Number of shares	69,202,080	69,202,080

[1] Key figures include the Group as a whole (continued operations and discontinued operation)
[2] Dividend proposed to the annual general meeting
[3] XETRA

DIVIDEND OF €0.70 PER SHARE PROPOSED

For the 2024 fiscal year, the Board of Management and the Supervisory Board propose a dividend of €0.70 per share, remaining constant compared to the previous year. This proposal takes into account the Group's performance in terms of earnings after tax. Furthermore, a free cash flow of around €156.9 million was generated at Group level in the year under review, i.e. higher than expected, allowing sufficient leeway for an unchanged distribution. The proposed dividend translates into a total payout of €48.4 million.

Dürr AG is one of the 100 largest listed companies in Germany and is included in the SDAX. In 2024, an average of around 112,000 Dürr shares were traded via XETRA per trading day, almost as many as in the previous year (118,000 shares). Daily trading volumes reached €2.4 million, down from €3.2 million in the previous year. At €1,038.3 billion, XETRA trading volumes of all German shares were around 2% up on the previous year (€1,017.0 billion) in 2024.

CHANGES IN ANALYST COVERAGE

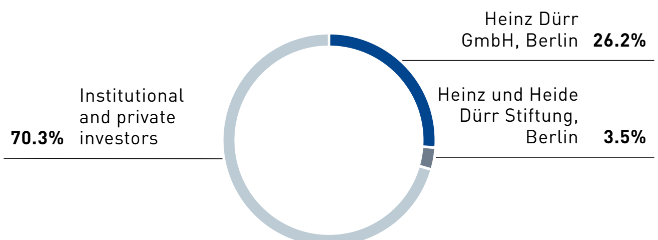
Due to personnel changes, Oddo BHF and Bank of America temporarily suspended their coverage of Dürr AG in the course of 2024. At the end of 2024, 13 analysts were covering the Dürr share. Oddo and Berenberg intend to resume coverage with new personnel in 2025.

On the basis of an average price target of €25.60 at the beginning of the year, most research houses left their estimates virtually unchanged up until the end of April. The continuation of the positive trend in order intake in automotive business in the second quarter caused expectations to rise for 2024 as a whole. The sustained strong order intake and the implementation of measures to boost efficiency at HOMAG prompted upgrades from "Hold" to "Buy" in some investment recommendations. The average target price for the Dürr share stood at €28.96 as of December 31, 2024, i.e. 35.1% higher than its closing price. 69% of the investment recommendations were "Buy" and 31% "Hold" ratings.

FREE FLOAT OF 70.3%

With a share of 26.2% in Dürr AG, Heinz Dürr GmbH remains the anchor shareholder. A further 3.5% are held by the Heinz und Heide Dürr Stiftung. After Heinz Dürr's passing in November 2023, the Dürr family still intends to continue to hold more than 25% of the Company's stock. The members of the Board of Management held a total of 0.07% of Dürr shares as of December 31, 2024. Dr. Jochen Weyrauch held 31,000 and Dietmar Heinrich 20,000 shares. The members of the Supervisory Board or parties related to them held 0.12% of Dürr shares at the end of the year. The free float in accordance with the Deutsche Börse definition stands at 70.3%.

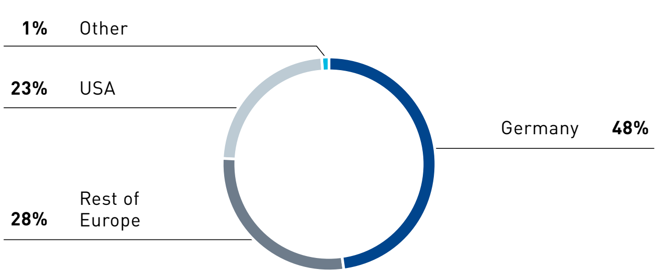
1.3 — SHAREHOLDER STRUCTURE[1] (DECEMBER 31, 2024)



Institutional and private investors[2]	of which
Union Investment Privatfonds GmbH	3.04%
Harris Associates L.P.	3.02%
Members of Dürr AG's Supervisory Board:	0.12%
Members of Dürr AG's Board of Management:	0.07%

[1] Free float as defined by Deutsche Börse AG
[2] On the basis of statutory notifications

1.4 — SHAREHOLDERS BY REGION (DECEMBER 31, 2024)



PERFORMANCE OF THE CONVERTIBLE BOND

Placed in October 2020, the convertible bond (ISIN DE000A3H2XR6) with a total volume of €150 million has a coupon of 0.75% per year, a maturity of around 5.3 years, and a conversion premium of 40% (conversion price: €34.22). It is linked to a sustainability component. The bond was trading at 90.38% at the beginning of the year, hitting a low of 89.43% in January. In the following months, it began to recover, culminating with a high of 98.17% in mid-May. At the end of the year it was trading at 96.28%.

RATINGS

In 2024, we again did not have any public rating carried out to assess our creditworthiness. We continue to evaluate the inclusion of a public rating.

COMBINED MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

The management reports of the Dürr Group and Dürr AG have been combined in accordance with Section 315 (5) of the German Commercial Code (HGB) in conjunction with Section 298 (2) HGB. This management report is therefore a combined management report. Given the expected transposition of the European **Corporate Sustainability Reporting Directive (CSRD)** → page 336 into national law, we have prepared our Sustainability Statement, different to the previous year, on the basis of the first set of the **European Sustainability Reporting Standards (ESRS)** → page 336 as a framework, and we have applied these standards in full. The Sustainability Statement contains the disclosures pursuant to Section 315c HGB in conjunction with Sections 289c to 289e HGB. It was prepared to meet the requirements regarding a Group non-financial statement as set out in Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022, (Corporate Sustainability Reporting Directive, CSRD), as well as in Article 8 of Regulation (EU) 2020/852, and Sections 315b and 315c HGB. To enhance the clarity and readability of the management report, the Sustainability Statement is included at the end. This allows the components of the management report prepared in accordance with German Accounting Standard (DRS) 20 (reporting segments 1 to 6) to be read in one go, followed by the Sustainability Statement (reporting segment 7).

As in the previous year, the following disclosures in the combined management report were not subject to an audit of the content as part of the statutory audit:

- the Sustainability Statement in reporting segment 7 → page 100
- the combined Declaration on Corporate Governance in accordance with Sections 289f and 315d HGB, to which reference is made in section 2.1 → page 43 of this report, by the same title
- the chapter “Statement unrelated to the management report” contained in section 5.1 “Risks” → page 76

The content of the disclosures provided in reporting segment 7 → page 100 was audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, as part of a separate instruction, to obtain limited assurance in accordance with ISAE 3000 (Revised).

Unless otherwise specified, the information below is applicable to both the Dürr Group and Dürr AG. Statements referring exclusively to Dürr AG are marked as such and can be found in reporting segment 6 → page 98.

1 FUNDAMENTALS

1.1 The Group at a glance

1.1.1 PROFILE

The Dürr Group is one of the world's leading mechanical and plant engineering firms with particular expertise in the technology fields of automation, digitalization, and energy efficiency. Our products, systems, and services enable highly efficient and sustainable production processes – especially in the automotive industry and among producers of furniture and timber houses. In 2024, we generated 51% and 30% of our sales in these two sectors respectively. The remaining sales are distributed among sectors such as chemicals, pharmaceuticals, medical devices, electrical engineering, and battery production. We operate 139 locations in 33 countries.

1.1.2 GROUP ORGANIZATIONAL STRUCTURE

Dürr AG is the Group's management holding company. It holds – directly or indirectly – the investments in the Group companies and is responsible for central tasks. These include financing, controlling, accounting, information technology, legal affairs and taxation as well as compliance, security, internal auditing, corporate communications, investor relations, human resources management, and sustainability. Together with the investment holding companies Dürr Technologies GmbH and Dürr International GmbH, as well as the companies Dürr Group Services GmbH, Dürr Group Services Sp. z o.o., and Schenck RoTec India Limited, Dürr AG forms the Corporate Center.

The Dürr Group's operating business comprised five divisions in 2024. These also formed the reportable segments as defined by the IFRS in the 2024 fiscal year:

- Paint and Final Assembly Systems
- Application Technology
- Industrial Automation Systems
- Woodworking Machinery and Systems
- Clean Technology Systems

1.1.2.1 Change in the Group structure as of January 1, 2025

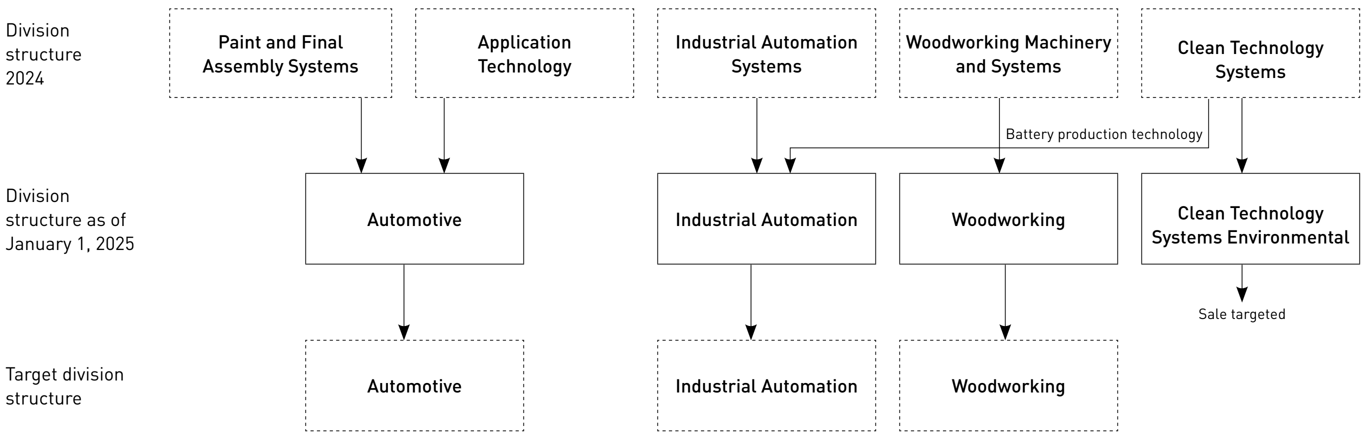
In 2024, we decided to simplify the Group structure and focus even more strategically on our core business revolving around automation as a lead technology. To this end, we have introduced changes to the structure and number of divisions. A large part of these changes came into effect at the beginning of 2025, with further steps expected to follow in the course of the year. Specifically, we focus on the following measures:

- With a view to the simplification of the Group structure, we aim to reduce the number of divisions from five to three.

- As the first step, we merged the Paint and Final Assembly Systems and Application Technology divisions, which are active in business with the automotive industry, to form the new Automotive division as of January 1, 2025. As a result, the Group has consisted of only four divisions since the beginning of 2025. The aim of the merger is to ensure more effective customer service, more efficient handling of major projects, and integrated product development in painting technology. We are also aiming for cost synergies and will be able to handle additional projects with unchanged capacity.

- We are striving to sell the environmental technology business which was part of the previous Clean Technology Systems division. This includes the areas of exhaust air purification technology and noise abatement systems. The decisive factor for the intended sale is that environmental technology is not part of our core business, as our core competence, i.e. production automation, only plays a subordinate role in this business. In addition, unlike our other technologies, customers do not use environmental technology directly in the manufacture of products. The assets attributable to environmental technology are reported as assets held for sale in the consolidated financial statements as of December 31, 2024. The activities in battery production technology (Lithium-Ion Battery business unit), which were also part of Clean Technology Systems, are not for sale. They were carved out of the division as

2.1 — FUTURE DIVISION STRUCTURE



of December 31, 2024, and integrated into the Industrial Automation Systems division. As of January 1, 2025, the Clean Technology Systems division, which now only includes the environmental technology business held for sale, was renamed Clean Technology Systems Environmental.

- In the 2024 consolidated financial statements, the Clean Technology Systems division is classified as a discontinued operation, containing the environmental technology business but not battery production technology. The figures for battery production technology have been allocated to the Industrial Automation Systems division in the 2024 consolidated financial statements.

- The sale of environmental technology is planned for 2025. If the sale goes through, the Dürr Group will then consist of three divisions and thus have the organizational structure we are aiming for.

- As part of the changes outlined above, the Industrial Automation Systems and Woodworking Machinery and Systems divisions were renamed Industrial Automation and Woodworking as of January 1, 2025.

- For presentations relating to the 2024 fiscal year, we refer to the Group structure with five divisions in the combined management report and use the corresponding division designations. In presentations relating to the year 2025 or later years, we generally refer to the organizational structure in place since January 1, 2025, and use the new designations.

Please also refer to the following chapter 1.1.3 → page 24 as well as section 1.2 → page 30.

1.1.3 DIVISIONS, SALES MARKETS, GLOBAL MARKET SHARES[1], IMPORTANT PRODUCTS AND SERVICES

1.1.3.1 Paint and Final Assembly Systems

The Paint and Final Assembly Systems division plans, builds, and updates paint shops and final assembly lines for the automotive industry. We supply products and processes for all the process stages in paint shop technology. Important solutions include, for example, the **dip coating system** → page 336 RoDip, the paint separation system **Eco**DryScrubber, the **car body oven** → page 336 **Eco**InCure, and the paint booth **Eco**ProBooth for interior and exterior painting. Added to this is the "paint shop of the future" concept, which relies on individually controllable painting boxes instead of conventional painting lines. We usually also supply the relevant control as well as air supply and exhaust-air systems. With our **Eco**QPower energy management system, we offer our customers the opportunity to optimize energy flows in the painting process and thus reduce both energy consumption and CO_2 emissions. Our digital product range from the DXQ software family includes, for example, solutions for plant monitoring, higher-level manufacturing execution systems (MES), **advanced analytics** → page 336, and **predictive maintenance** → page 336. In the painting systems business, we are the leader with a global market share of 40% to 50%.

[1] Internal figure, determined on the basis of division sales and market volume

In the area of final assembly systems, we supply filling, testing, conveyor and assembly technology, as well as marriage stations for connecting the car body and the power train. The **filling technology segment → page 336** comprises systems for filling vehicle components with fluids such as oil or break fluid during the final assembly process. Key products in **testing technology → page 336** include test stands and calibration stations for brakes, electronics, and chassis geometry. Autonomous driving and new safety systems in vehicles also require additional products for adjusting cameras and radar systems. In final assembly systems, too, we are one of the few providers worldwide capable of supplying turnkey plants. Electromobility is leading to new business opportunities in this field, since a greater degree of automation is possible in the assembly of electric cars due to their less complex power train. In addition, battery cars are heavier, requiring conveyor technology designed for heavier loads, which is provided by Paint and Final Assembly Systems. Our market share in business related to final vehicle assembly is around 15% to 25%.

Another unit of the Paint and Final Assembly Systems division is Dürr Consulting. It advises customers from the automotive and supplier industry as well as from other industrial sectors on the planning of assembly and production processes, and regarding digitalization. The current focus is on concepts for the production of electric cars and batteries.

1.1.3.2 Application Technology

Application Technology generates the majority of its sales with technologies for the automated spray application of primers, base coats, and clear coats. Its key products are the third generation of the EcoRP painting robot family, the EcoBell4 **high-speed rotary atomizer → page 336**, the color changers EcoLCC2 and EcoMCC3, and the robot-based application system EcoPaintJet for razor-sharp two-tone painting without paint loss. Other products include systems for paint supply, quality assurance, as well as process control and evaluation. In paint **application technology → page 336**, we are the world market leader with a share of 50% to 60%. Our two most important competitors are manufacturers of standard industrial robots.

In addition to paint application technology, we are active in the adjoining business areas of **sealing technology → page 336** and **gluing technology → page 336**. Sealing processes serve to seal welding seams, to apply underbody protection, and to inject insulating materials in cars. Gluing is an alternative to welding vehicle components during body-in-white production and final assembly, enabling the use of non-weldable lightweight materials in car body manufacture. The uses of gluing technology in final assembly include fitting windows, glass roofs, and cockpits.

Outside the automotive industry, Application Technology offers paint application products for various industries such as plastics, ceramics, timber, and furniture through the Industrial Products segment.

1.1.3.3 Industrial Automation Systems

Industrial Automation Systems includes the automation technology (Production Automation Systems) and balancing, diagnostic, and tooling technology (Measuring and Process Systems) business areas. In automation technology, the focus is on fully automated systems for the assembly and testing of automotive components, electric drives, and small plastic products for medical care (e.g. cannulas and insulin pens). We also equip sectors such as electronics, solar technology, and consumer goods with automation systems. The business area was founded in 2021 with the acquisition of the companies Teamtechnik and Hekuma. The second and larger expansion step was the acquisition of the BBS Automation Group in 2023. In a highly fragmented competitive environment, we are one of the three leading suppliers in the markets we serve, with a global market share of up to 10%.

The most extensive activity of the Measuring and Process Systems business unit is the balancing and diagnostic technology of the Schenck RoTec brand. Here, we offer solutions for balancing rotating bodies of different sizes – from small dental drills to e-mobility components, and power plant turbines. With a global market share of 40% to 50%, we lead the field in **balancing technology → page 336**. The business unit includes tooling systems of the Benz Tooling brand, which are used for machining wood, metal, and composite materials. Until its sale (July 1, 2024), the filling technology business of the Agramkow Group also belonged to Measuring and Process Systems.

1.1.3.4 Woodworking Machinery and Systems

The Woodworking Machinery and Systems division with the main brand HOMAG manufactures machinery and systems for woodworking. Our technology is used, for example, in the production of furniture and kitchens, as well as parquet and laminate flooring. Our core products include panel dividing and through-feed saws, CNC processing centers, drilling machines, sanders, edge banding machines, as well as handling and storage systems. The software portfolio ranges from easy-to-use apps for craft businesses through to solutions for digitalizing entire factories. With a global market share of 25% to 35%, the HOMAG Group, as the largest supplier, ranks well ahead of its two nearest competitors in business with furniture manufacturers.

2.2 — ACTIVITIES AND SALES MARKETS[1]

PAINT AND FINAL ASSEMBLY SYSTEMS DIVISION

Business type	Activities	Customer groups
▪ Plant engineering	▪ Paint shops ▪ Products and systems for final vehicle assembly (incl. filling and testing technology) ▪ Service	▪ Automotive manufacturers ▪ Automotive suppliers ▪ Commercial vehicle manufacturers ▪ General industry (e.g. construction equipment and farm machinery)
▪ Consulting	▪ Consultancy	▪ Automotive manufacturers ▪ Automotive suppliers ▪ General industry

APPLICATION TECHNOLOGY DIVISION

Business type	Activities	Customer groups
▪ Mechanical engineering and component business	▪ Robots and products for automated spray painting ▪ Sealing technology ▪ Gluing technology ▪ Service	▪ Automotive manufacturers ▪ Automotive suppliers ▪ Commercial vehicle manufacturers ▪ General industry (e.g. plastics, ceramics, timber, shipbuilding)

INDUSTRIAL AUTOMATION SYSTEMS DIVISION

Business type	Activities	Customer groups
▪ Mechanical engineering	▪ Assembly and test systems for automotive components, electric drives, medical devices, solar modules, electronics, and consumer products ▪ Production technology for battery modules and packs ▪ Balancing and diagnostic systems ▪ Tooling systems for machines and processing centers ▪ Service	▪ Automotive manufacturers ▪ Automotive suppliers ▪ Electrical/consumer goods industry ▪ Manufacturers of medical devices ▪ Solar module manufacturers ▪ Turbines/power plants ▪ Mechanical engineering ▪ Aerospace industry

WOODWORKING MACHINERY AND SYSTEMS DIVISION

Business type	Activities	Customer groups
▪ Mechanical and plant engineering	▪ Machines and complete production lines for manufacturing furniture, kitchens, and construction elements for timber houses ▪ Service	▪ Furniture industry ▪ Kitchen manufacturers ▪ Manufacturers of windows, doors, parquet and laminate flooring ▪ Woodworking trade ▪ Timber house construction

CLEAN TECHNOLOGY SYSTEMS DIVISION

Business type	Activities	Customer groups
▪ Plant engineering and component business	▪ Air pollution control ▪ Coating systems for battery electrodes ▪ Noise abatement systems ▪ ORC technology (Organic Rankine Cycle) ▪ Service	▪ Chemical industry ▪ Pharmaceutical industry ▪ Carbon fiber production ▪ Printing/Coating ▪ Automotive manufacturers (paint shops) ▪ Automotive suppliers (paint shops) ▪ Woodworking ▪ Lithium-Ion battery manufacturers ▪ Mining ▪ Energy industry ▪ Oil and gas industry ▪ Packaging industry ▪ Operators of decentralized power plants

[1] Also fulfills the disclosure requirement ESRS 2 SBM–1, paragraph 40, subparagraph a, points i and ii

The division's second pillar is the Construction Elements Solutions segment, which offers equipment for producing construction elements for timber houses. Here, we have a global market share of 20% to 30%, compared with 15% to 25% in the previous year. Since timber houses are climate-friendly and their production can be easily automated, we see considerable potential for growth in this area in the medium and long term. The portfolio includes machines for manufacturing prefabricated house components, room modules, windows, doors, and stairs, as well as equipment for solid wood optimization and high-frequency presses for producing cross-laminated timber boards.

1.1.3.5 Clean Technology Systems

The largest area of Clean Technology Systems is exhaust-air purification technology. Our systems are used in a variety of industries, but primarily in the chemical and pharmaceutical sectors. 11% of sales are accounted for by exhaust-air purification systems for automotive paint shops. Our most important process is **thermal oxidation** → page 336, in which pollutants are incinerated at temperatures of up to 1,000°C. With a global market share of between 20% and 30%, we are the world's leading supplier.

Another business area with good growth prospects comprises systems for the production of electrodes for lithium-ion batteries. As a supplier of complete lines, we supply not only coating technology for electrode foils, but also dryers, **calendering machines** → page 336, and solvent recovery systems. We offer an innovative technology for the simultaneous coating of both electrode sides, as well as conventional equipment for single-sided coating in cooperation with the Japanese mechanical engineering company Techno Smart. In addition to exhaust-air purification and coating systems, the portfolio includes noise abatement systems, for example for gas turbines.

1.1.4 DIGITALIZATION

Our product range for the digitalization of production processes includes, for example, manufacturing execution systems (MES) for higher-level factory control and analysis applications, which often operate with artificial intelligence. Their areas of use include quality controls, root cause analysis, and predictive maintenance. Our digital solutions are developed in digital factories at Dürr Systems, Schenck, and the HOMAG Group. The three digital factories deploy standardized development processes and tools, have a common innovation agenda, and exchange applications and development results. Their activities are coordinated by a cross-functional team.

1.1.5 COMPREHENSIVE RANGE OF SERVICES

Each machine and system we sell adds to our installed base – and thus to our potential to generate additional service business throughout the product life cycle. Our range of services includes plant modernization and optimization, audits of plant productivity and energy efficiency, software updates as well as training, inspection, maintenance, repair, and spare parts supply. Digital services such as remote analysis, maintenance assistants, and performance checks are becoming increasingly important. The service side employs 2,879 staff, representing 14.5% of the Group workforce.

1.1.6 SCHENCK TECHNOLOGIE- UND INDUSTRIEPARK GMBH

The real estate service provider Schenck Technologie- und Industriepark GmbH (TIP), which is part of the Industrial Automation Systems division, markets and operates offices as well as production and logistics spaces at Schenck's Darmstadt location. TIP rents out 109,900 sqm of floor space on a 105,000 sqm lot; office space accounts for 46%.

1.1.7 LEGAL STRUCTURE

Dürr AG owns 100% of the shares in each of the following companies: Dürr Systems AG, Dürr International GmbH, Dürr Technologies GmbH, Carl Schenck AG, and Dürr Group Services GmbH. These companies have entered into domination and profit and loss transfer agreements with Dürr AG. At the end of 2024, we owned 67.74% of the shares in HOMAG Group AG and the associated voting rights via Dürr Technologies GmbH. We contributed 11.0% of the shares in HOMAG Group AG to a share pool between Dürr Technologies GmbH and the Schuler/Klessmann shareholder group. The Schuler/Klessmann shareholder group owns 14.05% of the shares in HOMAG Group AG. Members of this shareholder group are the Schuler family, who founded HOMAG, and the Erich and Hanna Klessmann Foundation. The pool agreement, first concluded in 2014, was renewed in 2021. It includes extensive reciprocal options and will run until December 31, 2029. A domination and profit and loss transfer agreement has been in place between Dürr Technologies GmbH and HOMAG Group AG since 2015. Dürr Systems AG, Dürr Technologies GmbH, Dürr International GmbH, and Carl Schenck AG hold direct or indirect stakes, mainly 100% holdings, in all other Group companies.

2.3 — SIGNIFICANT ACQUISITIONS/SHAREHOLDINGS

Transaction	Shareholding	Consolidation type	Included in the consolidated financial statements since	Purchase price	Employees (Dec. 31, 2024)	Division
System TM	100% (2024: increase, 80% previously)	Fully consolidated	Oct. 30, 2020	2024: €8.6 million for 20%	182	Woodworking Machinery and Systems

1.1.8 PORTFOLIO CHANGES

- The HOMAG Group acquired the remaining 20% of the shares in System TM at the beginning of April 2024. HOMAG had already acquired 80% of the shares in the Danish mechanical engineering company in 2020. System TM specializes in systems for optimizing and **finger jointing → page 336** solid wood elements.

- As of July 1, 2024, we completed the sale of the Danish filling technology specialist Agramkow Fluid Systems A/S to the Swedish Solix Group AG. Agramkow specializes in filling technology for the non-automotive sector and is a global leader in systems for the refrigerant filling of refrigerators, air-conditioning systems, and heat pumps. Agramkow had been part of the Dürr Group since 2011 and was assigned to the Industrial Automation Systems division up to and including June 30, 2024. The sale is part of our strategy to focus the Dürr Group on its core business with sustainable automation technologies.

- In Saudi Arabia, we founded the company Dürr Systems Arabia for Contracting LLC in 2024. The company was founded in connection with the completion of a major order in the automotive sector and also serves as a basis for the expansion of the local business.

Further information on the transactions listed can be found in **→ notes 27 and 34** of the notes to the consolidated financial statements. Information on the newly established national company and on mergers, and other changes at Group companies in the 2024 fiscal year can be found in **→ note 4** of the notes to the consolidated financial statements.

1.1.9 BUSINESS MODEL

Our core competence is the **engineering → page 336** of efficient production technology with a high degree of automation. We support our customers with a full range of options from individual machines to turnkey manufacturing systems. In this context, our offering in automation and digital networking and control of complete production systems is gaining increasingly in importance.

Our technologies and services are designed to help our customers achieve efficient and sustainable production by focusing primarily on the following factors:

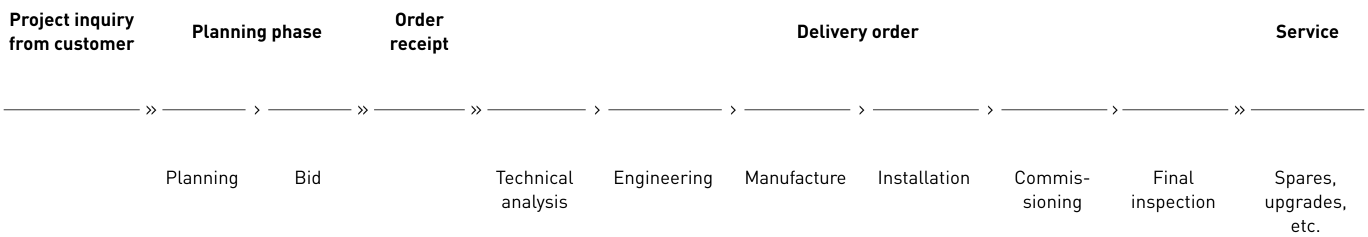
- digitalization, automation, and technological innovation
- development of material- and energy-efficient low-emission products
- planning, engineering, and order processing expertise
- a comprehensive range of services for the entire life cycle of our products
- global presence, proximity to customers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

We operate in niche markets, where we are either among the largest suppliers or the market leader. In 2024, 68% of sales from continued operations came from mechanical engineering and 32% from plant engineering. In mechanical engineering, we aim for mid-cycle EBIT margins before extraordinary effects of 10% or more; in plant engineering, the target margin is at least 6%. In terms of **ROCE → page 337**, the mid-cycle target is 25% or more. Our business model principally allows us to achieve high operating and **free cash flows → page 337**. Our mid-cycle target is for free cash flow to amount to at least 80% of earnings after tax.

1.1.9.1 Financial importance of individual products, services, and sales markets

The financial importance of individual products and services is limited in view of our broad-based portfolio. A key success factor in paint and final assembly technology as well as in woodworking technology is our systems expertise, i.e. the ability to plan and build turnkey systems. Digital and automation technologies are playing an increasingly important role here. The service business generates an above-average contribution to earnings. Thanks to our international presence, we have a balanced regional sales

2.4 — PROCESSES IN PLANT ENGINEERING



breakdown. In 2024, based on continued operations, 15% of sales came from Germany, 31% from other European countries, 28% from North and South America, 16% from China, and 10% from other Asian countries, Africa, and Australia. We tend to achieve slightly higher margins in strong growth regions than in other markets.

1.1.9.2 Business processes/process advantages

Planning, engineering, order execution, and services make up our most important business processes. Our real net output ratio is lower than that of typical industrial manufacturing companies. Professional project management is critical to success, especially in large plant engineering projects. A large project usually takes 15 to 24 months to complete, while orders in mechanical engineering take between 3 and 12 months. Smaller remodeling, upgrade, and service projects take less time.

Large projects require efficient collaboration between various departments and sites, which is why we employ standardized processes in planning, order execution, service, and administration. These processes are increasingly supported by digital tools or – especially for administrative processes – automated with the help of **robotic process automation (RPA)** → page 336. This prevents interface problems, increases speed and process reliability, and improves international cooperation and capacity management.

1.1.9.3 Customer relations

Business with the automotive industry is technically complex and long-term. We therefore maintain constant communication with our customers. When it comes to major investment projects, we are consulted up to two years before an order is placed. We act as a planner, consultant, and systems supplier as well as a service partner in plant operation and modernization. Customers often inform us well in advance of new vehicle models in development to ensure that we can supply the required production technology in time.

The mechanical engineering divisions – Industrial Automation Systems and Woodworking Machinery and Systems – have a broad market base with tens of thousands of customers. Sales-related costs are therefore higher than in plant engineering for the automotive industry. However, the mechanical engineering sector also features an increasing number of larger-scale projects with extended lead times, in addition to supplying individual machines. In automation technology, we are actively responding to this trend by pooling the expertise of the BBS Automation Group and the Teamtechnik Group and acting as a high-performance partner for large orders.

1.1.9.4 Supplier relations

We source goods, raw materials, and services from several thousand suppliers. In addition to part and component suppliers, these also include contract manufacturers, engineering service providers, and logistics companies. In the case of key commodity groups, we have worldwide framework agreements in place with preferred suppliers. This enables us to pool the requirements of several companies and divisions and leverage economies of scale. For further information, please refer to section 1.5 → page 38.

1.1.9.5 Further features of our business model

At 43%, our real net output ratio is relatively low, though there are differences between the divisions. While the real net output ratio in Woodworking Machinery and Systems (mechanical engineering) is 44%, it is significantly lower in Paint and Final Assembly Systems (plant engineering) at 34%.

Due to the low real net output ratio, **asset intensity** → page 337 and capital commitment are also relatively low in most divisions. The prepayments received from customers generally cover a large portion of the receivables and accrued project costs in current assets. Consequently, the **net working capital (NWC)** → page 337 in plant engineering is usually low. In relation to fixed costs, too, we benefit from the low real net output ratio and asset intensity in plant engineering. This makes us more flexible in the event of cyclical order fluctuations.

At 35.3 days, the **days working capital** → page 337 of the continued operations at the end of 2024 was below the target corridor of 40 to 50 days (previous year Group as a whole: 42.4 days). Our investment requirements (excluding acquisitions) are low due to the low demand for property, plant and equipment in plant engineering. The normal annual level typically amounts to less than 3% of sales. At 4.4%, the investment ratio measured against sales (continued operations) was higher in 2024, as we are implementing an extensive investment program at Woodworking Machinery and Systems to modernize and increase the efficiency of locations.

Most divisions have local production plants and procurement structures in major foreign markets. This reduces their need to import, and thus their transaction risks, which are also lowered by foreign currency hedging on a project basis. Nevertheless, there are translation risks resulting from the conversion of foreign currency positions into euros.

Many of our projects have long lead times. This allows us to have a clear picture in terms of future order intake. We can therefore make a reliable assessment of our future sales, capacity utilization, and income for the majority of the business.

1.1.10 BUSINESS LOCATIONS AND DIVISION OF LABOR WITHIN THE GROUP

At year-end 2024, 36% of the workforce of the Group as a whole was employed in the emerging markets. Well over 3,000 employees (including around 470 external employees) work at our Chinese locations alone. The lead sites in Germany control the Group's global operations. The Dürr Campus in Bietigheim-Bissingen (approx. 2,600 employees) is the Group's corporate headquarters and also the head office of the paint, final assembly, and environmental technology activities. The HOMAG head office in Schopfloch (approx. 1,800 employees) manages the business activities of Woodworking Machinery and Systems. The Darmstadt location (around 550 employees) coordinates the operations of Schenck (Measuring and Process Systems) within the Industrial Automation Systems division; the largest sites of the Production Automation Systems business unit are Freiberg (Teamtechnik Group, around 550 employees) and Kunshan in China (BBS Automation Group, around 420 employees).

Guidelines are in place to define how Group companies collaborate on cross-border systems projects in plant engineering. Project management for large orders in paint and final assembly technology is usually handled by the system centers in Bietigheim-Bissingen or Shanghai. There are also business centers responsible for smaller upgrades, parts of systems projects, and local sales and service. In mechanical engineering, the German lead locations act as the hub for international projects.

1.2 Explanatory notes on the figures

1.2.1 COMPARISON PERIODS

The figures and tables in this management report generally contain IFRS figures for 2023 and 2024. This does not apply to the sustainability statement, which was drawn up on the basis of the first sentence of the ESRS as a framework. In earlier years, two prior-year periods were used as a comparison to the current fiscal year in the management report. The disclosure of only one prior-year period differs from the previous reporting practice. The background to this adjustment is the change in the Group structure described in section 1.1 → page 23. In the 2024 consolidated financial statements, the environmental technology business (exhaust-air purification technology and noise abatement systems), which is to be disposed of, is reported as a discontinued operation within the Clean Technology Systems division. The other divisions and the Corporate Center are reported as continued operations. The figures for the previous year have been duly restated.

The described delineation of business activities is only conducted on a full-year basis and for the fourth quarter of 2024. Due to the circumstances described above, this management report therefore does not include selected performance indicators for the first, second, and third quarters of 2024. We will publish a quarterly breakdown in our quarterly reports for the 2025 fiscal year.

1.2.2 PLANNED SALE OF ENVIRONMENTAL TECHNOLOGY BUSINESS

On December 11, 2024, the Supervisory Board approved the Board of Management's plan to dispose of the Group's environmental technology business subject to certain underlying conditions being met. The criteria for classification as "discontinued operation" and as "assets held for sale" in accordance with IFRS 5 have been met since December 11, 2024 following the approval of the transaction by the Board of Management and the Supervisory Board. This has the following impact on the management report:

- → **Table 2.11** included in section 1.6 "Research and development", which sets out the key R&D figures and relevant explanatory notes, takes into account both the continued operations and the discontinued operation.
- → **Table 2.18 and 2.20** included in section 3.2 "General statement by the Board of Management on business performance and target achievement", which sets out the target achievement of the Group and the divisions as well as the relevant explanatory notes, include both the continued operations and the discontinued operation and thus refer to the Group as a whole.
- → **Table 2.24** included in section 3.3 "Business performance" (Statement of profit or loss and profitability ratios) includes only the continued operations. In addition, three separate lines have been added for earnings after tax for the continued operations, the discontinued operation, as well as for the continued operations plus the discontinued operation. The other figures and tables in this section that refer to the Group also mainly include continued operations. The relevant explanatory notes also concentrate on continued operations. With regard to the tables listed in the same section that refer to the divisions, it should be noted that the Lithium-Ion Battery business unit is already included in the Industrial Automation Systems division and no longer in the Clean Technology Systems division due to restructuring.
- With regard to the figures and tables included in section 3.4 "Financial development" relating to the balance sheet figures and relevant explanatory notes, the following should be noted: The assets and liabilities side of the consolidated financial statements includes continued operations as well as the discontinued operation. In 2024, the aggregated assets and liabilities relate to the entire Group, while the environmental technology business is no longer included in the individual assets and liability items. This does not apply to "Assets held for sale" and "Liabilities in connection with assets held for sale", which include the aggregated assets and liabilities attributable to the environmental technology business. In 2023, however, the environmental technology business was included in the individual assets and liability items in the consolidated financial statements.
- With regard to the outlook tables for the Group and divisions and the relevant explanatory notes included in section 5.3 "Forecast", the following should be noted: At the Group level, we provide a forecast for continued operations on their own, as well as for continued operations plus the discontinued operation (overall Group). At the division level, we produce a quantitative forecast for continued operations and a qualitative comparative forecast for the discontinued operation.

More detailed information on the planned disposal of the environmental technology business, the discontinued operation as well as the assets held for sale and the corresponding liabilities can be found in → **note 5** of the consolidated financial statements.

1.2.3 IMPACT OF THE CHANGED DIVISION STRUCTURE

→ **Tables 2.50 and 2.60** show the impact of the transfer of the Lithium-Ion Battery (battery production technology) business unit from Clean Technology Systems to Industrial Automation Systems on both divisions. In connection with the classification of environmental technology business as a discontinued operation, we report so-called allocation effects in the consolidated financial statements. These effects result from the fact that certain assets and liabilities, which were previously assigned proportionately to the Clean Technology Systems division but remain in the Dürr Group, must be reported in full within continued operations in accordance with IFRS. Expenses and income arising from intragroup allocations to the Clean Technology Systems division were eliminated and reported separately in the allocation effects. These include, for example, transfer payments for shared services as well as depreciation and amortization or rents for buildings shared with other divisions. In certain tables and charts, allocation effects form part of the aggregated "Corporate Center/ consolidation/allocation effects" item.

2.5 — RECONCILIATION CLEAN TECHNOLOGY SYSTEMS

€ million	2024			
	Previous structure	of which battery business	of which allocation effects	of which discon-tinued operation
Order intake	542.2	140.5	10.2	391.5
Sales	496.6	86.5	2.9	407.2
EBIT before extraordinary effects	40.6	–4.5	–16.7	61.9
EBIT margin (%) before extraordinary effects	8.2	–5.2	–	15.2
Employees	1,560	229	41	1,290

2.6 — RECONCILIATION INDUSTRIAL AUTOMATION SYSTEMS

€ million	2024		
	Previous structure	Attributable to battery business	New structure
Order intake	671.3	140.5	811.8
Sales	765.4	86.5	851.9
EBIT before extraordinary effects	35.4	–4.5	30.9
EBIT margin (%) before extraordinary effects	4.6	–5.2	3.6
Employees	4,029	229	4,258

2.7 — CORPORATE CENTER AND ALLOCATION EFFECTS

€ million	2024		
	Corporate Center/con-solidation	Allocation effects	Corporate Center/con-solidation/ allocation effects
Order intake	–46.3	10.2	–36.1
Sales	–41.4	2.9	–38.5
EBIT before extraordinary effects	–41.1	–16.7	–57.8
EBIT margin (%) before extraordinary effects	–	–	–
Employees	821	41	862

1.2.4 EBIT

EBIT is defined as earnings before interest, income taxes, and income from investments. The items eliminated from EBIT before extraordinary effects are shown in → table 2.29.

1.2.5 REPORTING CONVENTIONS

Amendments to the IFRSs had only a minor impact on the presentation of the company's economic position in 2024. Relatively few reporting options are available under the IFRS and their utilization barely impacts our assets, liabilities, financial position, and financial performance. In the case of important balance-sheet items, we exercise options in such a way that the greatest possible measurement continuity is preserved. We made use of all the reporting options in an unchanged form in 2024. The use of specific accounting policies exerted at most only a minor influence on the presentation of the results of operations. Moreover, it is inconsistent in many cases with our commitment to continuity and cross-period transparency.

1.2.6 REPORTED ROCE

Since the 2024 fiscal year, we have been applying a new approach for calculating **ROCE** → page 337 (the previous year's figures have been retrospectively restated). The purpose of the new approach is to enhance the informative value of ROCE as an operational performance indicator, while ensuring better integration with our management model for **capital employed** → page 337 in operations. Accordingly, EBIT before extraordinary effects, rather than EBIT, is now included in the calculation of ROCE. In addition, we take into account the rolling EBIT before extraordinary effects over the last twelve months, whereas we previously projected full-year EBIT from the beginning of the year. To calculate capital employed, we have abandoned the end-of-year calculation in favor of a calculation based on the average of the reporting dates over the last four quarters. In addition, we have expanded the scope of the assets and liabilities included in the calculation of capital employed and thus linked ROCE more closely to operational management. Capital employed includes property, plant and equipment, intangible assets, net working capital, as well as other assets and liabilities. Not included are rights of use, deferred tax assets and deferred tax liabilities, income tax receivables und income tax liabilities, as well as reciprocal options for shares of HOMAG Group AG.

The Group's ROCE for 2024 is based on the EBIT before extraordinary effects of both the continued operations and discontinued operation. Capital employed includes all assets and liabilities held for sale.

1.2.7 HOMAG GROUP AG: DOMINATION AND PROFIT TRANSFER AGREEMENT

Under the terms of the domination and profit and loss transfer agreement entered into between Dürr Technologies GmbH and HOMAG Group AG, all of the annual net profit earned by the HOMAG Group AG accrues to the Dürr Group. HOMAG Group AG's non-controlling shareholders (18.22% of the capital as of December 31, 2024) are not entitled to a variable dividend. Instead, they receive a guaranteed dividend of €1.02 per share (net) for the duration of the domination and profit transfer agreement. In addition, a cash settlement offer of €31.58 per share was offered until March 3, 2025. The interest expense arising from the domination and profit and loss transfer agreement with HOMAG Group AG is recognized within the Dürr Group's financial result and came to €7.2 million in 2024 (2023: €10.3 million).

A final decision was made in December 2024 in the valuation proceedings concerning the appropriateness of the cash settlement offer and the guaranteed dividend for the non-controlling shareholders of HOMAG Group AG. In its ruling, the Stuttgart Higher Regional Court (OLG) confirmed the appropriateness of the guaranteed dividend of €1.02 per share (net) and the cash compensation of €31.58 per share. Consequently, the court conclusively upheld the previous decision of the Stuttgart Regional Court of August 2019, against which shareholders of HOMAG Group AG had filed an appeal in October 2019. No material effects arose in 2024 from the decision of the Stuttgart Higher Regional Court. Further information on this decision can be found in reporting segment 4 → **page 75**.

1.2.8 EFFECTS OF PORTFOLIO ADJUSTMENTS

The BBS Automation Group (consolidated since August 31, 2023) and Ingecal (consolidated since November 17, 2023), which had been acquired in 2023, contributed a combined order intake of €317.5 million and sales of €336.9 million in 2024.

Most of the proceeds of €36.2 million from the disposal of the Agramkow Group accrued to us in the third quarter of 2024. Further payments will be received in 2026 in particular. The disposal resulted in a book profit of €17.5 million, which was recognized as extraordinary income in the third quarter. In 2024, the Agramkow Group, which had been assigned to Industrial Automation Systems, generated sales of around €26 million (2023: around €45 million).

1.3 Company-specific leading indicators

In order to be able to respond to a changed economic and demand situation at short notice, we track leading indicators. We distinguish four categories:

- Key economic leading indicators are money supply, commodity and energy prices, as well as purchase manager and business climate indices. Research reports and macroeconomic statistics also assist us in recognizing cyclical changes at an early stage. Moreover, we pay close attention to the development of interest rates.

- More specific indicators to assess future business potential are customers' investment plans. In addition, we monitor the expectations of analysts regarding our customers' cash flows and investments.

- The third leading indicator relates to specific investment projects pursued by our customers. We collect the respective information in our customer relationship management system, along with an assessment of our opportunities of winning contracts. In the product business, the quote time for offers serves as an indicator. When customers take longer to make investment decisions, the average quote time increases. This indicates weaker demand.

- The fourth group of indicators comprises incoming orders and the order backlog. Since many projects have a long lead time, both key figures are suitable for assessing capacity utilization and sales for the coming quarters.

1.4 Strategy and mid-cycle targets

In 2024, key aspects of the corporate strategy were refined and reformulated. We placed the guiding principle of "Sustainable Automation" at the core of the strategy, which highlights the two main growth drivers for our business:

- the sustainable transformation of our customers' production processes and
- automation technology as a Group-wide key technology

Focusing on these two growth drivers opens up opportunities for us, both in our established core business and in new growth business areas.

1.4.1 TARGET KEY FIGURES

Our strategy is aligned equally with profitability and growth and linked to several KPI targets:

- Sales are to grow by an average of 5% to 6% per year between 2023 and 2030, reaching more than €6 billion in 2030. Depending on the activity, established business is to contribute to this with growth rates of 0% to 2% and 3% to 9%. We expect average growth rates of more than 10% p.a. in growth business.
- The EBIT margin before extraordinary effects is to increase to at least 8%. This is a mid-cycle target, the achievement of which is predicated on normal market conditions free of any major disruptions. The mid-cycle margin targets for the divisions are shown in → table 2.80.
- We are aiming for a minimum ROCE of 25%; this is also a mid-cycle target.
- The cash conversion rate is to reach at least 80% (free cash flow at least 80% of earnings after tax).
- The ratio of net financial liabilities to EBITDA should not exceed 2.0.
- Service business is to permanently contribute at least 30% to Group sales.

2.8 — MID-CYCLE MARGIN TARGETS FOR THE GROUP AND DIVISIONS

	Mid-cycle target for EBIT margin before extraordinary effects	Business type
Dürr Group	≥ 8%	Mechanical and plant engineering
Automotive	≥ 8%	Mechanical and plant engineering
Industrial Automation	≥ 10%	Mechanical and plant engineering
Woodworking	≥ 10%	Mechanical engineering

1.4.2 SUSTAINABLE AUTOMATION

Under the "Sustainable Automation" motto, we are focusing even more strongly than before on the growth drivers of sustainable transformation and automation.

1.4.2.1 Sustainability: Sustainable transformation

Sustainable transformation is becoming increasingly important as a motive for capital spending by our customers. They are striving to reduce their ecological footprint and switch to climate-friendly production processes to achieve their decarbonization goals. As a mechanical and plant engineering company, we are a key partner in this respect. We are systematically aligning our innovation efforts to improve energy and material efficiency alongside the electrification of our machinery and systems. In this way, we are well positioned to benefit from the growing business potential offered by sustainable production solutions, whether for greenfield installations or for the brownfield modernization of obsolete painting and production systems.

With our sustainability approach, we are not only improving the sustainability of production processes, but also supporting our customers by offering them technologies that allow them to produce sustainable products for a largely carbon-free society. The focus is on expanding business with production technologies for electric cars, battery cells, and climate-friendly timber houses. Detailed information on sustainability and the Dürr Group's new climate strategy can be found in reporting segment 7 → page 100.

1.4.2.2 Automation: our key technology

Automation technology provides the common technological basis for all the activities in our core business. Whether in painting, woodworking, or assembly and testing processes, the solutions that we develop for different industries and production tasks are characterized by high-level automation. We are specifically sharpening our strategic focus on this field of technology as we expect demand for automated production processes to grow in many industries. This reflects rising quantity and quality requirements, which cannot be met by manual processes, the shortage of skilled employees and rising labor costs, including in emerging markets. Added to this is the growing trend in favor of bringing production back to high-wage countries to overcome trade restrictions, decoupling, vulnerable supply chains, and delivery interruptions. Such reshoring strategies are dependent on the new locations being highly automated so that production is viable at a competitive cost.

1.4.3 STRATEGIC PORTFOLIO MANAGEMENT

We engage in portfolio management based on the guiding principle of "Sustainable Automation". In this way, we are strengthening our strategic focus on sustainability and automation as growth drivers and structuring the Group in such a way that we can permanently achieve our margin target of at least 8%.

Our portfolio management features two dimensions: On the one hand, we are optimizing our core business (Automotive and Woodworking divisions) so that they can achieve their respective margin targets in the best possible way. On the other hand, we are engaging in acquisitions and disposals to build up new business areas within our strategic focus and to sell businesses that are outside our focus.

1.4.3.1 Optimization of core business

The optimization of core business relates to painting and woodworking technology. In both business areas, we are adapting our organization and cost position to ensure optimum attention to customers, while achieving the margin targets consistently in the long term:

- In painting technology, the merger of plant engineering and application technology within the Automotive division on January 1, 2025, will unlock sales synergies while facilitating integrated product development, even more efficient project execution, and additional service business. This will allow us to support our customers more effectively, extend our lead over the competition, and leverage earnings potential.
- In the Woodworking division, we reduced fixed costs by around €50 million in 2024 through capacity adjustments. This reduction will be fully effective for the first time in 2025. At the same time, we are introducing a new organizational structure, which will improve customer service and make the division more agile, while reducing its complexity. The core of the new organization entails pooling furniture business in a single business unit rather than three as well as reorganizing the service business to generate more growth.

1.4.3.2 Acquisitions and disposals

In establishing new business areas, we are concentrating on high-growth market segments in which we can quickly gain a leading market position. We are currently doing this with automation business within the Industrial Automation division: Following three acquisitions (2023: BBS Automation Group, 2021: Teamtechnik and Hekuma), this business has now reached a critical size. By integrating and optimizing the acquired companies, we are tapping into their full margin potential step by step.

The disposals executed and initiated in 2024 are also honing our strategic focus. With the disposal of Agramkow's filling technology, we have sold a peripheral activity with low synergistic potential, thus releasing funds that can be put to use in the further development of our core business. We are pursuing a similar goal on a larger scale with the sale of our environmental technology business. This business is outside our automation focus and requires heavy spending to fund its further development. Therefore, we do not see ourselves as the ideal owner but want to release capital through the disposal for reallocation in line with our strategy and in the interests of our shareholders.

1.4.4 ESTABLISHED AND GROWTH BUSINESS

The disposal of environmental technology will mark the completion of the Dürr Group's reorganization as a focused mechanical and plant engineering company with three divisions and a clear focus on sustainable automation. The continuing operations can be divided into two categories, namely established business and growth business. This distinction allows us to classify our activities according to their maturity and growth opportunities.

1.4.4.1 Established business

Established business entails painting and final assembly technology for the automotive industry, balancing and tooling technology, as well as furniture production technology. We hold leading global market positions in these areas and expect them to generate moderate to medium sales growth between now and 2030. The main priority in established business is to secure profitability at the mid-cycle target level or – in the case of the woodworking and tooling business – to return to the mid-cycle target level. This will be achieved by targeted division-specific and Group-wide initiatives to strengthen earnings resilience, for example, through the margin-oriented value-before-volume strategy in automotive business, the expansion of service business, efficiency programs and increased localization in best-cost countries. The aforementioned reduction of around €50 million in fixed costs in the Woodworking division should also be fully reflected in earnings from 2025.

2.9 — GROWTH TARGETS FOR ESTABLISHED BUSINESS

Activity	Target sales growth by 2030 (CAGR[1])	Division
Painting systems, final assembly technology	0% to 2%	Automotive
Balancing and tooling systems	3% to 9%	Industrial Automation
Machinery for furniture production	3% to 9%	Woodworking

[1] CAGR: compound annual growth rate

1.4.4.2 Growth business

Growth business consists of three business areas with above-average growth potential. Aggregated sales from growth business reached approximately €710 million in 2024 and are expected to grow to €1.6 to €1.8 billion by 2030. In this way, the three growth business areas outlined below are to make the greatest contribution to the growth in Group sales to more than €6 billion.

1. Construction Elements Solutions: HOMAG is one of the largest suppliers of systems for the automated production of construction elements for climate-friendly timber houses. This business was adversely affected by the construction crisis in 2023 in particular, but had shown strong growth prior to that. Signs of a return to a growth trajectory emerged in 2024. In the medium and long term, we see great growth potential, as timber construction is sustainable and can be readily automated. This latter factor reduces construction times and provides a means of addressing shortages of skilled labor. Timber houses – also several stories high – are better suited for **series construction** → page 336 than conventional stone masonry buildings. This permits the easy construction of affordable housing and helps to solve one of the most pressing problems facing urban societies. As one of the largest operators in the industry, HOMAG stands for the industrialization of timber house construction. This trend is characterized by the construction of highly automated factories with an output of several thousand timber construction modules per year.

2. Production Automation Systems: In the Production Automation Systems business unit, we are developing a new business area with very good prospects for profitable growth. It has its roots in the acquisition of the automation specialists BBS Automation (2023) as well as Teamtechnik and Hekuma (both 2021). This business unit specializes in highly automated systems for assembling and testing mostly small products in very large quantities. This particularly includes components for electric drives and other automotive components, medical devices (for example, injection systems, inhalers) and consumer electronics products (such as electric toothbrushes). We see good prospects, especially in the medtech sector as the need for medical products is increasing as a result of growing populations and longer life expectancy. The automation solutions market that we are addressing is exhibiting medium to high single-digit growth rates. Customers are increasingly seeking to work with efficient automation partners, especially in connection with big-ticket contracts. We are benefiting from this by combining BBS Automation, Teamtechnik, and Hekuma.

3. Battery Production: Demand for battery factories is increasing. According to forecasts, the installed base for the production of lithium-ion batteries in Europe is set to grow from around 120 GWh in 2022 to 1,200 GWh in 2030. This market growth is opening up opportunities for us via business with complete lines for **electrode coating** → page 336. In addition to coating technology, we also supply drying and solvent-recovery systems. Our market focus is on Europe and North America, where we benefit from localization advantages over Asian competitors. At the end of 2024, a customer from Italy placed a major order with us for the construction of a gigafactory for battery cells for the first time. With the acquisition of the mechanical engineering company Ingecal (France) in 2023 and the partnership with LiCAP (United States), we are well positioned in wet coating, which is currently the dominant technology, and are also driving forward the development of dry coating as a future alternative. It consumes less energy, requires no solvents, and is also suitable for the production of solid-state batteries. Another platform for technological development is the partnership with the German mechanical engineering company Grob.

1.4.5 SYNERGIES AND AREAS OF EXPERTISE

The three divisions Automotive, Industrial Automation, and Woodworking are active in largely different markets but share key areas of expertise. In addition, they are exploiting synergistic potential under the umbrella of the Dürr Group.

1.4.5.1 Synergies

We are seeking to align our activities and structures in such a way that the Dürr Group as a whole is worth more than the sum of its parts. For this reason, we are specifically harnessing synergies under the umbrella of Dürr AG with the help of our OneDürrGroup approach. It aims to achieve cost advantages through the joint use of locations, IT systems, overhead competences, shared service centers, and financing, as well as the harmonization of certain processes, the realization of purchasing and sales synergies, and the shared use of software applications, digital products, and R&D results. In addition, the divisions support each other in their operations, for example in project management, through job rotation and the secondment of experts, as well as through the use of the Automotive division's key account sales system by the Industrial Automation division.

1.4.5.2 AREAS OF EXPERTISE

As a mechanical and plant engineering company, we offer our customers end-to-end technological solutions. We serve our customers on a long-term basis and in partnership projects. This calls for overarching core competences, strengths, and prerequisites that we develop as part of the strategy and that all divisions share:

- Innovation and engineering expertise for the development of leading-edge technological products (mechanics, electrical, software/AI)
- Project management expertise for the reliable execution of large, often multi-year contracts
- Service expertise to provide optimum support, to modernize our installed base, and to generate above-average contributions to earnings
- Localization: Efficient locations in all major markets, partly local product development
- Customer expertise: Detailed knowledge of our customers' production processes
- Teams and corporate culture: Highly qualified employees, encouragement of self-initiative, entrepreneurial approach, and commitment.

2.10 — GROWTH TARGETS FOR GROWTH BUSINESS

Activity	Sales in 2024	Sales target for 2030	Division
Construction Elements Solutions (Production technology for climate-friendly timber houses)	Approx. €150 million	Approx. €500 million	Woodworking
Production Automation Systems (Automation technology for e-mobility, medtech, and other industries)	Approx. €475 million	Approx. €800 million	Industrial Automation
Battery Production (Systems for electrode production)	Approx. €85 million	Approx. €300 to €500 million	Industrial Automation
Total	**Approx. €710 million**	**Approx. €1,600 to €1,800 million**	

1.5 Procurement

1.5.1 THE ROLE OF PROCUREMENT AT THE DÜRR GROUP

Producer prices fell in 2024 after having risen significantly in the two previous years. This contributed to a decrease in material expenses across the entire Group by 1.8% to €1,837.1 million, despite the increase in sales.

In plant engineering, aside from raw materials and semi-finished products, we also purchase installation, assembly, and engineering services, along with complete work segments, assemblies, IT components, and units. In mechanical engineering, we purchase many finished parts and pre-assembled modules. Some of the most frequently purchased products are drives, sensors, and controls. We exclusively manufacture certain core products ourselves to protect our know-how and ensure quality and on-time delivery.

The number of employees working in purchasing slightly decreased across the entire Group to around 675 at the end of 2024 (previous year: approximately 700). The purchasing managers of the divisions form the Global Sourcing Board which coordinates global procurement activities. Global lead buyers have purchasing responsibility for individual commodity groups and pool the requirements of multiple companies and divisions.

The Dürr Group works with almost 30,000 suppliers. When it comes to important commodity groups, we have framework agreements in place to achieve better terms through economies of scale, among other things. To ensure supplier availability, we forecast our needs in the sales stage, we set store by long-term capacity planning, and we closely monitor deadlines when dealing with suppliers.

1.5.2 PROCUREMENT MARKET DEVELOPMENT

In 2024, the procurement market continued to ease, although price trends showed a mixed picture. The prices of some materials relevant to us decreased compared to the previous year, while the prices of others remained at a high level. We saw the most pronounced fall in prices for raw materials such as steel. The availability of suppliers and materials improved significantly compared to previous years, which strengthened our negotiating position. Due to the higher availability of materials, delivery times decreased overall. However, the conflict in the Middle East led to an increase in delays from the third quarter of 2024 onward, as cargo ships had to take longer routes.

We have taken various measures to ensure that we can procure the products and raw materials we require in a timely manner and at optimal costs. Examples include shortening supply chains, regularly adjusting inventory reserves, increasing the **framework agreement ratio** → page 337 in line with demand, and extending game theory-based contract awards to other Group companies. We have also achieved more favorable payment terms through renegotiations with the 300 largest suppliers. In addition, we are reducing the number of single-source suppliers and are instead opting for second- or multiple-source strategies. This improves our negotiating position and prevents bottlenecks. Together with the R&D departments, the procurement team is working to reduce the complexity of products and components and to standardize them. This allows us to use more uniform parts with corresponding cost benefits.

1.5.3 FURTHER DEVELOPMENT OF PROCUREMENT PROCESSES

In 2024, the purchasing department began rolling out cloud-based supplier relationship management software for the entire Group. This software enables greater transparency regarding suppliers and purchasing volumes, Group-wide supplier evaluation, and faster response times in the event of changes in demand. Other core functions of the supplier relationship management software include central contract management, system-supported auctions and tenders, and the onboarding of new suppliers.

In addition, we have developed AI-based software in collaboration with partner companies, which enables the largely automated determination of greenhouse gas emissions in the supply chain. The Material Emissions app, introduced throughout the Group at the end of 2024, can generate suggestions for optimization based on the emissions identified, for example when selecting a supplier during the award process. The purchasing department is implementing further digitalization projects in areas such as process automation, data management, and **process mining** → page 336.

1.6 Research and development

1.6.1 R&D GOALS

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

1.6.2 R&D KEY FIGURES AND EMPLOYEES

Research and development expenses of the Group as a whole (continued operations and discontinued operation) decreased by 6.9% to €140.9 million in the 2024 fiscal year. The main reason for this was that the previous year's figure included extraordinary expenses for personnel measures. The R&D ratio (share of R&D expenditure in sales) amounted to 3.0% (previous year: 3.3%). Order-related development costs were recorded in the cost of sales rather than in the direct R&D costs. Capitalized development costs totaled €34.4 million, while their amortization amounted to €18.1 million. Measured against the direct R&D costs, a capitalization rate of 24.4% was achieved (previous year: 22.4%). The number of employees in our R&D departments decreased by 4.2% to 966 as of December 31, 2024. This was, among others, due to job cuts at Woodworking Machinery and Systems, and the disposal of the Agramkow Group. Besides the R&D departments, employees from other areas are also involved in the development of solutions to fulfill customer orders.

The divisions are responsible for their respective R&D work, and guidelines govern processes and detailed issues. The cross-functional team "R&D/Technology/Digital" coordinates cross-functional R&D activities and promotes the use of best-practice solutions across divisional boundaries. The development of new solutions accounts for around 70% of R&D expenditure, while just under 30% is spent on optimizing and modularizing existing products. Concrete solutions are the focus of our development work; basic research is inherently of minor importance in our business. In 2024, our R&D departments developed 48 product innovations. We collaborate with scientific institutes and development partners in order to gain impetus for our development work.

2.11 — R&D KEY FIGURES (GROUP AS A WHOLE)

		2024	2023
R&E expenditure	€ million	–140.9	–151.4
Group R&D ratio[1]	%	3.0	3.3
Paint and Final Assembly Systems	%	1.9	1.9
Application Technology	%	4.3	4.5
Industrial Automation Systems[2]	%	2.6	2.9
Woodworking Machinery and Systems	%	4.2	4.6
Clean Technology Systems[3]	%	1.1	0.8
Capitalized development costs	€ million	34.4	33.9
Amortization of capitalized development costs	€ million	–18.1	–14.6
R&D employees (Dec. 31)		966	1,008
R&D personnel costs	€ million	–100.1	–99.4

[1] Share of R&D expenditure in sales
[2] Including Lithium-Ion Battery business unit
[3] Excluding Lithium-Ion Battery business unit and allocation effects

2.12 — R&D EMPLOYEES 2024

	Group	Paint and Final Assembly Systems	Application Technology	Industrial Automation Systems[1]	Woodworking Machinery and Systems	Clean Technology Systems[2]
Total	966	140	206	135	472	13
% of divisional workforce	4.9	3.1	9.8	3.2	6.9	1.0

[1] Including Lithium-Ion Battery business unit
[2] Excluding Lithium-Ion Battery business unit and allocation effects

1.6.3 R&D FOCUS

In our innovation work, we take into account both customer requirements and superordinate technology and manufacturing trends. Particularly important trends are:

- **Sustainability:** Many customers have set ambitious climate targets. With our innovation work, we want to enable them to decarbonize their production and reduce their dependence on fossil fuels. That is why our development work focuses on the resource- and energy-efficient operation of our plants and the electrification of production processes.

- **Automation:** It is the key to reproducible top quality, making our customers less susceptible to labor shortage. We are exploiting automation potential throughout the Group, with particularly good opportunities in the Production Automation Systems business unit.

- **Digitalization:** We are constantly working on software solutions that are designed to increase system availability and sustainability, or save time. To achieve this, we are integrating artificial intelligence and simulations into our applications.

- **Customization:** Demand for individually configurable end products is rising. With our equipment, these can be manufactured efficiently on automated lines.

- **Optimization of per-unit cost:** We are developing products and processes with a reduced demand for material, energy, maintenance, and human resources. This helps our customers reduce their per-unit costs.

- **Overall Equipment Effectiveness:** We are constantly working to improve the overall effectiveness of our systems. Possible levers for this include increasing availability and production quality, reducing maintenance costs, and optimizing processes through digital applications.

- **Increased flexibility:** Established automotive manufacturers offer a wide range of models and variants, while new manufacturers in particular are looking for scalability in their production facilities. Therefore, we work on flexible concepts that avoid rigid process chains and are modularly expandable.

- **Electromobility:** The production of battery-powered vehicles requires, in part, special manufacturing systems. We are developing electrode coating technology for lithium-ion batteries, balancing technology for e-rotors, as well as painting, assembly, conveying and testing technology for electric cars.

- **Autonomous driving:** New vehicles are generally equipped with a range of driver assistance systems, and the automotive industry is also pushing ahead with autonomous driving. In order to maintain a safe distance in road traffic, for example, data is required that is provided by sensors. We are developing highly sensitive systems for calibrating and testing sensors and other safety-relevant technology at the end of the production line.

1.6.4 R&D RESULTS

1.6.4.1 Paint and Final Assembly Systems

EcoProWet is a newly developed pre-treatment system for car bodies in the painting process. Instead of several dip tanks, each serving only one process step (for example cleaning, degreasing, or building up the first corrosion protection layer), and always designed for the largest car body and its process time, the new system works with modular chambers arranged next to each other. Depending on the process step, the car body either moves into an immersion chamber, which is only flooded up to the respective car body height, or into a spray chamber with flexibly positionable and controllable nozzles. Both chambers enable dipping or spraying processes adapted to the car body type, saving energy and material thanks to the closed treatment rooms. In addition, several process steps can be carried out consecutively in the same chamber.

The Digital Factory of Dürr Systems has further developed **DXQ**plant.analytics. This software analyzes quality data in the painting process and, with the help of artificial intelligence, can detect correlations, for example if quality problems arise more frequently with a particular color. **DXQ**plant.analytics thus aims to enhance the overall equipment effectiveness of paint shops. In particular, newly added pattern recognition algorithms and extended defect root cause analyses, which recognize correlations between process parameters and quality defects, contribute to this. Other new functions include an active reporting system that informs the user of new findings by the software, a self-learning suggestion system that recommends measures to avoid quality defects, and a feedback function to assess the effectiveness of the measures.

1.6.4.2 Application Technology

Our so-called skiving tool increases the degree of automation in seam-sealing. Previously, sealing seams had to be smoothed manually at specific points of the body. This new development enables automatic skiving in a consistently high quality. It can be integrated into automated rework zones as well as retrofitted in existing sealing zones.

The new HTE technology (High Transfer Efficiency) maximizes the transfer efficiency rate during painting. It indicates how much paint is actually applied to the body – the higher the efficiency rate, the less paint is lost. Thanks to special components and adapted parameters, a lower atomizer speed, the halving of the painting distance, and lower high voltage, a transfer efficiency rate of 98% is possible under standardized test laboratory conditions. Under real conditions, the HTE technology achieves an efficiency rate of over 90% (previously 78%) when applying the clear coat, saving 132 grams of paint per car body.

1.6.4.3 Industrial Automation Systems

The BBS Automation Group has further developed its hairpin assembly system for the production of stators → page 336 for electric motors, with the result that so-called X-pin stators can now also be produced. These interlocked pins have a significantly lower overall height, thus offering various advantages. Power density is higher, while less copper is required and the stator does not need as much space.

With SchenckONE, we have had a new measuring system with improved functionalities, supporting apps, and cloud connection of the balancing machine for two years. Previously, it could only be used with selected machine types. That is why we developed a slide-in module with integrated SchenckONE measuring technology, with which we can easily replace existing measuring units. This means we can now offer SchenckONE for all systems in the core market of “Mechanical Engineering” in which rotors are balanced horizontally and manually – and even modernize customers’ existing legacy systems.

1.6.4.4 Woodworking Machinery and Systems

With the help of artificial intelligence and machine learning, the new “intelliStore AI – Offcuts” software from HOMAG ensures sustainably better warehouse management in wood processing. The software continuously evaluates warehouse data and independently decides where to automatically store the wooden offcuts, which were produced when sawing large panels, for an interim time. It thus ensures that as few offcuts as possible need to be restacked in order to obtain the required remnant piece. In this way, storage movements of wooden offcuts can be reduced by up to 40%.

With the Loopteq O-400, HOMAG has created a combined workpiece return and stacking system to enable customers to implement a greater degree of automation in furniture production. Workpiece return is seamlessly integrated within the control system of the relevant edge banding machine and is therefore easy to handle. Despite the compact design, even large workpieces with a length of just over three meters can be processed and stacked. This eliminates the need for heavy physical work and boosts efficiency.

1.6.4.5 Clean Technology Systems

The Clean Technology Systems division has developed a new dryer system for the production of electrodes for lithium-ion batteries. It is designed in such a way that heat loss over surfaces is significantly reduced. This not only produces significant energy savings, but also reduces solvent condensation, thus lowering operating costs. The customer-specific layouts of the new dryer system are planned using parametric design, which permits high flexibility with fewer planning resources.

The new GigaCoater expands the portfolio for coating electrodes for lithium-ion batteries. Previously, only electrode foils with a maximum width of 70 centimeters could be coated simultaneously on both sides. The new coating system is designed for foils of up to 120 centimeters in width. This means that the advantages of simultaneous two-sided coating can be used for the first time in the large-scale production of batteries as well.

1.6.5 DÜRR TECHNOLOGY COUNCIL

The Dürr Technology Council advises the Board of Management on innovation strategy and brings together scientific expertise, consulting skills, and senior management experience in the automotive and timber house construction, automation, and IT sectors. Its members in 2024 were:

- Ulrich Dietz (Chairman), Chairman of the Administrative Board of GFT Technologies SE
- Prof. Dr. Alexander Sauer, Director of the Fraunhofer Institute for Manufacturing Engineering and Automation
- Dr. Eberhard Veit, Managing Partner of Robert Bosch Industrietreuhand KG, former Chairman of the Management Board of Festo AG
- Prof. Dr. Thomas Weber, President of acatech and former member of the Board of Management of Daimler AG, responsible for research and development
- Prof. Andreas Heinzmann, Dean of Studies for the Master in Wood Technology at Rosenheim University of Applied Sciences and Managing Director of holzbau.tech GmbH

The Dürr Technology Council sees its role in accompanying our transformation from a traditional mechanical and plant engineering company to a technology group as an independent sparring partner. To this end, the Council balances the innovation strategy against current trends in production and advises the Board of Management on the potential of future technologies. If necessary, the members also exchange ideas with the heads of divisions and managers from various specialist areas.

In 2024, the Dürr Technology Council held three meetings. At the first meeting in April, Prof. Andreas Heinzmann introduced himself as a new member of the council. After a short presentation by the cross-divisional R&D team, various topics relevant to the future were discussed. The second meeting took place in June at the subsidiary Weinmann, which specializes in machines for timber house construction. After a tour of the factory, Prof. Andreas Heinzmann explained the market situation in timber house construction. At the last meeting in September at GFT Technologies SE in Stuttgart, the cooperation with the climate tech company right° was addressed, which aims to develop a transparent metric for assessing the climate impact of individual products. Other key topics included the battery business, dealing with artificial intelligence, and the development of a trend radar for all areas of the Group.

2 CORPORATE GOVERNANCE

2.1 Combined declaration on corporate governance

2.1.1 CORPORATE GOVERNANCE

The German Corporate Governance Code contains rules and recommendations for the responsible management and supervision of listed companies. Our current Declaration of Compliance (pursuant to Section 161 of the German Stock Corporation Act (AktG)) dated October 2, 2024, relates to the version of the Code published on June 27, 2022, which has not been revised since then. Prior to October 2, 2024, the Declaration of Compliance signed on September 27, 2023, was applicable. It was also based on the version of the Code dated June 27, 2022. We comply with all recommendations, with the exception of one deviation regarding the long-term incentive.

2.1.2 OTHER INFORMATION ON CORPORATE GOVERNANCE

The Declarations of Compliance and the full combined Declaration on Corporate Governance can be found at https://www.durr-group.com/en/investor-relations/corporate-governance/declaration-on-corporate-governance. To avoid duplication, the management report only includes selected content from the Declaration on Corporate Governance.

2.13 — RESPONSIBILITIES WITHIN THE BOARD OF MANAGEMENT BETWEEN JANUARY 1 AND DECEMBER 31, 2024

	Dr. Jochen Weyrauch (CEO)	Dietmar Heinrich (CFO)
Divisional/operational responsibility	▪ Paint and Final Assembly Systems ▪ Application Technology ▪ Clean Technology Systems ▪ Woodworking Machinery and Systems	▪ Industrial Automation Systems ▪ OneDürrGroup Programs
Corporate functions	▪ Corporate Human Resources (Employee Affairs Director) ▪ Corporate Communications ▪ Corporate Development ▪ Corporate Sustainability ▪ Purchasing	▪ Finance/Controlling/Internal Control System ▪ Legal Affairs/Patents/Insurance ▪ Treasury ▪ Taxes ▪ Internal Auditing ▪ Corporate Compliance ▪ Risk Management ▪ Investor Relations ▪ Global IT

2.14 — RESPONSIBILITIES WITHIN THE BOARD OF MANAGEMENT SINCE JANUARY 1, 2025

	Dr. Jochen Weyrauch (CEO)	Dietmar Heinrich (CFO)
Divisional/operational responsibility	▪ Automotive ▪ Woodworking ▪ Industrial Automation ▪ Clean Technology Systems Environmental	▪ OneDürrGroup Programs
Corporate functions	▪ Corporate Human Resources (Employee Affairs Director) ▪ Corporate Communications ▪ Corporate Development ▪ Corporate Sustainability ▪ Purchasing	▪ Finance/Controlling/Internal Control System ▪ Legal affairs/Patents/Insurance ▪ Treasury ▪ Taxes ▪ Internal Auditing ▪ Corporate Compliance ▪ Risk Management ▪ Investor Relations ▪ Global IT

2.1.2.1 Board of Management

The CEO and the CFO of Dürr AG manage the business and perform their responsibilities in accordance with the schedule of responsibilities drawn up by the Supervisory Board for the Board of Management. In 2024, the schedule of responsibilities shown in → overview 2.13 applied. Since January 1, 2025, a new schedule of responsibilities has been in place (→ overview 2.14), based on the modified divisional structure. Responsibility for the Industrial Automation division now lies with the CEO. Please also refer to chapter 1.1.2 → page 23.

2.1.2.2 Shareholdings and managers' transactions

We publish managers' transactions, i.e. securities transactions that must be reported pursuant to Article 19 of the Market Abuse Regulation (MAR), as soon as the company is notified. An overview is available at www.durr-group.com under Investors/Corporate Governance. As of December 31, 2024, the members of the Supervisory Board held 0.12% of Dürr AG's shares and the members of the Board of Management held 0.07% of the shares on the same date.

2.1.2.3 Women in executive positions: targets and implementation

We have fulfilled the legal requirements as follows:

- The Supervisory Board of Dürr AG includes four women. This equates a proportion of 33%, which fulfills the 30% minimum quota required by law.

- The Board of Management of Dürr AG consists of two men. In its resolution adopted on May 13, 2022, the Supervisory Board formulated the target of appointing a woman to the Board of Management by June 30, 2027, at the latest.

- The Board of Management's resolution adopted on June 2, 2022, sets out that the first management level below the Board of Management should in future include one woman and the second management level should include two women. The deadline for achieving these targets is June 30, 2027. At the end of 2024, there were no women on the first management level below the Board of Management, while five women were employed on the second management level.

Further information on diversity on the Board of Management and the Supervisory Board can be found in chapter 7.1.2 → page 101.

2.2 Disclosures pursuant to Sections 289a and 315a of the German Commercial Code (HGB)

- **Structure of subscribed capital**
  Dürr AG's subscribed capital is divided into 69,202,080 no-par value bearer shares with full voting rights. The rights and obligations associated with the shares are regulated by the German Stock Corporation Act (AktG). In September 2020, Dürr AG issued an unsubordinated, unsecured convertible bond with a volume of €150 million, maturing on January 15, 2026. Under certain conditions, this convertible bond can be converted into 4,757,690 new no-par value bearer shares with voting rights in Dürr AG. Early conversion by the investors is possible.

- **Restrictions on voting rights/transfer of shares and related agreements**
  The Board of Management is not aware of any agreements by shareholders of Dürr AG which contain restrictions relating to voting rights or the transfer of shares. Legal voting right limitations exist, for example, pursuant to Section 44 (1) (breach of disclosure obligations) of the German Securities Trading Act (WpHG) as well as Section 71b (rights attached to treasury shares of stock) and Section 136 (1) (exclusion of voting rights in the event of certain conflicts of interest) of the German Stock Corporation Act (AktG).

- **Direct or indirect shareholdings exceeding 10%**
  Heinz Dürr GmbH, Berlin, holds 26.2% of Dürr AG's capital stock (as of: December 31, 2024).

- **Shares conferring special rights**
  There are no shares in Dürr AG that confer special rights.

- **Control of voting rights if employees hold stock ownership plans and control rights are not directly exercised**
  There are no employee stock ownership plans where the control rights are not directly exercised by the employees.

- **Rules governing the appointment and replacement of members of the Board of Management**
  The applicable statutory rules are set out in Sections 84 and 85 of the German Stock Corporation Act (AktG) and in Section 31 of the German Co-determination Act (MitbestG). Dürr AG's Articles of Incorporation do not contain any provisions that diverge from the statutory rules. Article 6 (1) of the Articles of Incorporation also states that the Board of Management must consist of at least two members and that the appointment of deputy members of the Board of Management is admissible. Article 6 (2) states that the Supervisory Board may appoint one member of the Board of Management to be the Chair of the Board of Management and another member of the Board of Management to be the Deputy Chair.

- **Rules governing amendments of the Articles of Incorporation**
  Any amendments to the Articles of Incorporation are adopted by way of resolution at the annual general meeting. Unless otherwise mandatorily specified in the German Stock Corporation Act, the resolution is passed in accordance with Article 20 (1) of the Articles of Incorporation by a simple majority of the votes cast and – where a majority of the capital stock represented in the voting is required – by a simple majority of the capital stock represented in the voting. In accordance with Article 14 (4) of the Articles of Incorporation, the Supervisory Board is authorized to carry out amendments to the Articles of Incorporation that only relate to the wording. Pursuant to Article 5 of the Articles of Incorporation, the Supervisory Board is authorized upon utilization of the conditional or authorized capital to amend the wording of the Articles of Incorporation to reflect the extent of the utilization.

- **Powers of the Board of Management to issue or buy back shares**
  Information on this point can be found in → note 28 of the notes to the consolidated financial statements.

- **Powers of the Board of Management to acquire or sell treasury shares**
  Information on this point can be found in → note 28 of the notes to the consolidated financial statements.

- **Agreements in the event of a change of control following a takeover bid**
  Schuldschein loan: In the event of a change of control, the lenders have the right, according to the terms of our Schuldschein loan agreements, to demand redemption of the Schuldschein loan. A change of control occurs if one person or a majority of people acting in concert hold more than 50% of the shares, can control more than 50% of the voting rights and/or the company's course of business, and/or have the power to appoint more than 50% of the members of the Board of Management. The lender of the Schuldschein loan has the right to demand redemption within 30 days of the notification of the change of control by the borrower. Redemption is due by the next interest payment date.

  Syndicated loans: In accordance with the terms of our syndicated loan agreed in 2019, which was expanded and extended in 2023, no additional cash drawings can be made and no guarantees can be applied for in the event of a change of control. In addition, any lender has the right to terminate its credit commitments, which could result in the syndicated loans having to be repaid in part or even in full. The agent representing the interests of the respective banking syndicate must be informed about a change of control immediately after it becomes known. A change of control occurs if in total, directly or indirectly, more than 50% of the voting rights in Dürr AG are held or controlled by one or more persons who have come to an accord on the exercise of voting rights or who collaborate in some other manner with the aim of achieving a permanent and substantial change in the business focus of Dürr AG.

Convertible bond: In the event of a takeover bid or a change of control, the terms of the convertible bond entitle bondholders to exercise their conversion right at the adjusted conversion price (as defined in the terms of the convertible bond) within a certain period of time. A change of control occurs if an acquisition of control takes place or a mandatory offer is published in accordance with Section 35 (Subsection (2), Sentence (1)), Section 14 (Subsection (2), Sentence (1)) of the German Securities Acquisition and Takeover Act (WpÜG). An acquisition of control has occurred if one or several specific persons acquire the direct or indirect, legal and/or economic ownership of ordinary shares (section 29, subsection (2), Section 30 of the German Securities Acquisition and Takeover Act) in Dürr AG, which together grant 30% or more of the voting rights. Furthermore, in the event of an acquisition of control or a transferring merger (section 2 or Section 122a of the German Reorganization Act (UmwG)), the bond can be terminated (prematurely) by a bondholder in accordance with the terms defined in more detail in the terms of the convertible bond.

- **Agreements providing for compensation in the event of takeover bids**
  There are no agreements providing for compensation in the event of takeover bids.

3 BUSINESS REPORT

3.1 Economic and sector environment

3.1.1 SOLID GLOBAL ECONOMIC GROWTH IN 2024 DESPITE CHALLENGING UNDERLYING CONDITIONS

The global economy proved resilient in 2024. Despite a challenging environment characterized by muted macroeconomic conditions, trade conflicts, and geopolitical tensions, global GDP growth reached 3.2%, thus stabilizing at the previous year's level of 3.3%, according to the International Monetary Fund. Among the industrialized countries, the United States in particular recorded solid growth, while the Eurozone expanded at only a moderate rate. At the same time, the Asian economies, especially China and India, drove global growth. However, momentum slowed significantly to some extent in both regions as compared to the previous year. The German economy remained in a recession in 2024, contracting by 0.2%. High energy costs, bureaucracy, and weak export business exerted pressure on companies and triggered a prolonged economic slowdown in Germany.

2.15 — GROSS DOMESTIC PRODUCT

Year-on-year change, %	2024	2023
Global	3.2	3.3
Germany	–0.2	–0.3
Eurozone	0.8	0.4
Russia	3.8	3.6
United States	2.8	2.9
China	4.8	5.2
India	6.5	8.2
Japan	–0.2	1.5
Brazil	3.7	3.2

Source: International Monetary Fund 01/2025

In 2024, geopolitical and monetary factors played a decisive role in the foreign exchange market. The euro/US dollar exchange rate was subject to some volatility, not least of all due to the central bank interest rate cuts. The US dollar benefited from a more robust domestic economy compared to the Eurozone. In addition, mounting geopolitical conflicts heightened demand for the greenback as a safe haven. In the second half of the year, the euro stabilized again, before the outcome of the presidential elections gave the US dollar another boost at the end of the year. Over the year as a whole, the European single currency weakened slightly against the US dollar. At 1.0808, the average exchange rate was only slightly down on the previous year.

2.16 — AVERAGE EXCHANGE RATES

€1 equals	2024	2023
USD	1.0808	1.0834
GBP	0.8449	0.8688
JPY	163.9892	153.3167
CNY	7.6927	7.6447

Source: Commerzbank

3.1.2 MONETARY POLICY REVERSAL: ECB AND FED CUT KEY INTEREST RATES SEVERAL TIMES

The current yield on fixed-income securities in Germany dropped slightly to 2.41% in 2024 (2023: 2.52%). Over the course of the year, inflation in the advanced economies subsided significantly, standing at 2.4% in the Eurozone and 2.6% in the United States at the end of the year. This prompted central banks to abandon their restrictive monetary policies and lower key interest rates. The European Central Bank trimmed its rates from 4.50% to 3.15% in four steps from June, while the US Federal Reserve made a total of three interest rate cuts to a range of 4.25% to 4.50% between September and December, down from 5.25% to 5.50%.

Against the backdrop of the generally solid global economy and falling key interest rates, international stock markets performed very well overall in 2024. In times of persistent uncertainty, institutional investors sought securities that were as liquid as possible, which benefited the benchmark indices in particular. Many of the main global stock indices reached new highs. The DAX exceeded the 20,000-point mark for the first time, closing the year with a gain of +18.8%.

3.1.3 AUTOMOTIVE PRODUCTION FLAT AT THE PREVIOUS YEAR'S LEVEL

At 90.2 million, global automotive production (passenger cars and light commercial vehicles) in 2024 nearly stagnated at the previous year's level (90.8 million units) according to automotive data provider GlobalData. The main reason for this was buying restraint in individual regions due to economic uncertainty. The major automotive markets painted a mixed picture: While production output in Western Europe contracted slightly, it remained more or less stable in North America compared to the previous year. In Asia, production even increased slightly, primarily underpinned by China.

2.17 — PRODUCTION OF LIGHT VEHICLES

Million units	2024	2023
Global	90.2	90.8
Western Europe	10.4	11.2
Germany	4.3	4.3
Eastern Europe	7.1	6.8
of which EU countries	4.1	4.1
North America (incl. Mexico)	15.4	15.6
United States	10.2	10.3
South America	3.0	2.9
Brazil	2.4	2.2
Asia	52.2	51.9
China	30.3	29.1
Japan	7.9	8.6
India	5.6	5.4
South Korea	4.1	4.2

Source: GlobalData 02/2025

The number of electric vehicles produced continued to rise. According to GlobalData, 11.5 million electric vehicles were produced worldwide in 2024, equivalent to a year-on-year increase of around 9%. At the same time, the ramp-up of electromobility lost momentum given that a growth rate of around 30% had still been recorded in 2023. Continued high acquisition costs and the limited availability of electric vehicles in the small car segment, among other things, dampened consumer demand.

3.1.4 ORDERS IN THE MECHANICAL AND PLANT ENGINEERING SECTOR STILL MUTED

Following mixed conditions in the previous year, persistent spending restraint on the part of customers continued to take its toll on the German manufacturers of capital goods in 2024. Equipment spending in Germany contracted by around 2%, with the German Mechanical and Plant Engineering Association (VDMA) estimating a decline in order intake of 8% for the year as a whole, adjusted for price effects. According to VDMA, machinery production in Germany contracted by 8% in real terms. The industry association called for more political reforms to strengthen competitiveness and to trigger an economic recovery.

3.1.5 MARKET FOR WOODWORKING MACHINERY WITH PRONOUNCED WEAKNESS IN DEMAND

As a result of the pronounced macroeconomic slowdown in demand, sales in the secondary woodworking machinery segment fell by 17% in real terms compared to the previous year, according to VDMA. Order intake in 2024 fell short of the already muted previous year, shrinking by 6% on a price-adjusted basis. This reflected sluggish demand in the construction and furniture industries. On a positive note, preliminary signs of an economic turnaround in the woodworking industry in the course of 2025 strengthened toward the end of the year.

3.2 General statement by the Board of Management and target achievement

This section compares the key performance indicators achieved in 2024 with the projected figures. The reported figures shown here refer to the entire Group, including environmental technology business, as this was also included in the forecast published in February 2024. In section 3.3 → page 53, on the other hand, we mainly analyze the performance of the continued operations excluding the environmental technology business, which has been classified as discontinued operation. → Table 2.19 shows how the continued operations on the one hand, and the discontinued environmental technology business on the other, contributed to the performance indicators for the entire Group in 2024 and 2023.

In view of the challenging external conditions, we assess our business performance in 2024 as largely positive. While the situation in the automotive industry was characterized by transformation pressure, a slow development in electromobility, and flat production output, the market weakness that had persisted since the end of 2022 continued to afflict woodworking machinery business. This was exacerbated by political uncertainty due to the wars in Ukraine and the Middle East, the presidential elections in the United States, and government crises in Western Europe. Despite this unfavorable environment, our business generally showed robust development, and we managed to meet or exceed virtually all our KPI targets. The main basis for this was the strong performance of our automotive core business, which was characterized by very strong order intake and good margins. In addition to managing the operating business, we advanced the Group's strategic development in 2024 with targeted decisions and new developments. Key steps included, for example, the establishment of the Automotive division, resulting in a simplification of the Group structure, the disposal of the Agramkow Group and the decision to put environmental technology business up for sale. Further information can be found in section 1.4 → page 34.

At €5,137.2 million, total Group order intake reached a new record in 2024, slightly exceeding the top end of the target corridor (€4,600 to €5,000 million). This was due to strong demand in traditional automotive business, where we benefited from the obsolescence of many paint shops and were awarded extensive modernization contracts, including one exceptionally large project by a German automotive OEM. One important motive for capital expenditure in the automotive industry was the adoption of energy-efficient painting processes. These form the central prerequisite for sustainable production and the decarbonization of automotive plants. In other areas as well, the transformation toward a climate-friendly economy generated orders, for example in battery production technology, for which we received our first large order. Order intake in the woodworking industry remained well below the record figures of 2021 and 2022 but more or less repeated the figure achieved in 2023. In the automation business pursued by Industrial Automation Systems, orders fell short of the original expectations due to lower capital expenditure on assembly and testing systems for the relevant drive components in the wake of subdued sales of electric vehicles.

At €4,698.1 million, total Group sales reached the lower end of the forecast corridor (€4,700 to €5,000 million) but, with an increase of only 1.5%, fell short of our expectations. The main reason for this subdued performance was the significant decline in sales (down 13.0%) that had been expected for Woodworking Machinery and Systems following the muted order intake in the previous year. This was compounded by two other factors: For one thing, some major automotive projects progressed more slowly than planned due to customer-induced delays. For another, Industrial Automation Systems contributed appreciably lower sales than forecast at the beginning of the year due to the subdued order intake. On an encouraging note, the share of service business in sales increased to 28.5% (previous year: 28.3%).

Our main profitability indicator for the overall management process is the EBIT margin before extraordinary effects. At 5.5% for the Group as a whole, it reached the upper end of the target range of 4.5% to 6.0%, thus matching our expectations. The earnings situation in the automotive business of the Paint and Final Assembly Systems and Application Technology divisions is very favorable. Here, the profit-oriented value-before-volume strategy that we have been pursuing in our sales activities since 2022 is increasingly bearing fruit. The Clean Technology Systems division also harnessed its earnings potential, posting an outstanding EBIT margin of 8.2% before extraordinary effects. The fact that the margin for the Group as a whole nevertheless fell short of the previous year's figure of 6.1% was mainly due to lower earnings at Woodworking Machinery and Systems. This was attributable to the demand-induced decline in sales. Even so, the earnings decline remained within the expected range thanks to disciplined cost management and significant reductions in fixed costs. In the medium term, the fixed cost position improved by around €50 million should help the division to approach its target margin of around 10%.

At 4.4%, the EBIT margin also reached the top half of the forecast range. Reaching €51.9 million (previous year: €89.0 million), the net extraordinary expenses included in EBIT fell significantly, only slightly exceeding the originally announced figure of €45 million. The total Group earnings after tax of €102.1 million reached the target corridor but were down somewhat on the previous year. They benefited from the lower extraordinary expenses. At the same time, however, they were impacted by the decline in earnings at Woodworking Machinery and Systems, a deterioration in financial result to €-40.0 million, and increased tax expense as a result of higher tax provisions.

At 14.5%, ROCE was in the target range of 12% to 17% but lower than in the previous year (17.5%). This was due to the reduced EBIT before extraordinary effects attributable to the smaller earnings contribution by Woodworking Machinery and Systems, while capital employed increased.

Capital expenditure rose by 20.1% to €188.7 million, reaching a significantly higher level than in previous years. The ratio to sales increased from 3.4% to 4.0%, thus achieving the upper end of the forecast range of 3.0% to 4.0%. The main reason for this increase was the multi-year investment program to boost efficiency at HOMAG, particularly the construction of a new plant in Poland and a logistics center at the headquarters in Schopfloch.

For the fifth consecutive year, free cash flow exceeded the €100 million mark and, at €156.9 million, was higher than in the previous year. This reflected the fact that we recorded customer payments in the high double-digit million euro range at the end of 2024, the receipt of which was not planned until 2025. This pull-forward effect allowed us to make up for the increased investments and cash outflow required for the job cuts at HOMAG, while at the same time exceeding the free cash flow forecast of €0 to €50 million.

Net financial debt fell to €396.2 million at the end of 2024, after rising to €516.6 million at the previous year's reporting date as a result of the acquisition of the BBS Automation Group. In February 2024, we had projected net financial debt of €540 to €590 million for the end of the year. This forecast was adjusted to €500 to €550 million in April to reflect the impending proceeds from the sale of the Agramkow Group. The higher figure at the end of the year is due to the high free cash flow.

2.18 — TARGET ACHIEVEMENT IN 2024 FOR THE GROUP AS A WHOLE (INCL. DISCONTINUED OPERATION)

		2023 act.	2024 act.	2024 target (Forecast February 2024)	2024 target (Most recent forecast)
Order intake	€ million	4,615.5	5,137.2	4,600 to 5,000	4,600 to 5,000
Sales	€ million	4,627.3	4,698.1	4,700 to 5,000	4,700 to 5,000
EBIT margin before extraordinary effects	%	6.1	5.5	4.5 to 6.0	4.5 to 6.0
EBIT margin	%	4.1	4.4	3.5 to 5.0	3.5 to 5.0
ROCE[1]	%	17.5	14.5	9 to 14	12 to 17
Earnings after tax	€ million	110.2	102.1	90 to 150	90 to 150
Free cash flow	€ million	129.3	156.9	0 to 50	0 to 50
Net financial status (December 31)	€ million	–516.6	–396.2	–540 to –590	–500 to –550[2]
Capital expenditure	€ million	157.1	188.7		
	% of sales	3.4	4.0	3.0 to 4.0	3.0 to 4.0

[1] Recalculated on the basis of the new ROCE definition (see section 1.2 "Explanatory notes on the figures", page 30), corresponds to the original forecast of 9% to 14% on the basis of the previous definition.
[2] Forecast adjusted on April 25, 2024

2.19 — GROUP AS A WHOLE, CONTINUED OPERATIONS AND DISCONTINUED OPERATION

		2023 act.			2024 act.		
		Continued operations	Discontinued operation	**Group as a whole**	Continued operations	Discontinued operation	**Group as a whole**
Order intake	€ million	4,182.8	432.6	4,615.5	4,745.7	391.5	5,137.2
Sales	€ million	4,196.0	431.3	4,627.3	4,290.9	407.2	4,698.1
EBIT margin before extraordinary effects[1]	%	5.3	13.0	6.1	4.6	15.2	5.5
EBIT margin[1]	%	3.3	12.0	4.1	3.6	13.2	4.4
ROCE[1, 2]	%	14.8	66.5	17.5	11.4	102.5	14.5
Earnings after tax[1]	€ million	71.0	39.2	110.2	62.4	39.7	102.1
Free cash flow	€ million	60.9	68.4	129.3	129.6	27.3	156.9
Net financial status (December 31)	€ million	–	–	–516.6	–	–	–396.2
Capital expenditure	€ million	–	–	157.1	–	–	188.7
	% of sales	–	–	3.4	–	–	4.0

[1] The charges from allocation effects (€–16.7 million) affecting the discontinued operation are included in the earnings figures for the continued operations.
[2] Recalculated on the basis of the new ROCE definition (see section 1.2 "Explanatory notes on the figures", page 30), corresponds to the original forecast of 9% to 14% on the basis of the previous definition.

3.2.1 DIVISION TARGETS

This section compares the reported and target figures for the divisions. As the targets published on February 27, 2024, referred to the composition of the divisions on that date, we compare the target figures with the comparable reported values for 2024. This means that the Lithium-Ion Battery business unit is included in the figures for Clean Technology Systems and not in the Industrial Automation Systems division.

In the half-year and nine-month interim reports, we made selective changes to the division forecasts. On August 8, 2024, the margin target for Clean Technology Systems was raised and the sales and margin targets for Industrial Automation Systems lowered. On November 7, 2024, we widened the target corridor for order intake at Application Technology but narrowed it for Industrial Automation Systems. The following analysis of target achievement compares the reported figures with the targets specified on November 7, 2024. A comparison with the original targets of February 27, 2024, can be found in → **table 2.20**.

Paint and Final Assembly Systems recorded an exceptionally strong order intake of €1,804.7 million, exceeding the forecast of up to €1,600 million by almost 13%. Marked by a very large order for the construction of a sustainable paint shop in Germany, the first quarter was the strongest. At €1,393.3 million, sales fell slightly short of the lower end of the target corridor. The slower-than-planned progress of some major automotive projects on the customers' side hindered higher sales recognition. At 7.4%, the EBIT margin before extraordinary effects was very good, exceeding the previous year by 2.3 percentage points as well as the target corridor of 6.0% to 7.0% and the minimum threshold for the mid-cycle target of 6%.

Driven by strong demand in the automotive industry, Application Technology closed 2024 with an outstanding order intake of €808.3 million. This set a new record for the division, which surpassed both the original forecast and the forecast that had been adjusted upward in November. Sales also climbed to a new record (€670.9 million), landing exactly at the upper end of the target range. At 10.4%, the EBIT margin before extraordinary effects exceeded the threshold of 10% and was in the upper range of the forecast of 9.5% to 10.5%.

Business performance at Industrial Automation Systems was marked by spending restraint on the part of the automotive industry for assembly and testing systems of electric drive components. Against this backdrop, the order intake of €671.3 million and sales of €765.4 million remained slightly below the scaled-back target ranges for 2024. At 4.6%, the EBIT margin before extraordinary effects also fell short of the target. In addition to muted sales, this was caused by isolated irretrievable receivables and low-margin legacy orders in automation business. We see considerable margin potential in automation technology and particularly plan to tap this through the integration of BBS Automation and Teamtechnik as well as the expansion of the medtech business.

Woodworking Machinery and Systems business met our expectations. Order intake continued to be dragged down by muted market conditions in the furniture and timber construction sector but, at €1,356.9 million, came close to the previous year's figure and reached the upper half of the target range. Sales dropped by 13.0% to €1,413.5 million due to the lower orders in the previous year, thus falling by the expected amount. The lower sales also caused the EBIT margin before extraordinary effects to contract sharply. However, at 3.6% it was at the upper end of the target range of 2.0% to 4.0%.

At Clean Technology Systems, the order intake of €542.2 million easily reached the target corridor. The highest contribution came in the final quarter, when the division secured a major battery production technology contract for the first time. At €496.6 million, sales remained slightly below the target range of €510 to €550 million, reflecting the delay in some project awards in the battery business. Despite the moderate volume development, the EBIT margin before extraordinary effects reached a peak of 8.2%. As a result, the division exceeded both the full-year target that had been adjusted upward in August and its mid-cycle target. The main reason for this was the good earnings in service business, reliable project execution, and the high demand for noise abatement technology.

2.20 — TARGET ACHIEVEMENT OF THE DIVISIONS 2024

	Order intake (€ million)			Sales (€ million)			EBIT margin before extraordinary effects (%)		
	act. 2024	2024 target (February 2024 forecast)	2024 target (most recent forecast)	act. 2024	2024 target (February 2024 forecast)	2024 target (most recent forecast)	act. 2024	2024 target (February 2024 forecast)	2024 target (most recent forecast)
Paint and Final Assembly Systems	1,804.7	1,450 – 1,600	1,450 – 1,600	1,393.3	1,400 – 1,500	1,400 – 1,500	7.4	6.0 – 7.0	6.0 – 7.0
Application Technology	808.3	600 – 650	750 – 800[3]	670.9	620 – 670	620 – 670	10.4	9.5 – 10.5	9.5 – 10.5
Industrial Automation Systems[1]	671.3	800 – 900	700 – 800[3]	765.4	820 – 920	770 – 870[4]	4.6	7.0 – 8.0	6.5 – 7.5[4]
Woodworking Machinery and Systems	1,356.9	1,200 – 1,400	1,200 – 1,400	1,413.5	1,350 – 1,450	1,350 – 1,450	3.6	2.0 – 4.0	2.0 – 4.0
Clean Technology Systems[2]	542.2	530 – 580	530 – 580	496.6	510 – 550	510 – 550	8.2	6.0 – 7.0	7.0 – 8.0[4]

[1] Excluding the Lithium-Ion Battery business unit
[2] Including the Lithium-Ion Battery business unit and allocation effects
[3] Forecast adjusted on November 7, 2024
[4] Forecast adjusted on August 8, 2024

3.2.2 GROUP MANAGEMENT PARAMETERS

The main financial performance indicators for Group management are order intake, sales, EBIT margin before extraordinary effects, **ROCE** **→ page 337** and – particularly at the Group level – **free cash flow** **→ page 337**. An analysis of the financial performance indicators can be found in the chapter entitled "Operating performance indicators" in section 3.4 **→ page 65**. This chapter also contains information on the non-financial performance indicators. For non-financial topics and performance indicators, please also take note of the disclosures in reporting segment 7 **→ page 100**.

3.2.3 MAIN EVENTS DRIVING BUSINESS PERFORMANCE

In 2024, we benefited from several large orders from the automotive industry, with customers replacing old paint shops with modern, sustainable systems. These orders are of a strategic nature and implement long-term investment goals, as the decarbonization of automotive plants is increasingly gaining in importance. The automotive industry exhibited greater restraint in spending on machinery and production systems with shorter delivery times. This was particularly the case with automated systems for the production of electric drives, as electromobility is progressing more slowly than expected. In terms of margins, the value-before-volume strategy that we have been pursuing in automotive business since 2022 has had an increasingly positive impact. Business in woodworking technology was again impacted by customer spending restraint. However, we were able to largely compensate for the resulting loss of sales and earnings due to the good business performance of long-term automotive business.

3.3 Business performance

The business figures shown below generally refer to continued operations. This also applies to the comments in the text, with exceptions marked accordingly.

3.3.1 14% INCREASE IN ORDER INTAKE

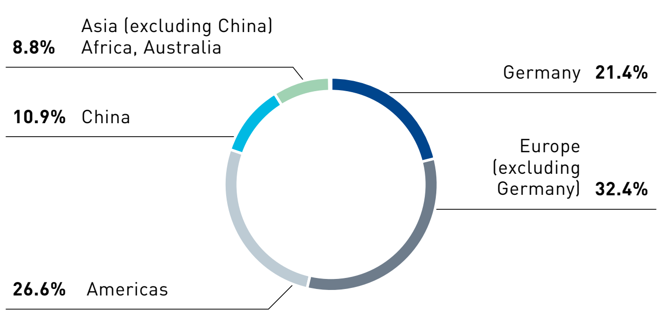
Order intake from continued operations rose by 13.5% to €4,745.7 million in 2024, thus reaching a high level. The main reason for this were extensive investments on new painting systems in the automotive industry. The bulk of this entailed replacement investments, as many paint shops are obsolete and in need of modernization. Energy efficiency and sustainability play an important role in modernization investments: As the painting process accounts for more than 40% of the energy required in automotive production, the transition to low-consumption or green-powered painting processes is an important factor in the decarbonization of automotive production.

The increase in order intake was mainly driven by organic growth in Paint and Final Assembly Systems and Application Technology. The BBS Automation Group and Ingecal were consolidated for the full year for the first time, contributing combined new orders of €317.5 million (2023: €82.4 million). This led to a significant increase in order intake at Industrial Automation Systems (up 29.3%), while the sale of the Agramkow Group, which was assigned to the same division, during the year had a slightly negative impact. Woodworking Machinery and Systems stabilized its order intake at just under the previous year's level, which had been characterized by heavy declines following the record year of 2022 and a singular large order at the end of the year.

Adjusted for exchange rate changes, order intake from continued operations would have been €32.4 million or 0.7% higher. Total Group order intake, which includes continued operations as well as the discontinued operation, rose to a new record of €5,137.2 million in 2024. At around €1.3 billion, order intake for production technology for electric vehicles reached a new high.

Regionally, the strong growth in Germany (up 79.0%) is particularly evident, reflecting an exceptionally large project for the construction of a sustainable paint shop. New orders also increased significantly in other European countries and in America (up 17.3% and 28.6%, respectively) thanks to major painting technology projects. We were also awarded an important big-ticket contract in South Korea. Nevertheless, order intake in Asia (excluding China), Africa, and Australia fell by one third after a very large order in the Arab region had generated strong growth in the previous year. In China, order intake fell by 26.3%, partly as a result of the generally subdued macroeconomic conditions. At 33.7%, order intake in the emerging markets was relatively muted (2023: 46.3%) as a result of the strong growth in European orders, among other things.

2.21 — CONSOLIDATED ORDER INTAKE BY SALES REGION[1]



€ million	2024	2023
Germany	1,014.1	566.5
Europe (excluding Germany)	1,536.6	1,310.3
Americas	1,260.8	980.6
China	518.8	704.0
Asia (excluding China), Africa, Australia	415.4	621.5
Group	**4,745.7**	**4,182.8**

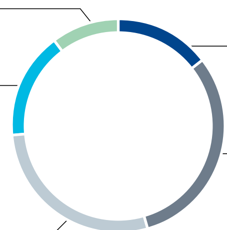
[1] Continued operations

3.3.2 SALES OF €4.3 BILLION

Sales showed moderate growth of 2.3%, climbing to €4,290.9 million. It should be borne in mind that, as expected, the largest division, Woodworking Machinery and Systems, recorded a significant decline of €211.6 million (down 13.0%) in sales as a result of the previous year's muted order situation. On the other hand, Industrial Automation Systems recorded an increase in sales of a similar scale (€212.8 million), especially since the BBS Automation Group and Ingecal were included for the full year for the first time. In the case of Paint and Final Assembly Systems, sales rose by a modest 2.2% despite the strong order intake. The decisive factor here was that some customers in the automotive industry are executing projects more slowly than originally planned. Despite the customer-induced delays, Application Technology was able to increase its sales by 9.3%.

The BBS Automation Group and Ingecal contributed combined sales of €336.9 million in 2024. Changes in exchange rates had only a minor impact; at constant exchange rates, sales from continued operations would have been 0.7% higher. Including the discontinued operation in addition to continued operations, the Group as a whole generated sales of €4,698.1 million.

2.22 — CONSOLIDATED SALES BY SALES REGION[1]



€ million	2024	2023
Germany	624.1	703.4
Europe (excluding Germany)	1,340.4	1,280.1
Americas	1,199.2	1,206.9
China	699.2	687.4
Asia (excluding China), Africa, Australia	427.9	318.3
Group	**4,290.9**	**4,196.0**

[1] Continued operations

A regional breakdown reveals a strong 34.5% increase in sales in Asia (excluding China), Africa and Australia, which resulted from the execution of the big-ticket painting technology contract received in the previous year in the Arab region. For the same reason, sales in the emerging markets also climbed by 10.1% to €1,868.1 million. Sales in other European countries rose by 4.7%, mainly due to the execution of large projects in Eastern Europe. Germany experienced a temporary decline of 11.3%. On the one hand, this was due to the fact that the major painting technology project that had been awarded in the first quarter of 2024 has a long execution period and made only a small contribution to sales in the year under review. On the other, the demand-induced muted sales at Woodworking Machinery and Systems left their mark. In the Americas, sales remained virtually unchanged as compared to the previous year.

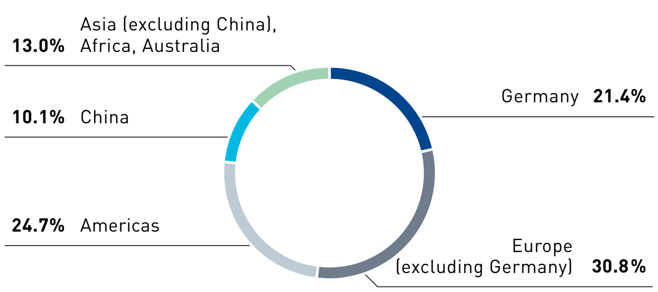
At 3.0%, sales from service business increased at a slightly faster pace than total sales from continued operations, reaching €1,184.3 million. Consequently, at 27.6%, the proportion of service business was slightly higher than in the previous year (27.4%). The increased volume of service business was underpinned by minor growth in all four divisions. It should be emphasized that Woodworking Machinery and Systems service business continued to grow despite the difficult market environment and the significant decline in the division's sales. Gross profit from service business increased much more than sales, leading to a noticeable improvement in the gross margin on service business compared to the previous year.

3.3.3 ORDER BACKLOG OF €4.2 BILLION

Reflecting the high order intake, the book-to-bill ratio stood at 1.11 despite the higher sales. The order backlog from continued operations reached a high level of €4,160.6 million as of December 31, 2024, equivalent to an increase of 7.0% as compared to the end of 2023. It should be borne in mind that the order backlog shrank by almost €20 million during the year as a result of the sale of the Agramkow Group. Currency-translation effects also had a slight mitigating effect. In addition, we ceased recognizing legacy orders worth around €200 million in 2024. In addition to a small number of customer cancellations, these were mainly voluntary derecognitions for reasons of commercial prudence. This mainly concerned legacy orders in the Chinese e-mobility sector, which had been received in 2020 and 2021 and were mainly attributable to Paint and Final Assembly Systems. The derecognition of these orders did not have any effect on sales or earnings. In the Group as a whole (continued operations plus discontinued operation), orders on hand were valued at €4,452.2 million as of December 31, 2024.

The order backlog contains various major projects with execution periods of several years. Accordingly, a significant part of these will have very little or no effect on 2025 sales figures. Based on the average monthly sales from continued operations in 2024 (€357.6 million), the order backlog results in a forward range of 11.6 months. Paint and Final Assembly Systems has a very large forward order book of almost 1.5 years. At just under 7 months, it is the shortest for Woodworking Machinery and Systems.

2.23 — CONSOLIDATED ORDER BACKLOG (DECEMBER 31) BY SALES REGION[1]



€ million	2024	2023
Germany	889.8	510.2
Europe (excluding Germany)	1,283.3	1,118.3
Americas	1,025.9	962.1
China	422.3	718.7
Asia (excluding China), Africa, Australia	539.3	577.6
Group	**4,160.6**	**3,886.9**

[1] Continued operations

2.24 — STATEMENT OF PROFIT OR LOSS AND PROFITABILITY RATIOS

		2024	2023
Sales	€ million	4,290.9	4,196.0
Cost of sales	€ million	–3,387.9	–3,294.8
of which material costs	€ million	–1,671.4	–1,678.3
of which personnel costs	€ million	–878.5	–834.1
of which depreciation and amortization	€ million	–114.3	–87.5
Gross profit	€ million	903.0	901.3
Overhead costs[1]	€ million	–770.0	–759.7
EBITDA	€ million	307.5	261.9
EBIT	€ million	152.4	139.8
EBIT before extraordinary effects[2]	€ million	196.0	224.3
Financial result	€ million	–40.0	–20.9
EBT	€ million	112.4	118.9
Income taxes	€ million	–50.0	–47.9
Earnings after tax from continued operations[3]	€ million	62.4	71.0
Earnings after tax from discontinued operation[3]	€ million	39.7	39.2
Earnings after tax[4]	€ million	102.1	110.2
Earnings per share (basic)[4]	€	1.47	1.62
Earnings per share (diluted)[4]	€	1.41	1.55
Gross margin	%	21.0	21.5
EBITDA margin	%	7.2	6.2
EBIT margin	%	3.6	3.3
EBIT margin before extraordinary effects[2]	%	4.6	5.3
EBT margin	%	2.6	2.8
Interest coverage		3.8	5.7
Net financial liabilities to EBITDA[5]		1.3	1.6
Tax rate	%	44.5	40.3
Return on equity[4]	%	8.3	9.4
Return on investment[4]	%	3.6	3.3
ROCE[3]	%	11.4	14.8

[1] Selling, administration, and R&D expenses
[2] Extraordinary effects in 2024: €–43.7 million (2023: €–84.4 million)
[3] The charges arising from allocation effects (€–16.7 million) that relate to the discontinued operation are included in earnings after tax from continued operations.
[4] Related to continued operations plus discontinued operation
[5] Disclosure for 2023 based on continued operations plus discontinued operation

3.3.4 ADJUSTED GROSS MARGIN OF 22.4%

The gross margin from continued operations shrank to 21.0% in 2024 (previous year: 21.5%), as gross profit remained virtually unchanged on slightly higher sales. Gross profit included extraordinary expenses of €57.8 million (previous year: €57.0 million), which were largely attributable to purchase price allocation for the BBS Automation Group and Ingecal. Adjusted for extraordinary expenses, the gross margin stood at 22.4%, down from 22.8% in the previous year. It should be noted that the contribution to gross profit made by Woodworking Machinery and Systems shrank sharply as a result of the lower sales. Moreover, gross profit came under pressure from subdued sales and capacity utilization shortfalls in the Industrial Automation Systems division's automation business. On the other hand, the good earnings generated from service business and the larger earnings contributions from Paint and Final Assembly Systems and Application Technology left positive traces.

3.3.5 COST OF SALES, COST OF MATERIALS, AND OVERHEAD COSTS

The cost of sales rose by 2.8% and thus on the same scale as sales. Despite the higher sales, the cost of materials, which is fully included in the cost of sales, fell by 0.4% to €1,671.4 million. This was due to the overall better price and availability situation in the procurement markets as well as the project mix in Paint and Final Assembly Systems. As well as this, Woodworking Machinery and Systems had a favorable business mix, as material cost-intensive equipment business declined significantly, while the share of service business in sales rose to over 25%. The personnel expense attributable to the cost of sales increased by 5.3% and thus on almost the same scale as total personnel expense from continued operations (up 5.7%). In this context, it should be noted that, unlike in the same period of the previous year, the personnel expense of the BBS Automation Group and Ingecal was included for the full year. Depreciation and amortization included in the cost of sales increased significantly by 30.7%. Here also, the inclusion of the BBS Automation Group for the full year as well as other consolidation effects must be borne in mind. Moreover, the comparatively high capital expenditure in 2024 was reflected in depreciation and amortization. Especially notable are the investment program at Woodworking Machinery and Systems and the construction of the new site for Benz Tooling.

The development of overhead costs testifies to our cost discipline, rising by only 1.4% and thus less than sales in 2024. Adjusted for the non-comparable share in costs attributable to the BBS Automation Group and Ingecal, overhead costs would have fallen by 2.0% compared to the previous year. Within overhead costs, we scaled back research and development costs by 7.8%. This mainly resulted from measures taken to safeguard earnings at Woodworking Machinery and Systems. Information on our R&D activities can be found in section 1.6 → page 39. Selling expenses declined slightly (down 1.1%), while administrative costs were up 11.2%. The latter was partly due to consolidation effects in addition to other costs in connection with the OneDürrGroup synergy program.

Other operating income and other operating expenses showed a positive balance of €19.3 million in 2024 (previous year: €-1.8 million). This was due to the extraordinary income of €17.5 million from the sale of the Agramkow Group. By far the largest single items were currency-translation gains and losses, with the losses slightly outweighing the gains.

2.25 — OVERHEAD COSTS[1]

	Costs (€ million)	Personnel expense (€ million)	Depreciation and amortization (€ million)	Other costs (€ million)
Selling	–374.2	–262.3	–9.4	–102.6
(2023)	–378.5	–259.5	–8.9	–110.2
Administrative	–259.2	–162.2	–22.4	–74.5
(2023)	–233.0	–135.3	–18.6	–79.2
R&D	–136.6	–98.6	–8.9	–29.0
(2023)	–148.1	–96.9	–7.2	–44.1

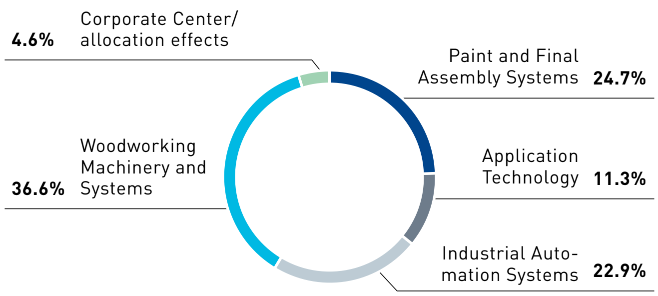
[1] Continued operations

2.26 — EMPLOYEES AND PERSONNEL EXPENSE[1]

	2024	2023
Employees (Dec. 31)	18,604	19,320
Employees (annual average)	18,893	18,147
Personnel costs (€ million)	–1,401.7	–1,326.1
Personnel costs ratio (%)	32.7	31.6
Personnel costs per employee (annual average) (€)	–74,192	–73,076
Sales per employee (annual average) (€)	227,113	231,222

[1] Continued operations

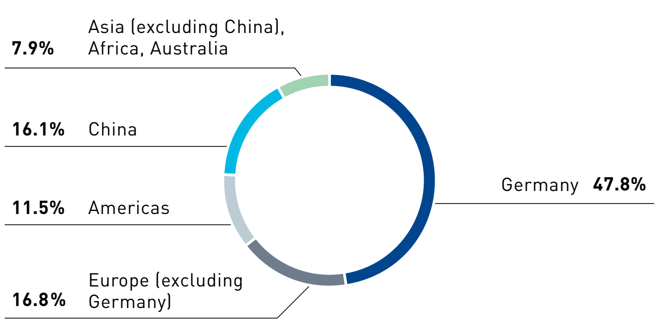
2.27 — EMPLOYEES BY DIVISION (DECEMBER 31)[1]



	2024	2023
Paint and Final Assembly Systems	4,588	4,772
Application Technology	2,094	2,084
Industrial Automation Systems[2]	4,258	4,448
Woodworking Machinery and Systems	6,802	7,348
Corporate Center/allocation effects	862	668
Group	**18,604**	**19,320**

[1] Continued operations
[2] Including the Lithium-Ion Battery business unit

2.28 — EMPLOYEES BY REGION (DECEMBER 31)[1]



	2024	2023
Germany	8,884	9,101
Europe (excluding Germany)	3,124	3,297
Americas	2,136	2,385
China	2,986	3,058
Asia (excluding China), Africa, Australia	1,474	1,479
Group	**18,604**	**19,320**

[1] Continued operations

3.3.6 AROUND 18,600 EMPLOYEES

As of December 31, 2024, 18,604 people were employed in continued operations, down 716 employees or 3.7% on the end of the previous year. This decline was largely attributable to Woodworking Machinery and Systems, where employee numbers fell by 546 compared to the end of 2023 and by 680 compared to September 30, 2023. This was mainly due to the reduction of just under 600 jobs that began in October 2023. Added to this was a reclassification effect as 110 employees of a Polish shared service company were transferred from Woodworking Machinery and Systems to the Corporate Center at the beginning of 2024. Other reasons for the reduced number of employees in continued operations included the sale of the Agramkow Group with around 180 employees as well as personnel adjustments at Paint and Final Assembly Systems and Industrial Automation Systems. The higher number of employees in the Corporate Center (up 29.0%) was largely due to the aforementioned reclassification effect. Added to this were allocation effects which arose in connection with the classification of environmental business as a discontinued operation, as well as a slight increase at Dürr AG.

The workforce reduction affected all major market regions. Down by 10.4%, America saw the greatest decline, followed by Europe (excluding Germany) with 5.2% and Germany and China with 2.4% each. Including the discontinued operation in addition to continued operations, the Group as a whole had a total workforce of 19,894 employees. As of December 31, 2024, we had 574 apprentices and students pursuing work-study-programs, mainly in Germany (December 31, 2023: 536); HOMAG companies accounted for almost 60% of this figure.

3.3.7 EBIT BEFORE EXTRAORDINARY EFFECTS OF JUST UNDER €200 MILLION

EBIT before extraordinary effects reached €196.0 million from continued operations. This was only €28.2 million lower than in 2023 despite the fact that earnings at Woodworking Machinery and Systems – the most profitable division in the previous year – fell by €78.9 million as a result of lower sales. Consequently, we were able to make up for most of the decline in earnings sustained by Woodworking Machinery and Systems through gains in the other divisions. In addition to consolidation effects at Industrial Automation Systems, automotive business in particular contributed to this: Paint and Final Assembly Systems was able to increase its EBIT before extraordinary effects by almost 50%, while Application Technology was up 14.7% compared to the previous year's good figure. These significant increases in earnings were driven by the good earnings quality of service business and the professional execution of higher-margin orders under our value-before-volume strategy. In the Corporate Center (including allocation and consolidation effects), EBIT before extraordinary effects remained largely constant at €-57.8 million (previous year: €-56.2 million).

The EBIT margin before extraordinary effects contracted by 0.8 percentage points to 4.6% due to the lower earnings posted by Woodworking Machinery and Systems. Particularly noteworthy is the performance of Paint and Final Assembly Systems, where the margin of 7.4% easily reached the mid-cycle target of at least 6.0%. At 10.4%, the Application Technology division also achieved its mid-cycle target of at least 10%. At 3.6%, the margin recorded by Industrial Automation Systems was unsatisfactory. This was due to shortfalls in sales and capacity utilization as a result of muted demand for production systems for electric drives, one-off expenses in operating business, and the inclusion of the Lithium-Ion Battery business unit.

EBIT benefited from the extraordinary income from the sale of Agramkow, rising by 9.0% to €152.4 million. Adjusted for currency-translation effects, it would have amounted to €155.2 million. On balance, the extraordinary effects amounted to €-43.7 million, after rising to €-84.4 million in the previous year due to the provisions for adjustments to personnel capacity at Woodworking Machinery and Systems. The largest item within the extraordinary effects was purchase price allocation expense, which rose to €42.1 million as a result of the 2023 acquisitions (BBS Automation Group, Ingecal) (previous year: €22.4 million). Other significant extraordinary expenses were attributable to restructuring measures, including in connection with the integration of automation business.

Total Group EBIT (continued operations plus discontinued operation) came to €257.9 million before extraordinary effects and €206.0 million after extraordinary effects. With aggregated sales coming to €4,698.1 million, this corresponds to a margin of 5.5% before extraordinary effects and 4.4% after extraordinary effects.

2.29 — EXTRAORDINARY EFFECTS WITHIN EBIT

€ million	2024		2023	
Paint and Final Assembly Systems	–5.2	▪ Purchase price allocation expense ▪ Restructuring expense	–1.7	▪ Purchase price allocation expense ▪ Restructuring expense/impairment Russia ▪ Income from lower variable purchase price payment ▪ Income from restructuring
Application Technology	–0.3	▪ Purchase price allocation expense	–0.6	▪ Purchase price allocation expense ▪ Unexpected impairments ▪ Income from restructuring
Industrial Automation Systems[1]	–30.2	▪ Purchase price allocation expense ▪ Restructuring/integration expense ▪ Proceeds from sale of Agramkow	–18.7	▪ Purchase price allocation expense and ancillary acquisition costs ▪ Restructuring expense Teamtechnik ▪ Restructuring expense/impairment Russia
Woodworking Machinery and Systems	–7.1	▪ Purchase price allocation expense ▪ Restructuring expense ▪ Personnel expense from acquisition	–58.6	▪ Purchase price allocation expense ▪ Restructuring expense ▪ Unexpected impairment ▪ Income from provisions/personnel expense for acquisitions
Corporate Center/allocation effects	–0.9	▪ Restructuring expense	–4.8	▪ Ancillary acquisition costs ▪ Income from provisions/personnel expense for acquisitions
Continued operations	**–43.7**		**–84.4**	
Discontinued operation	–8.2	▪ Purchase price allocation expense ▪ Expense for preparation of the sale of environmental technology business ▪ Expense for legal dispute ▪ Restructuring expense ▪ Proceeds from sale of US plant	–4.5	▪ Purchase price allocation expense ▪ Closure of US plant
Overall Group	**–51.9**		**–89.0**	

[1] Including the Lithium-Ion Battery business unit, BBS Automation consolidated since August 31, 2023, Ingecal consolidated since November 17, 2023

3.3.8 FINANCIAL RESULT OF €–40.0 MILLION

The financial result from continued operations is virtually identical to that of the Group as a whole. In 2024, it amounted to €-40.0 million and thus weakened noticeably compared to the previous year (2023: €-20.9 million). The main reason for this was the fact that interest expense increased to a significantly greater extent than interest income. In addition to higher interest rates, this was primarily due to the greater volume of external finance. Among other things, the latter included the green Schuldschein loans that we had issued in April 2023 and 2024. Added to this was a bridge finance in the form of a syndicated loan of €300 million, intended for the purchase of the BBS Automation Group, which was, however, paid back prematurely in April 2024. Expenses in connection with the domination and profit transfer agreement with HOMAG Group AG and the pool agreement with the Schuler/Klessmann shareholder group fell to €7.2 million. Net investment income, which was influenced by a positive extraordinary effect in the previous year, dropped by €3.8 million.

3.3.9 EARNINGS AFTER TAX LOWER DUE TO EXTRAORDINARY EXPENSES

In view of the lower earnings at Woodworking Machinery and Systems and the weaker financial result, earnings from continued operations declined to €62.4 million (previous year: €71.0 million). Tax expense increased slightly and was influenced by the recognition of tax provisions in connection with an external tax audit, among other things. With the figure for discontinued operation virtually unchanged, total Group earnings after tax reached €102.1 million, equivalent to a decline of 7.3% over 2023.

Despite the lower total Group earnings after tax, we will again be proposing a dividend of €0.70 per share for the 2024 fiscal year. The decisive factor here is that the total Group free cash flow of €156.9 million exceeded the forecast, leaving sufficient scope for an unchanged distribution of €48.4 million. The proposed dividend translates into 47.4% of earnings after tax (2023: 44.0%). Accordingly, the payout ratio is higher than the range of 30% to 40% of earnings after tax defined in our dividend policy. The dividend proposal leaves Dürr AG with remaining net retained profit of €615.1 million, which is to be carried forward.

2.30 — FOURTH QUARTER[1]

		Q4 2024	Q4 2023
Order intake	€ million	1,038.9	998.4
Sales	€ million	1,142.9	1,215.3
EBIT before extraordinary effects	€ million	58.7	77.1
EBIT margin before extraordinary effects	%	5.1	6.3
EBIT	€ million	37.8	13.5
EBIT margin	%	3.3	1.1
Earnings after tax	€ million	8.9	–6.9

[1] Continued operations

3.3.10 SEGMENT REPORT: DIVISIONS

2.31 — EBIT BEFORE EXTRAORDINARY EFFECTS BY DIVISION[1]

€ million	2024	2023
Paint and Final Assembly Systems	102.7	69.0
Application Technology	69.5	60.6
Industrial Automation Systems	30.9	21.1
Woodworking Machinery and Systems	50.8	129.7
Corporate Center/consolidation/allocation effects	–57.8	–56.2
Group	**196.0**	**224.3**

[1] Continued operations

2.32 — EBIT BY DIVISION[1]

€ million	2024	2023
Paint and Final Assembly Systems	97.5	67.4
Application Technology	69.2	60.0
Industrial Automation Systems	0.7	2.4
Woodworking Machinery and Systems	43.7	71.1
Corporate Center/consolidation/allocation effects	–58.7	–61.0
Group	**152.4**	**139.8**

[1] Continued operations

2.33 — PAINT AND ASSEMBLY SYSTEMS – KEY FIGURES

€ million	2024	2023	Q4 2024
Order intake	1,804.7	1,476.0	349.4
Sales	1,393.3	1,363.6	400.3
Gross profit	252.4	208.5	79.8
EBITDA	126.0	91.8	47.3
EBIT	97.5	67.4	39.3
EBIT before extraordinary effects	102.7	69.0	40.2
EBIT margin	7.0%	4.9%	9.8%
EBIT margin before extraordinary effects	7.4%	5.1%	10.0%
Cash flow from operating activities	154.9	63.8	44.8
Capital expenditure	33.5	28.2	8.5
Capital employed	158.7	155.1	158.7
ROCE	64.7%	44.5%	64.7%
Employees	4,588	4,772	4,588

3.3.10.1 Paint and Final Assembly Systems

The Paint and Final Assembly Systems division recorded exceptionally strong demand from the automotive industry in 2024. Order intake improved by 22.3% year-on-year, reaching a new record of €1,804.7 million. An important contribution to this came from a big-ticket contract in Germany for the construction of a sustainable paint shop with an execution period of several years. Customers have also increasingly been placing long-term orders to secure our availability, and these will not generate any notable sales until after 2025. An increasingly important motive for making investments is the transformation toward sustainable painting processes, generating additional impetus for demand, particularly in modernization business.

Sales showed a moderate 2.2% increase over 2023, thus falling somewhat short of our expectations due to customer-induced delays in the case of some projects. Once again, the fourth quarter made the greatest contribution to sales (€400.3 million). Sales from service business grew virtually in sync with total sales; its share of over 30% was clearly above the average for continued operations (27.6%). Driven by the strong order intake, the book-to-bill ratio came to a very high 1.30.

EBIT before extraordinary effects improved sharply by 48.8%, thus exceeding the threshold of €100 million. At 7.4%, the margin reached a very good figure, underpinned by the noticeable margin growth in service business. However, the gross margin also widened in equipment business, as we increasingly executed higher-margin orders acquired since 2022 under our value-before-volume strategy. In the fourth quarter, the EBIT margin before extraordinary effects peaked at an exceptionally high 10.0% for plant engineering, as service business accounted for an above-average share of sales.

Capital expenditure increased by 18.8% but, accounting for 2.4% of sales, was well below the Group average (4.4%), as project business is characterized by a low asset intensity. The main investment projects entailed the purchase of a sheet metal processing machine in the United States and the development of the MOM (Manufacturing Operations Management) software suite for integrated factory management. The significantly improved cash flow from operating activities was spurred by earnings growth and substantial cash receipts as a result of the large order intake. As EBIT before extraordinary effects rose sharply in tandem with virtually unchanged capital employed, ROCE reached an extraordinarily high level of 64.7%, with net working capital in negative territory.

2.34 — APPLICATION TECHNOLOGY – KEY FIGURES

€ million	2024	2023	Q4 2024
Order intake	808.3	719.8	116.0
Sales	670.9	614.0	173.5
Gross profit	167.5	150.3	45.7
EBITDA	83.2	74.2	23.5
EBIT	69.2	60.0	19.9
EBIT before extraordinary effects	69.5	60.6	20.0
EBIT margin	10.3%	9.8%	11.5%
EBIT margin before extraordinary effects	10.4%	9.9%	11.5%
Cash flow from operating activities	118.2	85.3	24.6
Capital expenditure	18.4	19.4	7.4
Capital employed	257.2	303.0	257.2
ROCE	27.0%	20.0%	27.0%
Employees	2,094	2,084	2,094

3.3.10.2 Application Technology

In Application Technology, heavy investments of the automotive industry in sustainable and highly automated painting systems also yielded record order intake. New orders rose by 12.3% as compared to the previous year, exceeding the €800 million mark for the first time. Modernization orders with replacement deliveries for obsolete robots played an important role in this regard. The margin quality of the order backlog also improved over the previous year.

Sales likewise climbed to a new high (€670.9 million), with equipment sales rising more sharply than sales from service business. Even so, service business posted a share of sales well above the average for continued operations (27.6%). As order intake significantly exceeded sales, the book-to-bill ratio reached an impressive 1.20. Accordingly, capacity utilization is secured well into the coming year.

As EBIT before extraordinary effects increased more sharply than sales, rising by 14.7%, the EBIT margin before extraordinary effects exceeded the 10% threshold for the first time since 2019. Application Technology thus achieved its mid-cycle target of at least 10%, underpinned in particular by higher sales, good capacity utilization, the large share of service business, and an improved gross margin on equipment business.

At €18.4 million, capital expenditure declined slightly; it included, among other things, the extension of an assembly hall in Poland and the capitalization of development costs. The significant improvement in cash flow was attributable to higher earnings, reduced inventories, and large customer prepayments. At 27.0%, ROCE exceeded the Group target of 25%.

2.35 — INDUSTRIAL AUTOMATION SYSTEMS – KEY FIGURES[1]

€ million	2024	2023	Q4 2024
Order intake	811.8	627.6	254.8
Sales	851.9	639.0	219.2
Gross profit	133.7	134.1	28.1
EBITDA	61.9	35.5	1.2
EBIT	0.7	2.4	−12.2
EBIT before extraordinary effects	30.9	21.1	4.5
EBIT margin	0.1%	0.4%	−5.6%
EBIT margin before extraordinary effects	3.6%	3.3%	2.1%
Cash flow from operating activities	25.9	31.6	16.1
Capital expenditure	46.2	29.4	9.3
Capital employed	818.0	545.6	818.0
ROCE	3.8%	3.9%	3.8%
Employees	4,258	4,448	4,258

[1] Including the Lithium-Ion Battery business unit, BBS Automation consolidated for the first time on August 31, 2023, Ingecal consolidated for the first time on November 17, 2023.

3.3.10.3 Industrial Automation Systems

Order intake in Industrial Automation Systems rose by 29.3% in 2024. This was due to the full-year consolidation of the BBS Automation Group and significant order growth in the Lithium-Ion Battery business unit, which won its first major battery production technology contract in the fourth quarter. It comprises the delivery of eight end-to-end electrode coating lines for a gigafactory in Italy. By contrast, order intake in the Production Automation Systems business unit was dragged down by subdued demand for automation technology for the production of electric drivetrains. Medtech business entailing automated systems for the mass production of medical plastic products proved to be very resilient. Among other things, we were awarded a contract for the delivery of a production line for a new type of injection pen. Order intake in the Measuring and Process Systems business unit declined following the sale of the Agramkow Group and due to subdued demand from the automotive industry.

Sales climbed by one-third compared to the previous year. Here, too, the main determinants were consolidation effects (inclusion of the BBS Automation Group, sale of the Agramkow Group) and sales growth in the Lithium-Ion Battery business unit. In automation business, sales fell short of expectations due to muted order intake in the e-mobility sector. Adjusted for the effects of the sale of Agramkow, sales at Measuring and Process Systems would have increased slightly.

The EBIT margin before extraordinary effects widened only slightly to 3.6% despite the full-year inclusion of the BBS Automation Group. One reason for this was the non-recurring operational costs and subdued e-mobility business at Production Automation Systems. Earnings from the battery production technology business, which is still in the development phase, were characterized by high development and market entry costs. Measuring and Process Systems, on the other hand, contributed an EBIT margin before extraordinary effects in the high single-digit percentage range.

The significant increase in capital expenditure particularly reflects the construction of the new Benz Tooling site in Germany, which went into operation in 2024. Cash flow from operating activities came to €25.9 million and was clearly positive. With regard to the ROCE of 3.8%, the low EBIT before extraordinary effects should be borne in mind, as well as the fact that capital employed fully includes the acquired assets of the BBS Automation Group.

2.36 — WOODWORKING MACHINERY AND SYSTEMS – KEY FIGURES

€ million	2024	2023	Q4 2024
Order intake	1,356.9	1,395.5	325.6
Sales	1,413.5	1,625.1	358.1
Gross profit	351.6	418.6	92.9
EBITDA	91.1	118.7	26.3
EBIT	43.7	71.1	13.4
EBIT before extraordinary effects	50.8	129.7	15.8
EBIT margin	3.1%	4.4%	3.7%
EBIT margin before extraordinary effects	3.6%	8.0%	4.4%
Cash flow from operating activities	97.3	108.9	17.1
Capital expenditure	80.0	70.8	44.8
Capital employed	419.5	490.2	419.5
ROCE	12.1%	26.5%	12.1%
Employees	6,802	7,348	6,802

3.3.10.4 Woodworking Machinery and Systems

Order intake at Woodworking Machinery and Systems stabilized in 2024 in a corridor of €1,300 to 1,400 million, after dropping by 18.2% in the previous year. In the period from January to September, we recorded a slight year-on-year increase in orders; however, there was a significant decline in the fourth quarter, as the prior-year period had included an extraordinarily large big-ticket contract. Overall, 2024 did not see any significant improvements in demand. Capital spending restraint in the furniture industry persisted in stand-alone machinery business. On the other hand, business in production systems for timber construction modules showed initial signs of recovery.

Reflecting the muted orders, sales dropped by more than €200 million, thus falling by the expected degree. We addressed the resulting effects on capacity utilization and earnings by adopting further flexibilization measures such as short-time work. In summer 2024, we completed the cutting of around 600 jobs that had begun in October 2023 to permanently strengthen the division's competitiveness. As a result, fixed costs fell by €25 million in a preliminary step in 2024; we expect the full savings effect of €50 million per annum to be unleashed from 2025.

The lower sales caused EBIT before extraordinary effects to drop by €78.9 million. At 3.6%, the margin reached the upper end of the forecast corridor, thus highlighting the effectiveness of our measures to curb the decline in earnings. Positive earnings momentum was generated by service business, which expanded slightly despite the muted market conditions and made a noticeably higher contribution to earnings than in the previous year thanks to margin growth.

The 13.0% increase in capital expenditure was related to the multi-year investment program aimed at enhancing efficiency at HOMAG. The main projects in 2024 entailed building modernization in Schopfloch and the construction of a production facility in Poland. Cash flow from operating activities declined slightly but reached a good level of €97.3 million despite the lower earnings. This was primarily due to reduced inventories and receivables. The ROCE of 12.1% reflects the fact that EBIT before extraordinary effects declined at a substantially sharper rate than capital employed.

2.37 — CLEAN TECHNOLOGY SYSTEMS – KEY FIGURES [1, 2]

€ million	2024	2023	Q4 2024
Order intake	391.5	432.6	96.6
Sales	407.2	431.3	113.4
Gross profit	109.0	103.9	31.8
EBITDA	60.9	60.4	19.4
EBIT	53.6	51.6	18.7
EBIT before extraordinary effects	61.9	56.2	19.6
EBIT margin	13.2%	12.0%	16.5%
EBIT margin before extraordinary effects	15.2%	13.0%	17.3%
Cash flow from operating activities	32.3	76.6	20.1
Capital expenditure[3]	5.7	6.5	1.4
Capital employed	60.3	84.5	60.3
ROCE	102.5%	66.5%	102.5%
Employees	1,290	1,277	1,290

[1] Discontinued operation, excluding the Lithium-Ion Battery business unit and allocation effects
[2] Contains all depreciation and amortization expenses for 2024
[3] Contains total capital expenditure for 2024

3.3.10.5 Clean Technology Systems

The business figures in → table 2.37 refer solely to the discontinued environmental technology business. The Lithium-Ion Battery business unit is allocated to continued operations and therefore not included here, but in the Industrial Automation Systems division (→ table 2.35). Due to the classification of environmental technology as discontinued operation, certain expenses of Clean Technology Systems were not included in the earnings figures in → table 2.37. Instead, these expenses of €16.7 million were classified as allocation effects in continued operations in the aggregated "Corporate Center/consolidation/allocation effects" item.

At €391.5 million, order intake in environmental technology business fell short of the previous year's figure due to lower new orders in the Americas and Asia, while new business in Europe increased significantly. Sales fell by 5.6%, with service business remaining virtually constant and expanding its share in total sales to an exceptionally high figure.

The earnings figures adjusted for allocation effects of €–16.7 million are not comparable with the corresponding items of the other divisions. Even without adjustment, earnings continued to improve in 2024, reaching a very high level. This was mainly attributable to strong service business, margin-oriented order selection and execution, and high earnings contributions from US business in noise abatement systems.

At €5.7 million, capital expenditure was down on the previous year, concentrating on production machinery and buildings. Cash flow from operating activities declined despite higher earnings, as net working capital increased. At 102.5%, ROCE was extremely high as EBIT before extraordinary effects slightly exceeded capital employed.

3.3.10.6 Corporate Center

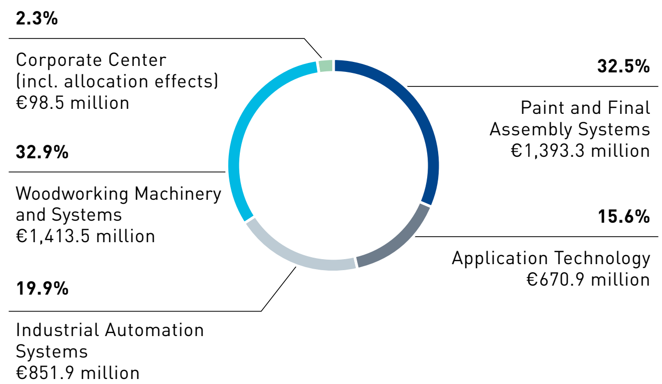
At €–58.7 million, the Corporate Center's EBIT (including allocation and consolidation effects) showed a slight improvement over the previous year. The expenses included for the OneDürrGroup synergy program increased as compared to 2023. Corporate Center EBIT includes allocation effects of €–12.4 million in connection with the planned sale of Clean Technology Systems (previous year: €–17.8 million), consolidation effects of €–0.2 million (previous year: €–2.9 million), and extraordinary effects of €–0.9 million (previous year: €–4.8 million). The costs of the Corporate Center are covered to a large extent by transfer payments received from the Group companies, as intra-Group services, e.g. in the areas of IT, law, tax and finance, are provided for the Group companies.

2.38 — SALES, ORDER INTAKE, AND EMPLOYEES (DECEMBER 31, 2024) BY DIVISION

4,290.9

SALES (€ MILLION)

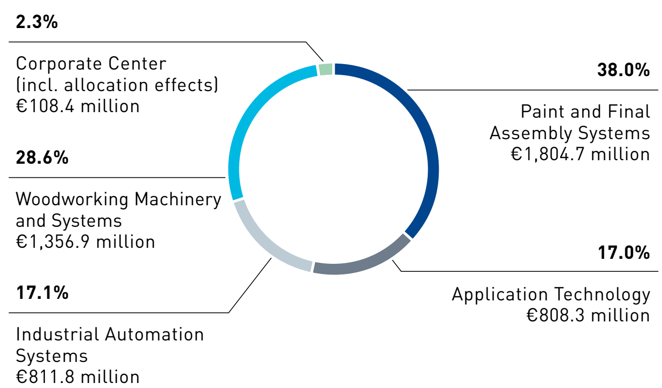
SALES[1,2]



4,745.7

ORDER INTAKE (€ MILLION)

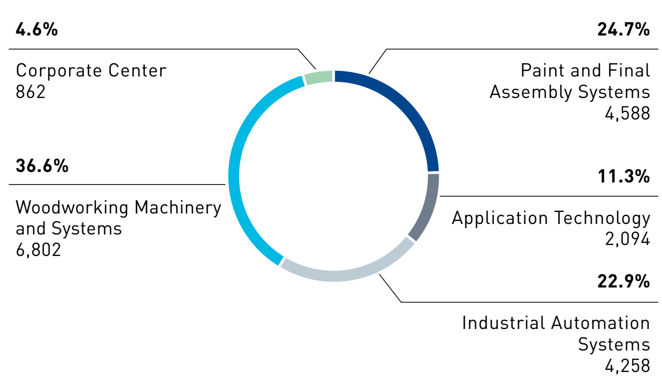
ORDER INTAKE[1,2]



18,604

EMPLOYEES

EMPLOYEES[1]



[1] Continued operations
[2] The consolidated figure for sales and order intake does not equal the sum total of the figures for the divisions and the Corporate Center as internal sales and order intake are eliminated for consolidation purposes.

3.4 Financial development

3.4.1 FUNDING AND LIQUIDITY MANAGEMENT

Our central funding and liquidity management aims to cover financing and liquidity requirements, and optimize earnings and financing costs, as well as mitigate financial risks. The principle of our liquidity management is to always have an adequate volume of cash and cash equivalents available in order to meet payment obligations at any time.

Cash flow from operating activities is the principal source of funding. We reinforce it through disciplined net working capital management, enabling us to tie down resources for no longer than 40 to 50 days. In addition, cash flow should benefit in the future from the increase in sales and margins targeted as part of our mid-cycle goals.

As a rule, debt finance is raised by Dürr AG and made available to the Group companies as required. Liquidity management is another task of Dürr AG. Its cash pooling system serves to consolidate most of the Group's cash and cash equivalents, unless capital flows are restricted by the rules and regulations of individual states. In countries where this is the case (China, for example), our national companies largely obtain their funding locally.

Group Treasury invests any surplus funds in compliance with our financial asset management policy. At €952.3 million, cash and cash equivalents (including term deposits) at year-end 2024 were down by 8.2% year-on-year (€1,037.3 million) and accounted for 19.1% of total assets (Dec. 31, 2023: 20.1%). The reduction in cash and cash equivalents was a deliberate decision in view of the relatively high level previously and the positive cash flow development. Specifically, in addition to the bridge financing for the acquisition of the BBS Automation Group, we also repaid Schuldschein loans early.

3.4.2 FUNDING STRUCTURE

On April 11, 2024, we placed a green Schuldschein loan, the proceeds of which, amounting to €350 million, we received on April 23. It consists of tranches subject to fixed and variable interest rates and maturities of three, five and seven years; the average interest rate at the time of issue amounted to approximately 5.04% p.a. The proceeds are fully reserved for funding sustainable product innovations as well as climate-friendly projects and investments. In 2024, we repaid Schuldschein tranches totaling €217 million; of these, €112 million were early repayments. In addition, we repaid the syndicated credit line amounting to €300 million as bridge financing for the takeover of the BBS Automation Group in April 2024.

Our funding structure comprised the following elements as of December 31, 2024. This overview relates to continued operations except where otherwise stated.

- **Sustainability-linked convertible bond:** The convertible bond with a value of €150 million placed in September 2020 matures in January 2026. The coupon amounts to 0.75% p.a.; the conversion price owing to the dividend payments made since the time of placement currently amounts to €31.53 per share. The conversion price originally came to €34.22 per share, equivalent to a premium of 40%. The convertible bond is linked to a sustainability component in the form of a separate interest rate derivative. Since March 2023, the sustainability component has been linked to the ISS sustainability rating; previously, the EcoVadis rating was used for reference purposes. If our ISS sustainability rating loses its prime rating reached in 2024, we pay a fixed amount to UniCredit Bank, which will use it to support sustainable projects.

- **Six Schuldschein loans, five of which are linked to a sustainability component:** In 2019, we were the first company worldwide to place a sustainability-linked Schuldschein loan worth €200 million. As with the Schuldschein loans placed in the subsequent year, its interest rate is linked to our sustainability rating. The tranches mature in no later than ten years; the interest rate at the time of issue amounted to an average of approximately 0.8% p.a. The sustainability-linked Schuldschein loan issued in March 2020 has a volume of €115 million with an average interest rate of approximately 0.9% p.a. at issue. We secured a further €200 million by placing another sustainability-linked Schuldschein loan in December 2020. The interest rate at issue averaged approximately 2.0% p.a. and we received the proceeds in January 2021. Both Schuldschein loans issued in 2020 consist of tranches with maturities of up to ten years. Their interest rate is linked to our EcoVadis sustainability rating. In April 2023, we placed a green Schuldschein loan amounting to €300 million maturing in four, five, and seven years at an average interest rate of around 4.8% p.a. at issue. In addition, there is the aforementioned green Schuldschein loan amounting to €350 million as of April 2024. A further €100 million is still available from a Schuldschein loan placed in 2016 without a sustainability component (average interest rate 1.6% p.a. on placement, maturing no later than 2026).

- **Syndicated loan:** Our syndicated loan amounting to €1,250 million consists of a cash line amounting to €750 million and a guarantee line of €500 million. In 2024, the maturity of the loan was extended by one year, to 2029, and it may be prolonged by a further year subject to the banks' approval. The interest payable is linked to the reduction of our CO_2 emissions. If, in the process, the Dürr Group's emissions reach a level below a defined target bandwidth, the interest rate will decline by 0.02 percentage points; if the Group exceeds the target bandwidth, the interest rate will increase by 0.02 percentage points. The first measurement of target achievement is effected for 2024. We assume that no interest rate adjustment will take place.

- **Leases:** At the end of 2024, leasing liabilities in accordance with IFRS 16 amounted to €107.3 million. Including the discontinued operation, the amount came to €110.7 million (December 31, 2023: €118.1 million).

- **Bilateral credit facilities available for working capital funding:** Their volume came to €60.6 million as of December 31, 2024 (December 31, 2023: €63.9 million). Of these, €23.3 million had been utilized as of December 31, 2024 (December 31, 2023: €27.3 million).

- **Other:** We make use of money market and capital market instruments. Off-balance sheet financing instruments in the form of sales of receivables (mainly forfaiting) were not used as of December 31, 2024 (December 31, 2023: €38.7 million).

For further information on the deployment of financial instruments, please refer to the chapter entitled "Currency, interest, and liquidity risks as well as financial instruments for risk mitigation purposes" in section 5.1 → page 76.

2.39 — FINANCIAL LIABILITIES (DECEMBER 31)

€ million	2024[1]	2023
Convertible bond/Schuldschein loan(s)	1,193.1	1,058.0
Liabilities to banks	24.8	357.0
Leasing liabilities	107.3	118.1
Other interest-bearing financial liabilities	2.3	2.2
Interest deferral	21.0	18.7
Total	**1,348.5**	**1,554.0**
of which due within one year	134.6	486.9

[1] Continued operations

The significant decline in financial liabilities to €1,348.5 million as of December 31, 2024 (-13.2%) was chiefly attributable to the repayment of Schuldschein loan tranches amounting to €217 million and the syndicated credit line of €300 million for the acquisition of BBS Automation. This was offset by the placement of the green Schuldschein loan amounting to €350 million. The discontinued operation is not included in the financial liabilities. However, only minor leasing liabilities are assigned to it, so the effect of non-consideration is negligible.

At the end of 2024, we had credit and guarantee lines totaling €2,559.1 million at our disposal. Of this amount, €797.4 million were actually utilized. As in the previous year, the cash line of the syndicated loan remained unutilized. Apart from the guarantee line under the syndicated loan, there are additional guarantee lines amounting to €1,248.5 million.

3.4.3 FREE CASH FLOW UP YEAR-ON-YEAR

2.40 — CASH FLOWS

€ million	2024	2023
Cash flow from operating activities	**384.3**	**287.5**
thereof, from continued operations	352.0	210.9
thereof, from discontinued operation	32.3	76.6
Cash flow from investing activities	**–214.9**	**–256.6**
thereof, from continued operations	–209.8	–253.1
thereof, from discontinued operation	–5.1	–3.5
Cash flow from financing activities	**–375.8**	**301.7**
thereof, from continued operations	–367.3	340.9
thereof, from discontinued operation	–8.5	–39.2
Free cash flow	**156.9**	**129.3**
thereof, from continued operations	129.6	60.9
thereof, from discontinued operation	27.3	68.4
Cash conversion rate in %	153.7	117.3

2.41 — CALCULATIONS OF CASH FLOW FROM OPERATING ACTIVITIES AND FREE CASH FLOW[1, 2]

€ million	2024	2023
Earnings before income taxes	112.4	118.9
Depreciation and amortization	155.1	122.1
Net interest income/loss	40.8	25.5
Income tax payments	–70.0	–71.3
Change in provisions	5.6	29.8
Change in net working capital	134.0	–24.1
Other	–25.9	10.0
Cash flow from operating activities	**352.0**	**210.9**
Interest payments (net)	–34.1	–4.9
Repayment of leasing liabilities	–38.7	–33.1
Investment in property, plant and equipment, and intangible assets	–149.6	–112.0
Free cash flow	**129.6**	**60.9**
Dividend payments	–49.1	–49.1
Payments for acquisitions	–18.4	–353.1
Other cash flows	214.0	–158.0
Change in net financial status from continued operations	**276.2**	**–499.4**
Change in net financial status from discontinued operation	**–155.8**	**29.1**
Change in net financial status for the Group as a whole	**120.4**	**–470.3**

[1] Exchange rate effects were eliminated in the cash flow statement. Accordingly, the changes in balance sheet line items indicated there cannot be fully reflected in the balance sheet.
[2] Continued operations

Cash flow from operating activities of the Group as a whole (continued operations and the discontinued operation) improved by €96.8 million in 2024, to reach €384.3 million. Continued operations reached €352.0 million, equivalent to an increase of €141.1 million. The decisive factor for this substantial increase was a reduction in net working capital (NWC) to €421.3 million. This was mainly due to early customer payments in the high double-digit millions received at the end of 2024. The turnover time of NWC (days working capital) was 35.3 days at the end of 2024, significantly below the target corridor of 40 to 50 days. Total Group earnings before income taxes grew moderately and, due to the full-year consolidation of the BBS Automation Group, depreciation and amortization were up by approximately 27.0% year-on-year. Pre-tax earnings were hardly impacted by changes in provisions, whereas provisions were set up the previous year. The impacts of lower changes in provisions and higher depreciation and amortization nearly offset each other year-on-year. Income tax payments decreased slightly.

Cash flow from total Group **investing activities** amounted to €–214.9 million. Accordingly, the cash outflow was €41.7 million below the previous year figure of €–256.6 million. Continued operations registered a slightly lower cash outflow of €–209.8 million (2023: €–253.1 million). The previous year's value was particularly attributable to the €303.9 million disbursement for the takeover of the BBS Automation Group, which was offset by a €150 million liquidation of term deposits. In the year under review, by contrast, there was a cash inflow of €26.1 million from the disposal of assets held for sale (2023: €0 million), which was essentially due to the sale of the Agramkow Group. This was offset by investments in term deposits amounting to €119.4 million. Payments for acquisition of property, plant and equipment as well as intangible assets increased by €37.6 million, to €149.6 million for continued operations. Interest income remained virtually unchanged.

Cash flow from total Group **financing activities** amounted to €–375.8 million (2023: €301.7 million). Cash flow for continued operations amounted to €–367.3 million (2023: €340.9 million). It essentially comprised the repayment of the syndicated credit line for the acquisition of the BBS Automation Group amounting to €300 million. In addition, the Schuldschein loan tranches totaling €217 million were repaid. This was offset by the cash inflow from the green Schuldschein loan issued in April. Interest payments of continued operations increased to €63.4 million (2023: €34.2 million) due to the temporary increase in the financing volume and the rise in interest rates over the past two years. The repayment of leasing liabilities increased by just under €7 million to €40.0 million. Dividend payments remained unchanged at €49.1 million, with €48.4 million being attributable to shareholders of Dürr AG and €0.6 million to holders of non-controlling interests. The higher cash outflow from continued operations was influenced by the expected disposal structure of the discontinued operation. In the previous year, cash flow from financing activities was strongly influenced by the cash inflows from the syndicated credit line for the acquisition of the BBS Automation Group and the green Schuldschein loan placed in April 2023. This was offset by cash outflows from the partial repayment of the 2016 Schuldschein loan and from the repayment of debts from the BBS Automation Group.

Free cash flow reflects the volume of funds available after all expenses in a given period in order to pay dividends, make acquisitions, and/or lower the level of debt. At €156.9 million in 2024 for the Group as a whole, it exceeded the previous year's level of €129.3 million. The increase is mainly due to the early receipt of customer payments in the high double-digit millions at the end of the year. Without this pull-forward effect, free cash flow would have been below the previous year's figure, as originally expected.

In order to assess the adequacy of free cash flow in relation to the financing of our growth, we consider the cash conversion rate. It expresses the ratio of free cash flow to after-tax earnings and is expected to sustainably exceed 80% after the completion of the investment program at HOMAG. In 2024, the total Group's cash conversion rate rose to 153.7% (2023: 117.3%). Free cash flow from continued operations amounted to €129.6 million in 2024, up by €68.7 million year-on-year.

2.42 — NET FINANCIAL STATUS (DECEMBER 31)

	€ million	2024[1]	2023
+	Checks, cash in hand, and balances with banks	831.6	1,037.1
+	Term deposits and other financial receivables	120.7	0.2
–	Convertible bond	147.4	144.9
–	Liabilities to banks	24.8	357.0
–	Schuldschein loans	1,045.7	913.1
–	Accrued/deferred interest on financial liabilities	21.0	18.7
–	Leasing liabilities	107.3	118.1
–	Other interest-bearing liabilities	2.3	2.2
=	**Net financial status**	**–396.2**	**–516.6**

[1] Continued operations, excluding assets held for sale and liabilities associated with assets held for sale.

Net financial debt decreased substantially by €120.4 million compared to year-end 2023, to €396.2 million. The decisive factors were the high free cash flow and the cash inflow from the sale of the Agramkow Group. The total Group's leasing liabilities as of December 31, 2024 reduced to €110.7 million (December 31, 2023: €118.1 million). Of this amount, €107.3 million was accounted for by continued operations. The ratio of net financial debt to EBITDA reduced to 1.3 (2023: 1.6) and thus remained significantly below our defined maximum value of 2.0.

3.4.4 OPERATING PERFORMANCE INDICATORS: ORDER INTAKE, SALES, EBIT MARGIN BEFORE EXTRAORDINARY EFFECTS, ROCE, AND FREE CASH FLOW

2.43 — PERFORMANCE INDICATORS[1]

		2024	2023
Order intake	€ million	4,745.7	4,182.8
Sales	€ million	4,290.9	4,196.0
EBIT before extraordinary effects	€ million	196.0	224.3
EBIT margin before extraordinary effects	%	4.6	5.3
ROCE	%	11.4	14.8
Free cash flow	€ million	129.6	60.9

[1] Continued operations

Our key performance indicators are order intake, sales, EBIT margin before extraordinary effects, ROCE and, especially at Group level, free cash flow. At the divisional level, an additional focus is on order margins and net working capital as performance indicators. Net working capital, in turn, has a decisive influence on cash flow. Below, we deal with the key figures for continued operations and indicate value added for the Group as a whole.

We also work with non-financial performance indicators that assist us in the Group's management and strategic orientation. Examples are key figures on employee and customer satisfaction, further training, ecology/sustainability, and R&D/innovation. While the non-financial performance indicators are becoming increasingly important, they do not serve a primary role in steering the Company. Instead, they facilitate extended findings on the situation prevailing within the Group, providing information for decision-making on that basis. A detailed analysis of non-financial topics and performance indicators is contained in reporting segment 7 → page 100.

The analysis of order intake and the resulting sales enables us to engage in forward-looking capacity planning. As a rule, sales realization lags 6 to 12 months behind order intake in systems business; for large paint equipment orders, the lag time is up to 24 months. The order intake of €4,745.7 million in 2024 gives us a good indication of our sales potential in 2025. However, actual sales recognition depends on the progress of projects underway, which in turn is determined by decisions made by customers regarding the start of projects and possible changes. The analysis of margins in order intake enables us to estimate the earnings trend in 2025 relatively well. Sales and earnings in the current year also depend on the further development of the order intake and the utilization of production capacities, however. This applies in particular to Woodworking and Industrial Automation.

We measure our profitability in particular by means of the EBIT margin before extraordinary effects. In 2024, it dropped to 5.5% for the Group as a whole, thus reaching the upper half of the target bandwidth (4.5% to 6.0%). A decline from 5.3% to 4.6% was recorded in continued operations. It was mainly due to the market-related decline in sales and earnings at Woodworking Machinery and Systems. For details of total Group target achievement, please refer to section 3.2 → page 48.

ROCE shows whether we generate an appropriate return on our capital employed and thus represents the basis for efficient capital allocation. Our mid-cycle target amounts to at least 25%. In 2024, we introduced a new calculation approach for ROCE; in this regard, please refer to section 1.2 → page 30.

Due to the decline in EBIT before extraordinary effects and the increase in capital employed owing to the acquisition of the BBS Automation Group, ROCE for the continued operations decreased from 14.8% to 11.4%. Total Group ROCE in 2024 amounted to 14.5% (previous year: 17.5%).

ROCE (in %) is calculated as follows:

$$\frac{\textit{EBIT before extraordinary effects}}{\textit{Capital employed}} \times 100$$

2.44 — VALUE ADDED[1]

		2024	2023
Capital employed (December 31)	€ million	1,776.3	1,601.8
ROCE	%	14.5	17.5
NOPAT	€ million	144.2	134.0
Weighted average cost of capital (WACC)	%	9.28	9.87
Dürr Group Value Added (DGVA)	€ million	–20.6	–24.1

[1] Continued operations and discontinued operation

Dürr Group Value Added (DGVA) reflects the value added that our Company generates in a fiscal year. Due to the decline in earnings of Woodworking Machinery and Systems and increased tax expenditure, value added was negative for the Group as a whole in 2024. Cost savings at Woodworking Machinery and Systems as well as our focus on margin improvement will constitute the basis for a return to positive value added in the future.

We determine capital costs as the weighted average cost rate of equity and borrowing costs before taxes (weighted average cost of capital: WACC). In calculating the cost of equity, a beta factor is considered, derived from capital market data and the capital structure of peer group companies. The borrowing costs comprise a basic – virtually risk-free – interest rate for bonds and a surcharge determined from the credit rating of comparable peer group companies. In 2024, capital costs were slightly lower than the previous year's level.

DGVA is calculated as follows:

DGVA = NOPAT – (WACC × capital employed)

- NOPAT = Net Operating Profit After Taxes/EBIT after fictitious taxes
- WACC = Weighted Average Cost of Capital

In the context of the performance indicator ROCE, the rule is that added value is generated when the return on capital employed exceeds the average cost of capital by at least the fictitious tax rate. In 2024, this was the case in the Paint and Final Assembly Systems, Application Technology and Clean Technology Systems divisions; they generated a very high ROCE in part. The ROCE of Woodworking Machinery and Systems was below the target of 25% due to the decline in earnings. The low ROCE of Industrial Automation Systems resulted on the one hand from the high capital employed owing to the acquisition of the BBS Automation Group. On the other hand, sales and earnings still remained at a relatively low level. We see significant growth potential for both parameters, which we intend to realize upon completion of the integration phase. The very high ROCE of the discontinued operation is partly due to allocation effects. Both costs and assets that will remain within the Group were assigned to continued operations.

2.45 — ROCE OF THE DIVISIONS

%	2024	2023
Paint and Final Assembly Systems	64.7	44.5
Application Technology	27.0	20.0
Industrial Automation Systems[1]	3.8	3.9
Woodworking Machinery and Systems	12.1	26.5
Clean Technology Systems[2]	102.5	66.5

[1] Including the Lithium-Ion Battery business unit, BBS Automation Group consolidated since August 31, 2023
[2] Excluding the Lithium-Ion Battery business unit and allocation effects

3.4.5 TOTAL ASSETS DECREASED

2.46 — KEY BALANCE SHEET FIGURES

		2024[1]	2023
Net financial status (Dec. 31)	€ million	–396.2	–516.6
Net financial liabilities in relation to EBITDA		1.3	1.6
Gearing (Dec. 31)	%	24.5	30.5
Net working capital (NWC) (Dec. 31)	€ million	421.3	545.3
Days working capital	Days	35.3	42.4
Inventory turnover	Days	52.6	60.8
Inventories turnover period/days sales outstanding	Days	46.8	49.2
Equity assets ratio (Dec. 31)	%	66.6	61.4
Asset coverage (Dec. 31)	%	139.7	125.4
Asset intensity (Dec. 31)	%	36.9	37.2
Current assets to total assets (Dec. 31)	%	57.5	62.8
Degree of asset depreciation	%	48.5	48.2
Depreciation expense ratio	%	7.0	6.8
Cash ratio (Dec. 31)	%	37.2	37.7
Quick ratio (Dec. 31)	%	60.9	59.4
Equity ratio (Dec. 31)	%	24.6	22.8
Total assets (Dec. 31)	€ million	4,978.4	5,156.0

[1] Excluding assets held for sale and liabilities related to assets held for sale, with the exception of the equity ratio and total assets.

In the balance sheet, assets held for sale and the associated liabilities are recognized separately and included in the total assets. Total assets at the end of 2024 came to €4,978.4 million, down by 3.4% year-on-year. On the assets side, non-current assets decreased due to the reclassification of assets of the environmental technology business held for sale to current assets. Despite this reclassification, current assets likewise declined, which is mainly due to the reduction in inventories, contract assets, trade receivables, as well as cash and cash equivalents. The reduction in inventories was mainly confined to Woodworking Machinery and Systems and was partly due to the decline in sales in the division. We reduced the previously relatively high level of cash and cash equivalents through the early repayment of Schuldschein loan tranches. Total liquidity, which also includes term deposits, amounted to €952.3 million as of December 31, 2024 (Dec. 31, 2023: 1,037.3 million).

2.47 — NON-CURRENT AND CURRENT ASSETS (DECEMBER 31)

€ million	2024	in % of total assets	2023
Intangible assets	976.6	19.6%	1,088.8
Property, plant & equipment	679.6	13.7%	655.2
Other non-current assets	182.0	3.7%	172.3
Non-current assets	**1,838.3**	**36.9%**	**1,916.3**
Inventories	627.5	12.6%	781.4
Contract assets	618.6	12.4%	674.1
Trade receivables	528.1	10.6%	598.7
Cash and cash equivalents	831.6	16.7%	1,037.1
Other current assets	255.0	5.1%	146.9
Assets held for sale	279.3	5.6%	1.5
Current assets	**3,140.1**	**63.1%**	**3,239.7**

2.48 — EQUITY (DECEMBER 31)

€ million	2024[1]	In % of total assets	2023
Subscribed capital	177.2	3.6%	177.2
Other equity	1,041.9	20.9%	992.7
Equity attributable to shareholders	**1,219.1**	**24.5%**	**1,169.9**
Non-controlling interests	4.7	0.1%	7.1
Total equity	**1,223.7**	**24.6%**	**1,177.0**

[1] Fully allocated to continued operations

Equity is fully allocated to continued operations and was up by €46.8 million or 4.0% as of December 31, 2024, reaching €1,223.7 million. The contribution of after-tax earnings, amounting to €102.1 million, was primarily reduced by the outflow of the dividend paid for 2023. As the level of total assets decreased at the same time due to lower inventories and the early repayment of maturities, the **equity ratio** → page 337 increased to 24.6% (December 31, 2023: 22.8%).

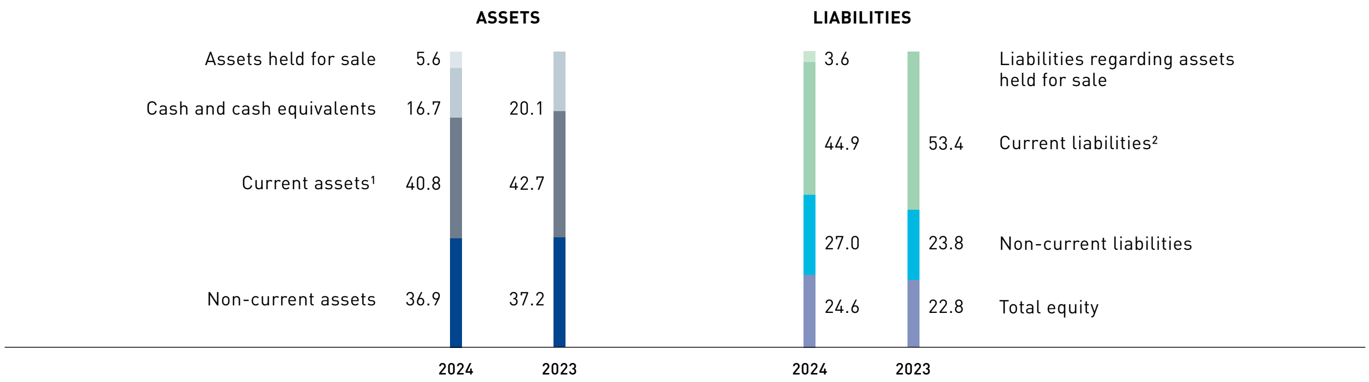
Current and non-current liabilities since year-end 2023 were down €224.4 million or 5.6%, to €3,754.7 million. This was mainly due to the repayment of the syndicated credit line for the acquisition of the BBS Automation Group and the partly early repayment of several Schuldschein loan tranches. Contract liabilities, arising from customer's project payments, increased due to early payments received from customers. The amount of trade payables and liabilities associated with assets held for sale remained almost unchanged. Pension provisions decreased to €33.0 million (Dec. 31, 2023: €40.4 million) and accounted for only 0.7% of total assets. This decline was mainly due to interest rate effects. The assignment of pension provisions to the discontinued operation played a subordinate role.

2.49 — CURRENT AND NON-CURRENT LIABILITIES (DECEMBER 31)

€ million	2024	In % ot total assets	2023
Financial liabilities (incl. convertible bond; Schuldschein loan(s))	1,348.5	27.1%	1,554.0
Provisions (incl. pensions)	230.3	4.6%	249.3
Contract liabilities	952.1	19.1%	939.2
Trade payables	430.8	8.7%	603.7
Deferred tax liabilities and income tax liabilities	109.2	2.2%	130.9
Other liabilities	506.0	10.2%	502.0
Liabilities in connection with assets held for sale	177.7	3.6%	0.0
Total	**3,754.7**	**75.4%**	**3,979.0**

2.50 — ASSET AND CAPITAL STRUCTURE (DECEMBER 31)

%



[1] Excluding cash and cash equivalents as well as assets held for sale
[2] Excluding liabilities in connection with assets held for sale

3.4.6 FURTHER INCREASE IN INVESTMENTS

Investments (including right-of-use assets under leases, excluding acquisitions) for the Group as a whole and continued operations are identical. The background to this is that the investments of the discontinued operation were included in continued operations until December 11, 2024, when the Supervisory Board approved the Management Board's plan to sell the environmental technology business, subject to certain framework conditions. Total investments increased in 2024 to €188.7 million (2023: €157.1 million). These included investments of the discontinued operation amounting to €5.7 million (2023: €6.5 million). Key investment projects included the construction of a new HOMAG production site in Poland and a tooling site in Gengenbach, as well as the development of the Manufacturing Operations Management (MOM) software suite. Of investments in property, plant, and equipment (€115.0 million), 39% were replacement investments and 61% were extension investments. Investments in intangible assets, which include capitalized development costs in addition to the purchase of software and licenses, remained almost unchanged at €38.4 million (2023: €38.2 million).

Equity investments of €18.4 million primarily included the increase in the stake in System TM to 100% and the acquisition of HOMAG shares as part of the cash settlement offer. In the previous year, equity investments amounted to €370.9 million, of which €353.1 million were effectively disbursed. Disbursements essentially related to the acquisition of the BBS Automation Group and of Ingecal.

2.51 — INVESTMENTS[1] AND DEPRECIATION[2]

€ million	2024	2023
Investments in property, plant, and equipment	115.0	76.9
Investments in intangible assets	38.4	38.2
Equity investments	18.4	370.9
Investments in right-of-use assets	35.3	42.0
Depreciation and amortization	–155.1	–122.1

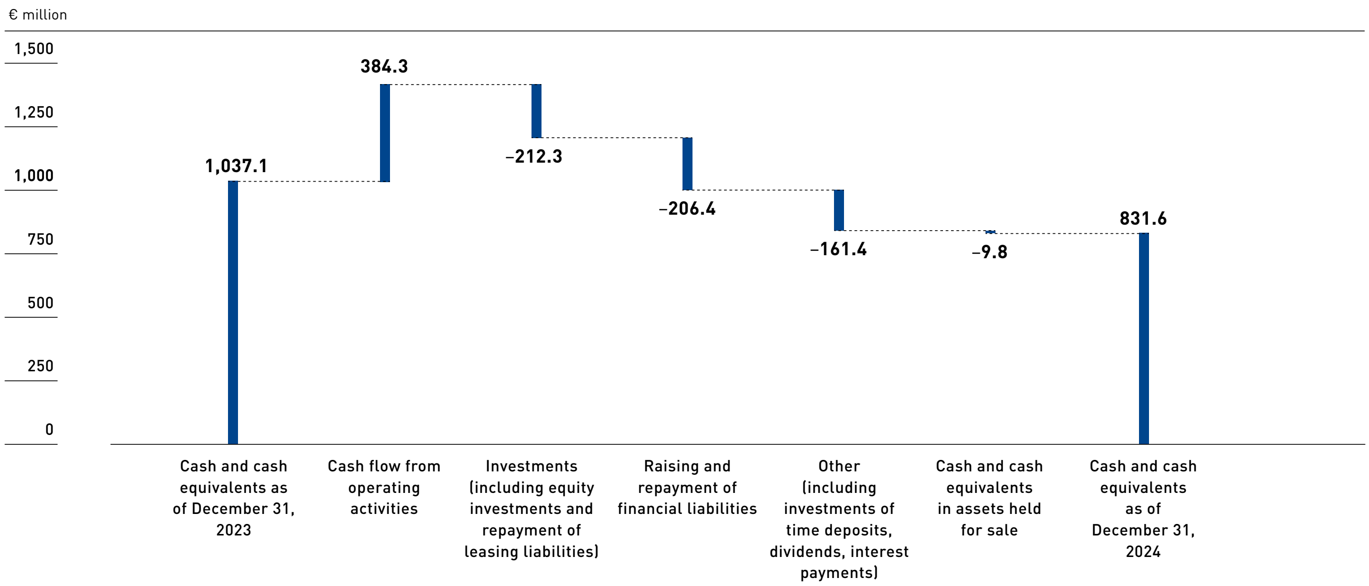
[1] Including the investments of Clean Technology Systems until December 11, 2024
[2] Depreciation and amortization of continued operations only

2.52 — CAPITAL EXPENDITURE ON PROPERTY, PLANT AND EQUIPMENT[1]: REPLACEMENT AND EXTENSION INVESTMENTS

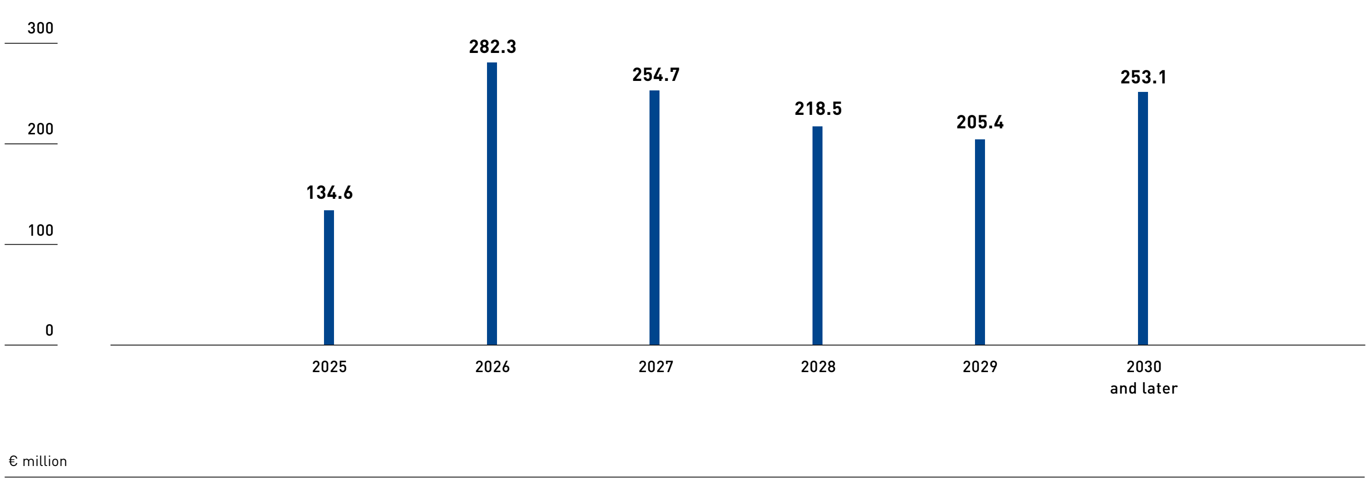
€ million	2024	2023
Replacement investments	44.6	31.5
Extension investments	70.3	45.4
Investments in property, plant, and equipment	**115.0**	**76.9**

[1] Including the investments of Clean Technology Systems until December 11, 2024

2.53 — LIQUIDITY DEVELOPMENT



2.54 — MATURITY PROFILE OF FINANCIAL LIABILITIES



Tranches of Schuldschein loans totaling €55.0 million will mature in 2025. Obligations from the acquisition of property, plant and equipment amount to €17.9 million.

3.4.7 OFF-BALANCE SHEET FINANCING INSTRUMENTS AND OBLIGATIONS

In 2024, there were no off-balance-sheet financing instruments or obligations (excluding liabilities from procurement contracts), nor were any receivables sold. As of December 31, 2023, there were sales of receivables (forfaiting, premature performance under documentary credits) amounting to €38.7 million.

4 EVENTS AFTER THE REPORTING PERIOD

In December 2024, a legally binding ruling was handed down in valuation proceedings concerning the appropriateness of the cash settlement offer and the guaranteed dividend for non-controlling shareholders of HOMAG Group AG. The Higher Regional Court of Stuttgart confirmed the appropriateness of a cash settlement of €31.58 per share and a guaranteed dividend of €1.02 per share (net). In doing so, as the court of last instance, it confirmed the previous ruling of the Stuttgart Regional Court of August 2019, against which shareholders of HOMAG Group AG had filed an appeal in October 2019.

The ruling by the Higher Regional Court of Stuttgart was published in the German Federal Gazette on January 3, 2025. On the same day, a two-month period began during which non-controlling HOMAG shareholders were able to tender their shares to Dürr Technologies GmbH at a price of €31.58 per share. This cash offer expired at the end of the tender period on March 3, 2025. By the end of the acceptance period, around 2.5 million shares had been tendered. This will result in a cash outflow of around €97 million, which will take effect in the first quarter of 2025. The shareholder structure of HOMAG Group AG was as follows upon expiration of the tender period: 83.8% of the shares were held by Dürr Technologies GmbH and 14.1% by the Schuler/Klessmann group of shareholders. The free float amounted to 2.1%.

No other events that materially affected, or could materially affect, the Group’s assets, liabilities, financial position and financial performance occurred between the end of the reporting period and the date of preparation of the Group management report on March 26, 2025.

5 REPORT ON RISKS, OPPORTUNITIES, AND EXPECTED FUTURE DEVELOPMENT

5.1 Risks

Our strategy is to manage the risks associated with our entrepreneurial actions so as to achieve a well-balanced ratio to the opportunities. To this end, we make use of an effective risk management system.

5.1.1 RISK MANAGEMENT SYSTEM OF THE DÜRR GROUP

5.1.1.1 Scope of application

Our risk management system is deployed throughout the Group. It has existed in its fundamental structure since 2008 and has since been continually adapted to new requirements. The Audit Committee of the Supervisory Board had an audit of the appropriateness of the risk management system for the year 2022 conducted by an external auditing company in accordance with Auditing Standard 981 of the German Institute of Public Auditors. The audit revealed that the rules and regulations of the risk management system are effective, appropriate and suitable to identify, manage, assess, control and monitor the material risks endangering the achievement of Dürr's strategic corporate goals and its related operating targets with an adequate degree of certainty in good time.

5.1.1.2 Objectives

Our risk management system is designed to meet the needs of the mechanical and plant engineering business. It enables us to systematically record, analyze and – to the extent possible – evaluate risks. On this basis, effective countermeasures can be initiated at an early stage to avoid serious individual risks, to transfer transferable risks to third parties where this makes economic sense, and generally to reduce the overall risk. We document all specific risks, provided that they are identifiable and sufficiently concrete. Non-quantifiable strategic risks as well as general risks with a low probability of occurrence are not taken into account, unless they are risks with very high damage potential (referred to as extreme risks). We also document and evaluate our opportunities; the relevant information is contained in section 5.2 → page 88.

5.1.1.3 Methods and processes

The risk management system covers all essential business and decision-making processes. We maintain open dealings with risks and encourage employees to identify any misdirected developments at an early stage. The risk management process takes account of all risks of the participating companies. The central risk management team at Dürr AG initiates the nine-stage process every six months. The centerpiece of this standard risk cycle is the risk inventory of the Group's companies. In the risk inventory, individual risks are identified, assessed and consolidated, i.e. classified into 16 specific risk fields (→ figure 2.55). The risk fields cover management, core and supporting processes, as well as external risk areas.

The assessment of individual risks is carried out by the risk managers of the operating units and by Dürr AG. They use the risk management manual as well as risk structure spreadsheets to do so. The assessment process consists of three stages: First of all, the damage potential is calculated, i.e. the maximum impact on EBIT and equity that can result from a risk in the following 24 months. Next, we assess the probability of occurrence of a specific risk. In a third step, the effectiveness of possible countermeasures is examined and assessed using a risk-reducing factor.

The bottom line is the net risk, i.e. the net equity risk that remains after taking the probability of occurrence and the effectiveness of countermeasures into account. The lower the probability of occurrence and the higher the effectiveness of countermeasures, the lower the net risk is. The net risks of the 16 risk fields correspond to the sum total of net risks of all individual risks assigned to them. Depending on the extent of the net risk, each risk field is assigned to one of the four following categories:

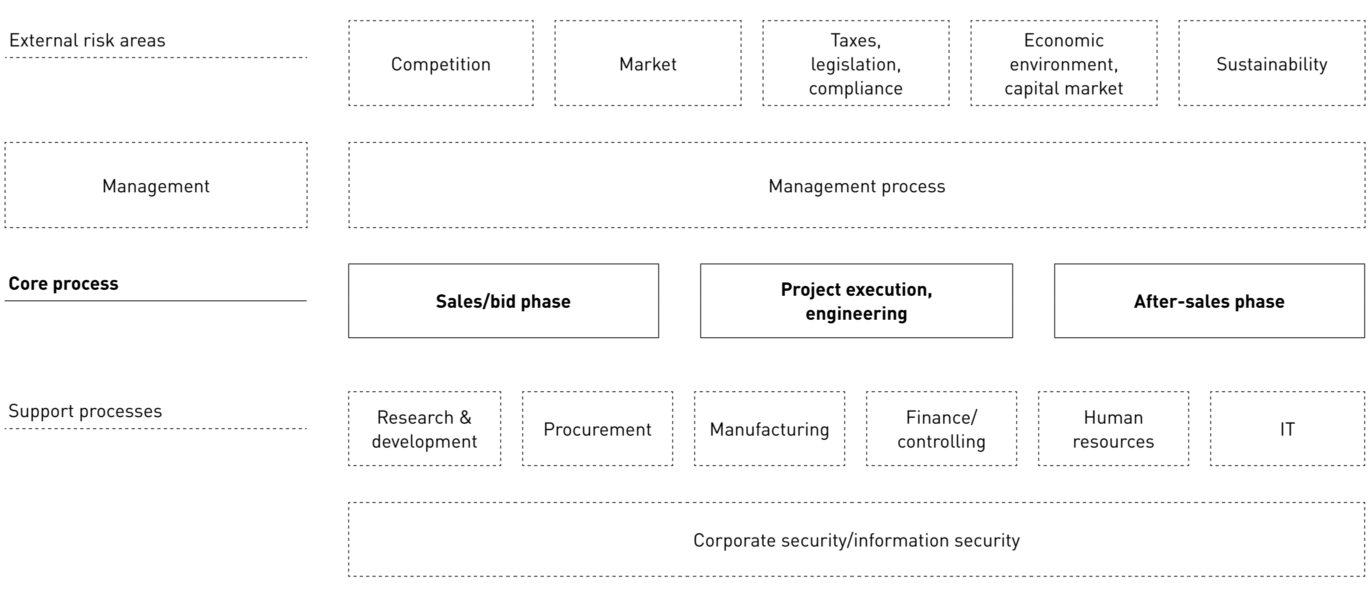
- Very low (≤ € 5 million)
- Low (> € 5 million to ≤ € 20 million)
- Medium (> € 20 million to ≤ € 40 million)
- High (> € 40 million)

The net risks of all 16 risk fields are totaled to produce the Group's entire potential risk exposure (aggregated net equity risk). Interdependencies between material individual risks as well as between net risks of the 16 risk fields are analyzed and included in the overall risk potential. The overall risk potential is subsequently compared to the risk-bearing capacity. The key figures for risk-bearing capacity are the expected development of liquidity over the next two years and the expected equity in two years. If the overall risk potential exceeds a certain threshold, the Board of Management is informed in order to initiate risk-reducing measures without delay. Should the overall risk potential exceed one of the two key figures for risk-bearing capacity, the Company's continued existence is assumed to be in danger.

The Group companies and divisions prepare their risk reports after the risk inventory has been completed. These reports constitute the basis for the Group Risk Report of Dürr AG, containing information on individual risks and overall risk. Following an analysis by the Board of Management and the Dürr Management Board, the Group Risk Report is forwarded to the Supervisory Board and then discussed at length by the Audit Committee. Next, the Audit Committee Chairman reports to the Supervisory Board.

Acute risks are reported to the Board of Management and the heads of the relevant divisions without delay. The risk managers of the Group, divisions, and Group companies are responsible for the process of identifying, assessing, managing, and monitoring risks as well as for reporting; in most cases, these are the CFOs of the Group companies or the heads of the controlling departments. The Internal Audit department is also involved and verifies compliance with the defined processes on a regular basis.

2.55 — RISK FIELDS OF THE DÜRR GROUP



5.1.2 KEY FEATURES OF THE INTERNAL AUDITING SYSTEM, THE INTERNAL CONTROL SYSTEM, AND THE RISK MANAGEMENT SYSTEM FOR THE ACCOUNTING PROCESS

The internal auditing system (IAS) is a key element of the Group's governance structure. It comprises independent auditing and advisory services, assesses the effectiveness and efficiency of business processes, and ensures compliance with corporate guidelines and statutory regulations. The internal control system (ICS) and the risk management system (RMS) for the accounting process are elements of the Group's governance functions. The respective system comprises all rules, measures, and procedures that guarantee the reliability of financial reporting with reasonable assurance and ensure that the financial statements of the Group and its companies are prepared in conformity with the IFRS. The Board of Management bears overall responsibility for the ICS/RMS and has set up an appropriate managerial and reporting organization, covering all the essential organizational and legal units of the Group.

For a general assessment of selected governance functions, the Audit Committee of the Supervisory Board commissioned an external audit firm to review the IAS in accordance with audit standard 983 of the IDW (Institute of Public Auditors in Germany). The audit found that the policies, procedures, and measures of the IAS were appropriately presented and effective during the audited period (January 1, 2023 through December 31, 2023). In addition, a readiness check of the ICS was carried out by an external audit firm in line with IDW auditing standard 982. The result confirmed that the Dürr Group's ICS reflects a well-developed degree of maturity. No indicators emerged that would suggest an inappropriately structured ICS. Monitoring of the ICS/RMS is the task of the Internal Audit department and is carried out by conducting effectiveness checks of the governance functions. The ICS takes account of the specific features of Group accounting. The key instruments, controls, and backup routines for the accounting process are as follows:

- Dürr AG's Accounting Guideline defines the accounting process for the Group companies. It is updated on a regular basis by Group Accounting and covers all IFRS rules and regulations of relevance. Supplementary internal accounting standards describe, for example, the processes of intercompany reconciliation of transactions for goods and services.

- In a multi-stage validation process, we carry out sampling, plausibility checks, and other accounting controls. The operating companies, divisions as well as Group Controlling, Group Accounting, and Internal Audit are involved. The controls relate to various areas, such as the reliability and appropriateness of IT systems, the completeness of provisions, or the evaluation of customer orders where revenue recognition over time is applied. The results of all material control measures are systematically recorded by Dürr AG's Corporate Internal Audit and Internal Controls department and submitted to the Audit Committee of the Supervisory Board. The Audit Committee Chairman reports to the Supervisory Board following an in-depth analysis of the documentation of the findings.

- All material Group companies document their own internal controls with which they ensure reliable and factual financial reporting. The documentation produced by the main Group companies within the scope of the ICS/RMS is stored. The Internal Audit department verifies the existence and effectiveness of the documented measures and instruments.

- Our ERP systems and the consolidation system include automatic controls to ensure that individual business transactions are duly assigned to the correct balance sheet line items. In addition, plausibility checks are carried out by Group Accounting.

- In the case of micro-entities that cannot themselves ensure a fully comprehensive internal control environment and proper financial reporting, external service providers are used. Local management and controlling use plausibility checks and other controls to verify the work of external service providers.

- Only a select group of employees has access to the consolidation system. Access to all data is reserved for only a few employees from Group Accounting and Group Controlling. All other persons' access is confined to the data of relevance for their specific activities. Data entered at the level of the Group companies must be checked in a two-stage process – initially by the controlling department of the division responsible and then by Group Accounting.

- Commercial processes that trigger booking entries in the consolidation system are subject to the four-eyes principle. Invoices must be signed off by the Division Head, the Managing Director or the responsible Board of Management member, depending on the invoice amount.

In order to avoid risks and ensure unobjectionable financial statements, we carefully examine key regulations and new developments in the fields of accounting and reporting. Particular weight is assigned to accounting for customer orders for which revenue recognition over time is applied, the impairment test of goodwill, the reliability of qualitative statements in the consolidated management report, including reporting segment 2 → page 43, as well as the implementation of new IFRSs.

Within the scope of the ICS/RMS, we provide regular training sessions for employees of our finance departments, for instance in the application of accounting standards, accounting rules, as well as IT systems. In the case of corporate acquisitions, we quickly adjust the accounting processes and familiarize new employees with the ICS/RMS as well as all the relevant processes, content and systems.

5.1.3 STATEMENT UNRELATED TO THE MANAGEMENT REPORT

The internal control system and the risk management system are dynamic systems and are continuously adapted to changes in the business model, the nature and scope of business transactions, or responsibilities. As a result, the internal and external audits reveal potential for improvement in individual cases with regard to the appropriateness (completeness of suitable controls) and effectiveness (sufficient implementation) of controls. With regard to the assessment of these management systems, the Board of Management has no knowledge that they may not be appropriate or effective in their entirety.

5.1.4 OVERALL RISK SITUATION

The risk management system in the 2024 fiscal year encompassed the entire Dürr Group, including the discontinued operation. Since a potential sale of the environmental technology business would not be completed until toward the end of 2025, the overall risk potential adequately reflects the current risk situation of the Dürr Group.

The overall risk potential at the end of 2024 amounted to €605 million, an increase of approximately €33 million or 5.8% year-on-year. We noted a substantial decline in procurement risks. In particular, the easing supply chain situation and lower material and energy costs contributed to this development. Project execution risks likewise decreased, chiefly because the cost-cutting measures carried out in Woodworking Machinery and Systems had no adverse impact on operating business. In contrast, additional and increased risks are inherent in the market weakness of automotive producers and suppliers along with the persistently low demand in the stand-alone machinery business of Woodworking Machinery and Systems. Further risks arise due to the possible sale of the environmental technology business and as a result of the merger of Paint and Final Assembly Systems and Application Technology in the new Automotive division. Moreover, geopolitical risks have increased owing to the growing conflict between China and Taiwan, as well as trade wars and restrictions.

The overall risk potential reflects the ongoing challenging conditions in our business. In particular, market-related risks have grown in the wake of the weak economy. The risk situation due to ongoing political and military conflicts remains unchanged.

2.56 — RISK FIELDS AND NET RISKS

Risk field	Net risk Very low (≤ €5 million)	Low (> €5 million to ≤ €20 million)	Medium (> €20 million to ≤ €40 million)	High (> €40 million)
Economic environment/ capital market				■
Sales/bid phase		■		
Project execution/ engineering				■
Taxes/legislation/ compliance				■
Market				■
Research and development	■			
Competition			■	
Procurement			■	
Human resources		■		
IT			■	
Corporate/information security			■	
Manufacturing		■		
Sustainability		■		
After-sales phase			■	
Finance/controlling				■
Management process	■			

At the end of 2024, “Market”, “Finance/Controlling” and “Taxes/Legislation/Compliance” were the most important risk fields in absolute terms, followed by “Economic environment/Capital market” and “Project execution/Engineering”. The overall risk potential includes the net risk potential of 296 assessed individual risks (previous year: 288). The main reasons for the increase are the projects to optimize the Group structure and focus on the core business, such as the merger of Paint and Final Assembly Systems and Application Technology to form the new Automotive division, or the review of strategic options for the environmental business. The overall risk potential accounts for slightly more than half of the risk-bearing capacity. We do not consider it to be a cause for concern, however; it still remains well manageable. Among other things, this is supported by the successful measures implemented to adjust to the market downturn in woodworking technology and the ongoing focus of our business on the automation of production processes. No risks are discernible at present that might endanger the Group’s continued existence as a going concern, either individually or collectively with other risks.

5.1.5 RISK FIELDS AND SIGNIFICANT INDIVIDUAL RISKS

5.1.5.1 Economic environment/capital market

The risks arising from the field of “Economic environment/capital market” decreased slightly in 2024. The main reason for this was that market risks related to China are now partially included in the “Market” risk field, which reduced the risk volume in the “Economic environment/capital market” field.

The furniture industry and the construction sector continued to suffer from low demand in 2024. This is why demand for individual machines from Woodworking Machinery and Systems likewise remained at a low level. The disclosures on the “Market” risk field contain details on the market development for woodworking machinery.

The market environment for the automotive industry deteriorated in 2024, with a slowdown of the transformation to e-mobility. Our Paint Technology business was not impaired by this trend for the time being since customers increasingly invested in modernizing existing paint shops. In contrast, there were delays in investments in automation solutions for the production of automotive components. Again, subchapter 5.1.5.6 → page 82 contains further information in this regard.

We are not significantly affected by the current international trade conflicts, as virtually no punitive tariffs have been imposed on our products. However, there is a risk that we might be affected by new tariffs due to geopolitical changes. Accordingly, we increased the risk assessment in the 2024 fiscal year. Economic growth in the important Chinese market lost momentum in 2024. Our order intake in China declined as less was invested in systems for exhaust air purification, furniture, and automotive production. We reduced the risk of underutilization in China in some areas by making capacity adjustments. This risk is regularly analyzed, enabling us to take further countermeasures where necessary. Nevertheless, there is medium- and long-term growth potential for the automotive and furniture industries in China, as market saturation is far from being reached and per capita incomes continue to rise. China’s increasingly nationalistic policy and the experience of Russia’s attack on Ukraine induced many Western countries to reduce their economic dependence on China. An escalation of the conflict with Taiwan with negative effects on the supply chains or an economic slump in China would significantly impact the Dürr Group’s sales and earnings. In 2024, an almost unchanged level of 16% of sales was generated in China (2023: 16%).

The direct impact of the war in Ukraine on our business has so far been minimal. We comply with all the sanctions against Russia that are relevant to us. The indirect effects of the war in Ukraine on our market and procurement environment have diminished, although they were very relevant at the beginning.

The persistently tense situation in the Gaza Strip and in Lebanon as well as the unstable situation in Syria increase the risk of a widespread conflict in the region, which could have a negative effect on the development of the global economy. The impact on our business is currently very low, as we do not operate in any locations in the region and the volume of business there is negligible.

We can bridge economic downturns in smaller markets relatively well, as our business is internationally balanced. Cyclical fluctuations are discernible at a comparatively late stage within the Dürr Group since our plant engineering business is shaped by long-term investment decisions of the automotive industry. In the early-cycle mechanical engineering business, macroeconomic changes tend to take effect faster.

Economic crises and political conflicts may shock the capital markets, making new financing transactions more expensive and restricting credit availability. As a result of the interest rate reversal initiated in North America and Europe in 2022, our financing arrangements agreed in 2024 have become more expensive compared to the low interest rate phase prior to 2022.

We classify the risk of a hostile takeover of Dürr AG as relatively low since Heinz Dürr GmbH owns about 26.2% of the Company's shares. A further stake of 3.5% is held by the Heinz and Heide Dürr Stiftung, a foundation.

It cannot be ruled out altogether that information of a confidential nature and/or of relevance to the capital market may prematurely be leaked outside the organization. We protect ourselves from this by substantially restricting the number of people with access to such information and by instructing the relevant people with regard to their duties. In addition, we set up project-related insider lists and use secure communication technologies.

5.1.5.2 Operating risks: Sales/bid phase

One risk during the bid phase is that we may not be able to assert margin targets during contract award negotiations in a phase of highly competitive intensity. When performing order calculations, there is potential for incorrect cost assessments. To prevent this, we always obtain current market prices on the procurement side and have our calculation assumptions reviewed internally. When major projects are acquired for the first time in relatively new business areas, there is also an increased risk of misjudging costs and expenses during project execution.

5.1.5.3 Operating risks: Project execution/engineering

The risks in the "Project execution and engineering" field declined significantly year-on-year as the cost-cutting measures in the Woodworking Machinery and Systems division were successfully implemented and did not lead to any impairments in operating business. Accordingly, the associated project execution risk was completely eliminated. However, the weak economy increased the risks of underutilization and restructuring in the Dürr Group. We closely monitor demand and project developments and would respond to risks with flexible measures, such as short-time work. Capacity adjustments could also be implemented where necessary. Overall, we continue to assess net risk in the field of project execution/engineering as high.

In general, there is a risk during project execution that we will not meet deadlines or other contractual commitments. This can lead to additional expenses in the form of contractual penalties, payments of damages, or to customer payments being postponed. Although project lifetimes are tending to shorten, we assess this risk as controllable. Especially in the paint shop business, thanks to largely standardized products and processes, we are able to handle numerous large-scale projects safely in parallel. The measures we take to ensure reliable project execution include monthly project reviews and the consistent application of the processes we have developed. However, there is a risk that we may incur additional costs as a result of delayed performance by customers. In this case, we negotiate supplementary payments with such customers. In the Woodworking Machinery and Systems division, the risk of additional costs in projects is high as a growing project volume is anticipated.

5.1.5.4 Operating risks: After-sales phase

The spare parts business depends on capacity utilization at our customers' plants, among other factors. If the level of capacity utilization decreases, then the level of demand for spare parts usually declines. Overall, after-sales risks increased slightly year-on-year, especially due to volatile demand on the part of car makers. As countermeasures, we are expanding our range of conversions and modifications, as well as services outside the automotive business. Thanks to additional employees in the Service division, we managed to slightly expand services in the Woodworking Machinery and Systems division in 2023 and 2024 despite subdued furniture production. In 2025, we plan to further increase the services business in this division. This is accompanied by the risk of intensified competition and pricing pressure. We are therefore focusing on high service quality with short response times.

5.1.5.5 Taxes, legislation, compliance

Net risk in the "taxes/legislation/compliance" field increased slightly in 2024. Decisive factors included higher risks in connection with a current tax audit focusing on transfer prices. We are being supported in this matter by an external consulting firm. In addition, the risk regarding the impairment of capitalized deferred tax assets has increased slightly due to the weak earnings situation in some countries.

We must observe different national legal norms. To avoid violations, we cooperate with local legal experts and train our employees accordingly. New trade barriers and legislation may increase our costs and reduce our sales opportunities. Changes in tax legislation can lead to higher tax payments and affect our tax receivables and liabilities. There is also a risk of ambiguity in the interpretation of tax legislation. In large system projects, tax and customs risks may occur in cases of complex international delivery processes.

Material legal risks usually arise from warranty claims, claims for damages in cases of production failures, or patent litigation. If we fail to meet our contractual obligations in performing our work, we may be liable for contractual penalties. Before making any contractual representations, we study what liability-related consequences we may face. In principle, we rule out any commitments that we cannot fulfill. In most cases, the contractual risks in the project business are higher than in the single machine business. The expansion of the software business results in increasing risks under VAT law and the risk regarding violation of third-party property rights. The software security experts of our digital factories therefore develop countermeasures. A further risk is that of third parties possibly using technical documents in particular for their own purposes if such documents are not appropriately labeled.

Compliance violations, for instance in the field of competition or product liability law, may lead to criminal prosecution, liability risks, and image loss. We are not aware of any serious violations at this time. We protect ourselves by means of a compliance management system, the basic features of which are described at www.durr-group.com in the section on Investors/Corporate Governance/Compliance. The system is monitored on a regular basis and comprises all activities targeted at ensuring that all employees in daily operations behave in conformity with the relevant rules and ethical requirements. The system supports employees in avoiding contraventions and the resulting risks of liability and criminal convictions. In addition, we take targeted action against corruption risks. Key instruments include internal policies, online training sessions, the four-eyes principle, a whistleblowing system (Integrity Line) that employees and third parties can use to report misconduct, and the work carried out by the Internal Audit department.

5.1.5.6 Market

The risks in the "Market" field have increased substantially. Geopolitical conflicts, such as between China and Taiwan, as well as growing protectionism, particularly in the US, may lead to sanctions and trade restrictions with adverse impacts on our business. Economic risks have increased of late. This could lead to a decline in demand, weaker capacity utilization and, as a consequence, to personnel adjustments. We monitor economic developments in the individual markets through local sales and analyze the situation in monthly management meetings. Should there be a sustained decline in demand, we will consider capacity adjustments, investment cuts, and reductions in working capital. The risks in relation to restructuring have recently decreased, as we have already implemented personnel adjustments in China.

The risks in the market for woodworking machinery increased in 2024 against the backdrop of interest rate developments and weakness in the construction sector. Whereas we have seen an increase in customer inquiries since the end of 2024, this has not yet led to an increased order intake. We do not expect the market for woodworking machinery to recover before mid-2025. It cannot be ruled out, however, that demand will continue to fall or remain at its low level for longer than expected. Price cuts are also possible, as competition might intensify. Both developments could have a negative impact on sales and earnings in 2025. As a countermeasure, we implemented a broad-based cost-cutting program in 2024 that delivered the planned savings and is expected to increase the long-term resilience of Woodworking Machinery and Systems.

Demand for automated assembly and testing systems for automotive components weakened in 2024 and projects were postponed. Due to the uncertain market situation, the corresponding market risks increased. There is still a risk that the awarding of contracts and the execution of projects will be delayed because the progress of e-mobility is slower than expected and new manufacturers of electric cars may experience financing problems. Furthermore, it is possible that our competitive position will deteriorate or that additional price pressure will arise. This could have a negative impact on incoming orders, sales, and margins. Opportunities in the automotive sector are possible due to the expansion of business with new e-car producers, the increasing localization of vehicle production in the wake of trade conflicts and the switch to resource-efficient production processes. The relevant information is contained in section 5.2 → page 88.

In the automotive business, dependencies may arise since there is a limited number of car makers worldwide. However, their number has recently grown as new manufacturers of electric vehicles have entered the market. In 2024, 32% of our sales were generated by business with the ten largest customers (previous year: 29%). Outside the automotive industry, the dependency risks are considerably lower as our customer base is very broad.

The risks resulting from complex tendering procedures have persisted at an increased level, as have the liability risks associated with production start-ups and the failure to achieve promised performance data. In our markets, we are generally confronted with price pressure; as a rule, this is most pronounced in paint shop construction for the automotive industry. We react to price pressure with innovation, process optimization, localization, and cost management. In addition, we have been pursuing our value-before-volume strategy in sales since 2022. In doing so, we select the projects for which we submit bids more strictly according to margins and risk profiles.

In the automotive business, there is a risk of customers enforcing payment terms that are unfavorable to us. The willingness to make higher prepayments for major projects may vary, depending on our customers' liquidity situation. Chinese customers in particular prefer so-called bank acceptance drafts – a kind of bill of exchange – to conventional prepayments. In corresponding projects, payments from customers tend to be received later or are less evenly distributed over the duration of the project. Payment defaults did not increase significantly in 2024; bad debts are particularly rare in the automotive business. When monitoring incoming payments and default risks, we focus particularly on the Chinese e-mobility sector. In the wake of the consolidation process taking place there, financially weaker producers are leaving the market. In addition, we see increased credit risks for customers and suppliers due to the weak sales development in the automotive industry. We work with payment guarantees through advance payments, closely monitor incoming payments, and are increasingly focusing on customers in the medtech and consumer sectors in the field of production automation.

Our market-leading positions could be jeopardized by technological developments from competitors. At present, this risk is most pronounced in China. New products and business models that could endanger our position as a whole are not discernible at this time, however. Disruptive technologies such as electromobility have not led to lower demand for paint, assembly and testing technology in the automotive industry, either. Instead, the level of demand for final assembly technology is likely to rise since the assembly of electric vehicles partly calls for new processes and systems to be deployed. In the field of painting technology, there are no serious substitution risks as there still are no alternatives to aluminum, steel and plastics in large-scale serial car body production. Composite materials deployed in lightweight construction are also painted by conventional means. In furniture production, where wood and chipboard dominate, there are no major substitution risks.

In the course of digitalization, we need to offer our customers top-performing software and IT solutions. Otherwise, competitors from the software industry could intervene with offers of their own between us and our customers. With our manufacturing execution systems (MES) and a rising number of software and smart products, however, we are well placed to defend our market position. Moreover, we know our customers' production processes very well and incorporate this knowledge into our software products.

The high business share of emerging markets (41.5% of total Group sales) entails specific risks:

- Cultural and language barriers, insufficient knowledge of suppliers, customers and market customs, and specific legal and general political parameters may give rise to disadvantages.
- The level of staff turnover in the emerging markets is higher than in Germany. Attractive remuneration, our status as a world market leader, and targeted career planning help us retain top-performing employees.
- Product and brand piracy is more prolific in the emerging economies than in the established markets. However, due to their complexity, many of our products can hardly be copied with the same quality. Moreover, we protect ourselves through patents.
- Our local product development ensures that regional customer requirements are taken into account. This reduces the acceptance risks for new solutions. We protect ourselves against cost pressure from local competitors by means of a high degree of localization.

5.1.5.7 R&D and product liability risks

With regard to innovations, there is a risk that we may not be able to adequately absorb our development costs through product pricing. Technical problems may also occur in the development of new products, resulting in delays or additional costs. Woodworking Machinery and Systems plans to establish product development to a limited extent in China in order to develop machinery for the local market. This might lead to delays or target deviations. To avoid market acceptance risks for new solutions, we analyze demand, engage pilot customers in our projects, and develop products with a high **return on investment → page 337**. This also reduces the risk of unexpected impairment on capitalized development costs. We review the patent situation to ensure that new products do not violate any property rights of third parties. To prevent product liability cases, we ensure that our products meet health and safety regulations, and we take out appropriate insurance policies.

5.1.5.8 Competition

In view of our extensive market shares, customers from the automotive industry in particular choose to cooperate with smaller-sized competitors from time to time. This may make our price targets difficult to achieve. Local competitors sometimes undercut our prices. At Woodworking Machinery and Systems, we perceive greater competitive and pricing pressure, particularly in China. We are countering this by increasing value added locally and tailoring product development more closely to local needs; we are also reinforcing the stand-alone machinery business in China, reducing manufacturing costs and securing our technological advantage through innovation. Delays in ship transportation represent a risk in the painting robot business, as they can lead to time losses compared to local competitors in the destination country. This risk applies to China, for example. We are not aware of any competitors' products that could endanger our market position. In certain countries, the level of competitive intensity from internationally active competitors has continued to increase. We have noticed that competitors from the emerging markets are also starting to operate outside their home markets as the trend toward localization of value added near customers is increasing. In addition, there is a risk that in certain countries, local competitors may be given preference in contract awards for political reasons.

5.1.5.9 Procurement

Risks in the "Procurement" field have decreased significantly yet again over the past twelve months. Net risk was lowered from "high" to "medium". Raw material and energy prices declined and the availability of components, construction material and subcontractors improved. To mitigate risks with respect to availability and price, we enter into framework contracts with preferred suppliers and pool our purchasing volumes. In a few cases, dependency risks may arise, which we reduce by broadening our supplier base. For standard bought-in parts, a change in suppliers may make it necessary to amend certain designs and contend with corresponding costs. At some manufacturing locations, fluctuations in orders placed may lead to underutilization. Inventory risks are possible in particular when model changes occur within the product program.

We select and monitor suppliers carefully as a precaution against quality deficiencies or delayed deadlines, which may occur particularly among suppliers in the emerging markets. Moreover, we have reduced our dependency on suppliers in some divisions by extending our in-house manufacturing. We are often unable to pass rising supplier prices on to our customers in full. In 2022, in the automotive sector, we introduced price escalation clauses in major new contracts with customers to hedge against rising costs. The use of this instrument is regularly reviewed in the light of developments in procurement markets.

5.1.5.10 Manufacturing

The "Production" field includes risks such as capacity utilization risk, production competence and quality risk, production downtime risk and inventory devaluation risk. Risks in this field increased particularly due to declining capacity utilization in the Woodworking Machinery and Systems division. We respond, among other things, by continuously monitoring our stock levels and only ordering materials when necessary.

5.1.5.11 Human resources

In the "Human resources" field, risks decreased year-on-year and net risk was downgraded from "medium" to "low". The decisive factor was the reassessment of risks in the context of the Supply Chain Due Diligence Act. 2024 was characterized by progress in implementing due diligence processes, which lowered the corresponding risks.

We hire external employees to avoid risks of capacity bottlenecks. As we have numerous highly qualified employees, know-how losses may be incurred when they leave our company. This is why we distribute specialist expertise across a number of people and promote knowledge transfer. The shortage of skilled labor increasingly hampers the recruitment of personnel, especially in the fields of information technology, digitalization, and service. To counteract this, we rely on long-term career planning, personnel and university marketing, as well as vocational training and work-study programs. There is also a risk of employee absences in key positions, for example in the management of subdivisions. We address this risk with long-term succession planning, among other solutions. Salary increases during the lifetime of large, long-term projects can result in an additional cost factor; this risk exists above all in the emerging markets. We also cannot rule out violations of labor law and tariff-based arrangements altogether.

We have outsourced pension commitments to external pension funds in which other enterprises also participate. Should one of these companies file for insolvency, this would give rise to the risk of co-liability for its retirement benefit commitments. We therefore regularly monitor the financing status of the pension funds and the performance of the participating companies.

Our pension risks are manageable. The discount rate used for calculating pension obligations in Germany was 3.35% as of December 31, 2024 (December 31, 2023: 3.19%). Pension provisions amounted to €33.0 million.

5.1.5.12 Finance and controlling

This risk field comprises, among others, exchange-rate and credit rating risks, the risk that investments made do not generate the desired return, as well as risks regarding the impairment of tangible and intangible assets. In addition, geopolitical tensions are leading to tighter foreign exchange restrictions, which may prevent dividends from being paid to Germany.

The risks in the "finance and controlling" field increased in 2024, above all for two reasons. First, order intake, sales and earnings of the Production Automation Systems business unit fell short of expectations. This was chiefly due to delays in investments by automotive component suppliers. This results in a risk to the impairment of the goodwill of the business unit. In the short term, we respond with selective capacity adjustments and the realization of synergies in sales and costs. We are convinced of the medium- and long-term potential of the automation business. Second, we duly took account of risks in connection with the planned sale of the environmental technology business. These risks relate to the carve-out → page 337 process. As the business held for sale is closely dovetailed with the activities remaining in the Group, there are risks for the operating business in the event of a separation, especially in North America. As a follow-up to the internal risk management process, we have initiated measures to significantly reduce these risks. The overall risk-reducing effects of these measures are not yet included in the overall risk potential.

The credit risks in business with new manufacturers of electric cars have fallen further as the volume of business with these customers declined. We thoroughly check the solvency of new manufacturers in advance on principle. If the creditworthiness falls below a threshold value, we monitor receivables closely or do not accept orders at all. In the field of project execution, we make sure that there is a positive balance of cash inflows and outflows. To this end, we align the progress of project execution with the relevant progress payments received. Nevertheless, credit risks still exist in the e-mobility business, particularly in China. Further information is provided in subchapter 5.1.5.6 → page 82.

Transaction risks from exchange rate fluctuations increased slightly compared to 2023. In contrast, currency translation risks decreased as the Group's business share in the Eurozone expanded. We do not hedge translation risks because the effects on the balance sheet and income statement are not cash-effective. There was also a slight decrease in the risk that investments may not produce the desired improvements in earnings. We rely on increased controlling in the investment approval process. Interest rate risk increased slightly year-on-year.

As regards corporate acquisitions, sales, earnings, and synergies may turn out lower than planned. We hedge this risk by means of due diligence audits and integration plans. Misjudgments are possible when entering new business areas. This applies, for instance, to the use of resources, customer requirements, and pricing targets, as well as to the development of markets, demand, and competition. Moreover, problems may arise in the field of technological development. Such misjudgments and problems may increase the impairment risk of investments, goodwill, book values of equity interests, capitalized development costs, and other intangible assets.

5.1.5.13 Corporate and information security, IT and management processes

IT risks, such as data loss, hacking, and virus attacks or availability failures are increasing in the wake of ongoing digitalization. Accordingly, we have upgraded the net risk from "low" to "medium". We protect ourselves by means of a Group-wide IT security organization and a robust IT infrastructure equipped with state-of-the-art firewalls and antivirus programs. We use back-up servers and redundant data lines to avoid any outages. We rate the risk of hacker attacks and data theft to which we are exposed as normal for the industry in which we operate. Over the past twelve months, there has been an increased risk that IT spending to meet IT infrastructure requirements will be higher than planned.

The corporate security team also addresses the defense against increasing cybercrime. To avoid damage, for example from ransomware, we use enhanced authentication standards in electronic payments, security certificates for email messages, secure smartphones, and verified bank connections. In addition, we regularly draw our employees' attention to typical fraud practices. The effectiveness of our IT measures for protection against cyberattacks is regularly reviewed.

The incorrect assignment of IT access privileges leads to the risk of unauthorized persons reading or manipulating data. We protect ourselves by the restrictive assignment of rights. Reading and editing rights regarding sensitive data are assigned only to employees who absolutely depend on them to perform their work.

Other risks result from the requirements of the EU General Data Protection Regulation (GDPR). A team of data protection officers and IT specialists develops and updates the relevant action plan. We inform our employees by means of the Group data protection policy and as part of mandatory training courses.

The risk of IT capacity bottlenecks increased in 2024. This is due to the division's wide range of responsibilities. For example, it includes the modernization and standardization of the IT infrastructure as well as participation in the integration of acquired companies and in carve-outs. As countermeasures, we prioritize IT tasks and use outsourcing to ease the burden.

5.1.5.14 Sustainability

The German Supply Chain Due Diligence Act (LkSG) has increased the demands on companies to respect human rights. Failure to comply with due diligence requirements might result in sanctions by lawmakers or customers. We counter this risk with a worldwide risk assessment and active monitoring of our suppliers. To this end, we have established governance structures and processes in purchasing and appointed a cross-divisional officer. As a result of these measures, we have lowered our risk assessment.

We have appointed environmental protection officers to ensure reliable compliance with environmental regulations. We also rely on environmental management certifications and guidelines. Substances that are harmful to health and the environment are used only to a limited extent and subject to strict safety regulations. We counter the risk of accidents at work by carrying out regular safety instructions, compulsory online training, and having comprehensive safety standards described in our health and safety policy. In addition, we cooperate with our customers in order to guarantee occupational safety on construction sites.

We were able to reduce the risk of non-compliance with the requirements of the Corporate Sustainability Reporting Directive with the help of consultants and by establishing a project team at an early stage.

5.1.6 CURRENCY, INTEREST, AND LIQUIDITY RISKS AS WELL AS FINANCIAL INSTRUMENTS FOR RISK MITIGATION PURPOSES

An exact description of currency, interest rate, and liquidity risks is provided in the notes to the consolidated financial statements (→ note 42). A Group policy governs the management of these risks. The central corporate body is the Financial Risk Committee consisting of the CFO, the heads of the Controlling, Treasury, Taxes, and Investor Relations central group functions, as well as the Financial Officers of the divisions. This committee discusses strategic financial issues and prepares resolutions for the Board of Management.

5.1.6.1 Hedging foreign currency risks

We use financial derivatives for hedging purposes. In most cases these are forward exchange contracts used as currency hedges. Their nominal value at the end of 2024 came to €1,330.7 million (Dec. 31, 2023: €961.1 million). In particular, cash flows were hedged in the key currencies listed under → note 6 of the notes to the consolidated financial statements. The use of financial derivatives can entail risks, such as less favorable deposit conditions and higher financing costs. Moreover, the market value of financial derivatives may decrease if credit risk spreads increase due to changes in the financial markets.

In most cases, we hedge the foreign currency risks of orders placed immediately after the relevant contract awards. In principle, we arrange a separate (micro) hedge for each larger individual project. In the standard machinery and spare parts business, we also use macro hedges for several bundled orders. The use of natural hedges is also permitted, which offset opposing payments (incoming and outgoing) in the same foreign currency. In addition to this, we reduce export-related transaction risks by increasingly producing locally or purchasing in local currency.

All financial derivatives and their underlying transactions are checked and valued on a regular basis. Financial derivatives chiefly serve as a commercial hedge of the operating business and as collateral for loans taken out. The risks involved in currency translation into euros declined year-on-year in 2024.

5.1.6.2 Hedging interest rate risks

We pursue a conservative interest rate and financing strategy comprising three core elements: long-term interest rate and financing certainty, matching maturities, and a prohibition of speculation. Our financial debt at the end of 2024 consisted mainly of the 2024, 2023, 2020, 2019 and 2016 Schuldschein loans, the convertible bond issued in 2020, and leasing liabilities. The interest rate risk of our Group financing decreased slightly again after an increase in the previous period; overall, we continue to rate this risk as limited.

Interest rate risk management covers all interest-bearing and interest-sensitive balance sheet line items. Regular interest analyses enable risks to be identified at an early stage. Group Treasury is chiefly responsible for borrowing, investment and interest rate hedges; from a defined scale upward, exceptions must be submitted to the CFO for approval.

5.1.6.3 Hedging liquidity risks

We largely cover our liquidity needs from our cash flow. At times of temporary negative cash flows, we are able to use cash and cash equivalents and the cash line of our syndicated loan. Its utilization was again not necessary in 2024. Please also note section 3.4 → page 65. Our cash pooling enables liquidity surpluses of individual Group companies to be used for other subsidiaries, provided that national capital transfer regulations permit this practice. This enables us to avoid taking out loans and paying interest expenditure.

5.1.6.4 Financing risks

No material risks relating to borrowed funding exist at this time. The terms and conditions of our Schuldschein loan and the convertible bond contain the usual restrictions and obligations. In the event of a breach of material contractual obligations, insolvency or a change of control, these debt instruments could be called for payment immediately. Our syndicated loan contains no financial covenants.

5.1.6.5 Hedging investment risks

Our Financial Asset Management Policy defines how to deal with investment risks; it also specifies the eligible asset classes and credit rating requirements. As we do not hold any government or corporate bonds, we are not subject to repayment and impairment risks in this regard.

5.1.7 RATINGS

In 2024, we again did not have any public rating carried out to assess our creditworthiness. We continue to evaluate the inclusion of a public rating.

5.2 Opportunities

5.2.1 OPPORTUNITY MANAGEMENT SYSTEM

We identify and evaluate new business opportunities with the aid of a Group-wide opportunity management system. The divisions play a central role in this: They collect information on new trends and market requirements through their contacts with customers, suppliers, and partners. This information is aggregated to identify opportunity complexes and duly evaluated. Opportunity complexes offering sustained economic potential are analyzed by the Board of Management and the division heads as part of the strategy process. The divisions then integrate the approved opportunity complexes in their strategy and define goals, measures, responsibilities, and schedules.

Identifying and evaluating business opportunities is an ongoing process which is coordinated by the division heads. The Board of Management and the Corporate Development central function are responsible for this at the level of Dürr AG. If opportunities are found to be of major strategic significance, we form multidisciplinary teams to conduct potential analyses and planning.

Joint activities with universities, research institutes, and the Dürr Technology Council also form part of opportunity management. These contacts help us to determine the extent to which new scientific findings may yield opportunities for the Dürr Group. Opportunities may also arise from new legislation, e.g. on emission protection and international trade. Our opportunity management system takes account of global and regional business opportunities as well as the potential offered by specific products, customers, and business models.

5.2.2 POTENTIAL OFFERED BY OPPORTUNITIES

The following now proceeds to describe the most important opportunities for the Group and its divisions. The business plan for 2025 and the strategic plan through 2028 incorporate the related earnings potential that these opportunities can realistically be expected to generate. If we are able to make use of the opportunities to a greater extent than assumed, EBIT may substantially exceed the figures budgeted for 2025. However, this additional EBIT potential is achievable only in a best-case scenario.

5.2.3 STRATEGIC OPPORTUNITIES

Sustainability: We stand to benefit from the trend toward fuel- and energy-efficient production systems. Many customers assign increasing importance to sustainability and want to achieve CO_2-neutral production in the near future. We support them with fuel-efficient solutions. We also enable the electric operation of machinery and systems that were previously powered by fossil fuels. We estimate that our range of products and services for the sustainable transformation of production processes puts us in a leading position in our markets. We also offer technologies for the manufacture of products that play an important role in the transition to a CO_2-neutral society. Examples include production systems for electric cars and timber house construction elements.

Digitalization: The digital transformation opens up new business opportunities. Examples include revenue growth in the software sector and the establishment of new business and pricing models based, for example, on the value of a digital service for plant availability, on the intensity of use, or on the number of connected machines. In addition, digitalization enables us to stand out from our competitors.

Electromobility: Electromobility offers opportunities for the Dürr Group. New producers of electric vehicles are entering the market, which is broadening our customer base. Automotive manufacturers are stepping up plant conversion spending and investments in special production technologies for electric vehicles. In addition to turnkey final assembly systems and paint shops for electric cars, we also offer complete assembly and test systems for electric drives.

Woodworking industry: The use of wood as a sustainable building material enables the carbon footprint of the construction industry to be significantly reduced. This is an opportunity for HOMAG, whose woodworking machinery covers a large part of the value chain in the production of construction components. The first investors have already built large factories for the automated prefabrication of wooden components on an industrial scale. Despite increased interest rates, the order intake in the Construction Elements Solutions division reached a very good level in 2024. A number of larger-scale orders for the delivery of production facilities for cross-laminated timber contributed to this trend. Interest rates in the US and Europe have fallen most recently, increasing the chances of a revival in residential construction. As we are convinced of the long-term opportunities of timber construction, we invested in a series production facility at the Lonsingen site in 2024.

Electrode production: Due to the burgeoning use of batteries in electronic cars and houses featuring photovoltaic equipment, business in systems for electrode production has good prospects in store. Whereas market growth weakened in 2024, the long-term trend remains unbroken. In Europe alone, production capacity for roughly 1,200 gigawatt-hours of battery power is to be installed by 2030 (2023: roughly 120 gigawatt-hours). Our range of technology comprises electrode coating, drying and solvent recovery, as well as calendering. Our partnership with LiCAP, as well as Ingecal's calendering technology, are improving our position in the development of technology for the solvent-free dry coating of electrodes. The successful realization of this technology would open up additional opportunities for us to expand our business with battery manufacturers. In view of the numerous investment projects in the European battery cell sector, we perceive potential for significant sales growth. At the end of 2024, we managed to acquire the first order in Italy to equip a giga factory for battery cells.

Medtech business: In 2021, we entered the business of automated systems for assembling medical technology products (such as inhalers and injection systems) by acquiring Teamtechnik and Hekuma. With the acquisition of the BBS Automation Group and its subsidiary Kahle, we have further expanded our position in this sector. On this basis, we succeeded in winning our first large-scale orders in 2024. The medtech market reflects high growth rates thanks to rising demand for medical care due to population growth, increasing prosperity and the aging of the population in many countries. We plan to further expand our activities in this business segment.

Service: Our production technology is deployed in numerous factories across the globe. This broad installed base offers us growth opportunities in the higher-margin service business. At HOMAG, we hired additional service employees especially in 2021 and 2022 to generate additional business. We expect the merger of Paint and Final Assembly Systems and Application Technology as of January 1, 2025 to boost efficiency in the servicing of paint shop and assembly systems.

Process excellence: We consider the quality and efficiency of our processes as key success factors for us. In particular, we are driving forward process optimization and the introduction of the latest IT systems with the OneDürrGroup programs in order to exploit potential for optimizing costs and earnings.

Localization/local products: By expanding our local capacities in key markets, we are improving cost structures and customer proximity. Localizing product development allows us to better take regional market requirements into account.

South East Asia: Thanks to rising per-capita incomes, Southeast Asia is an attractive growth market in which we plan to expand our position. In the automotive business in that region, we want to intensify our relations with the Japanese automotive industry, which is also strongly represented in Southeast Asia.

Defense technology: Given the geopolitical situation, demand for defense technology is increasing, resulting in an expansion of the related production. We see opportunities for us in conjunction with this development, as part of our technology offering is suitable for the production of military equipment. Our painting and balancing technology has already been used in the military aircraft industry for some time. In addition, it is conceivable to use our automated assembly systems in defense technology production.

5.2.4 OPPORTUNITIES IN THE DIVISIONS

5.2.4.1 Automotive

Combining Paint and Final Assembly Systems and Application Technology in the new Automotive division opens up a number of opportunities. These include faster and more integrated product development, which enables holistic technology solutions to be created for customers. Moreover, joint capacity utilization will lead to more efficient order processing and greater flexibility in engineering and service.

The shift toward e-mobility and the decarbonization of automobile production offer opportunities in painting and final assembly technology – both in the modernization of plants and in new plant construction. The focus is not only on established car makers, but also on start-up producers. Our aim is to grow with the aid of our sales and service network, especially in emerging markets. In the field of paint shop construction, the modular concept of the "Paint Shop of the Future" is expected to generate further growth impetus. It replaces the previous line production with flexible painting boxes and driverless transport systems.

Our range of paint robots serves the trends toward automation, digitalization, product customization, and sustainability. A key opportunity is the expansion of the service and digital business by utilizing the installed base and product innovations such as the new **Eco**Bell4 atomizer. The integrated RFID technology enables the diagnosis of all installed components, thus improving the maintenance and operation of paint shops. The **Eco**PaintJet and **Eco**PaintJet Pro robotic systems for two-tone painting are disruptive technologies that open up new possibilities for product customization. There are also growth opportunities in adhesive technology and in application-specific solutions for insulating and bonding battery cells for electric cars. In addition to this, there is an opportunity to gain market share with individual customers.

5.2.4.2 Industrial Automation

The trend toward production automation, for example in the fields of electromobility, medical products and consumer goods, offers opportunities for Industrial Automation. Automation is a tool to combat the shortage of skilled workers and makes it possible to relocate the production of important goods back to high-wage countries. The acquisition of the BBS Automation Group has enabled our automation business to reach critical mass. Customers increasingly recognize us as a high-performing partner. The year 2024 showed that this increases our chances of winning large-scale contracts in particular. Some orders from larger customers were already realized in 2024.

Electromobility is also opening up opportunities in balancing technology and in spin test systems for drive components. In the airlines business segment, new programs for aircraft turbine construction are generating growth potential, especially in China. We also benefit from the increasing automation of the balancing process and from the growing requirements for measuring and correcting unbalance. Greater use of our locations in China and India offers potential for cost reduction, for example in the business with assembly and balancing systems for complete tire and wheel assemblies.

Further opportunities are arising from the expansion of lithium-ion battery production, particularly in Europe and North America. Industrial Automation is well positioned to benefit from this development with its electrode coating systems and the associated downstream processes such as drying and solvent recovery.

5.2.4.3 Woodworking

Woodworking significantly reduced its fixed costs in 2024, as planned. Further opportunities for efficiency improvements are arising from the ongoing localization in markets such as China and Poland, for example, through the expansion of local assembly and development centers. New logistics centers in Schopfloch and Holzbronn are increasing the efficiency of inventory management and production. Further opportunities exist in the area of timber house construction as a result of the trend toward the use of wood as a sustainable building material. Additional opportunities could arise in the business with furniture manufacturers if the market recovers sooner than expected. As a technology leader, HOMAG also benefits from the increasing digitalization and automation of furniture production.

5.3 Forecast

5.3.1 MODERATE GROWTH IN THE GLOBAL ECONOMY EXPECTED

The global economy is expected to grow moderately but consistently over the next few years. The International Monetary Fund (IMF) projects global growth of 3.3% in 2025 and 2026, respectively. Accordingly, these growth rates will fall short of the average of 3.7% for the years from 2000 to 2019. Given the great geopolitical and economic uncertainties, this growth can nevertheless be considered to be robust. Even so, a glance at the individual national economies paints a mixed picture. While the US economy is expected to continue benefiting from strong demand, growth momentum in Europe is likely to remain subdued. The IMF forecasts low economic growth for Germany. In China, the economic outlook has recently brightened again as a result of a fiscal package announced by the government. India will also make a significant contribution to growth in Asia.

In the fight against inflation, the IMF expects further progress to be made in 2025 and 2026. Global inflation should slow to 4.2% this year and 3.5% next year. In the industrialized countries, inflation rates are set to return to central banks' targets sooner than in the emerging markets and developing countries.

2.57 — FORECAST GROWTH IN GROSS DOMESTIC PRODUCT

% year-on-year change	2025p	2026p
Global	3.3	3,3
Germany	0.3	1,1
Eurozone	1.0	1,4
Russia	1.4	1,2
United States	2.7	2,1
China	4.6	4,5
India	6.5	6,5
Japan	1.1	0,8
Brazil	2.2	2,2

p = projection
Source: International Monetary Fund 01/2025

5.3.2 TRENDS IN THE MAIN INDUSTRIES IN WHICH OUR CUSTOMERS OPERATE AND KEY BUSINESS ACTIVITIES

The main sectors in which our customers operate are the automotive and woodworking industries. As well as this, business in automation, battery production, and environmental technology is of central importance to us. The industrial sector remains under pressure in the face of ongoing crises, geopolitical uncertainties and macroeconomic risks. Protectionist measures and the threat of further import tariffs are weighing on global trade. In addition, some customer sectors of the mechanical engineering industry are experiencing profound structural changes and excess capacity. The outlook issued by the industry association VDMA is correspondingly muted. For 2025, it expects a slight increase of around 1% in equipment investments accompanied by a 2% decline in production.

5.3.2.1 Automotive industry

According to GlobalData's current forecast, global automotive production will increase slightly in 2025, rising by around 3% to 92.6 million vehicles, up from 90.2 million units in the previous year. Growth will mainly be driven by Asian countries, while North America and Europe look set to remain flat. The outlook for growth is also fairly subdued for the following years: From 2024 to 2031, global production volume is expected to increase by an annual average rate of around 1%. In addition to improved consumer confidence, growth should particularly be driven by rising prosperity in the emerging markets. The ramp-up of electromobility looks set to gain momentum, with 14.1 million battery-powered vehicles expected to be produced in 2025, corresponding to an increase of around 22% over the previous year. Annual average growth of around 18% is projected for the period between 2024 and 2031.

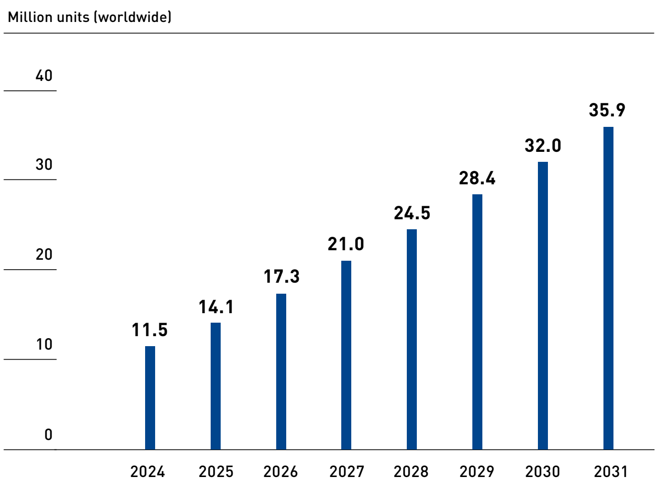
Capital spending in the automotive industry continues to be driven by the production technology required for electromobility and factory modernization using sustainable technologies. Other investment goals being pursued by customers include the reduction of unit costs and the flexibilization of production for different model versions. As well as this, we expect that the automotive industry will focus even more keenly on the digitalization and automation of production processes in the future. Corresponding capital expenditure is being used for the modernization of existing plants (brownfield) as well as the construction of new production lines (greenfield). Overall, we expect capital spending to remain stable in the automotive industry. However, macroeconomic uncertainties may result in delays or changes to project plans.

2.58 — PRODUCTION FORECAST FOR PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES

Million units	2025p	2026p
Global	92.6	93.9
Western Europe	10.3	10.9
Germany	4.4	4.3
Eastern Europe	7.3	7.8
of which EU countries	4.0	4.3
North America (incl. Mexico)	15.5	15.7
United States	10.1	10.0
South America	3.3	3.5
Brazil	2.6	2.8
Asia	53.7	53.5
China	31.4	30.7
Japan	8.0	8.1
India	5.9	6.0
South Korea	4.0	4,0

p = projection
Source: GlobalData 02/2025

2.59 — PRODUCTION FORECAST FOR BATTERY-POWERED PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES



Source: GlobalData, Global Light Vehicle Powertrain Forecast Q4/2024

5.3.2.2 Woodworking industry

The housing construction crisis and restrained furniture-buying will continue to afflict the woodworking industry in 2025. However, spending restraint should slowly ease given declining interest rates. Based on information of the industry association VDMA, industry experts expect that at least three interest rate cuts will be necessary to trigger a noticeable upturn in the construction sector. The basis for this has already materialized given that the European Central Bank lowered its key interest rates a total of four times between June and December 2024. Furniture consumption is also showing initial signs of improvement. After interviewing 300 furniture manufacturers worldwide, the consulting company CSIL expects real growth of around 2% in 2025.

Since order intake in the woodworking machinery segment is very slow to pick up, VDMA expects production and sales to remain flat in 2025. Assuming that orders bottomed out at the end of 2024, it will still take a few months for sales and production to rebound again. Similarly, the majority of customer industries do not expect demand to pick up until the second half of 2025.

Despite this, major trends in furniture production, such as automation, digitalization and product individualization, remain intact. As we are well positioned in all three areas thanks to HOMAG's integrated production solutions, we see opportunities for growth again and for widening our market share in the medium term.

Business in production technology for sustainable timber house construction (Construction Elements Solutions business unit) was significantly impacted by the muted state of the construction industry in 2024. We expect an initial recovery to emerge in 2025, as the lower interest rates should stimulate investment activity again. In the medium and long term, we see good prospects for Construction Elements Solutions, as timber houses are climate-friendly, and their production can be readily automated. Accordingly, we assume that Construction Elements Solutions' contribution to HOMAG sales will widen to over 20% by 2030, up from 10.8% in 2024. In absolute terms, sales in this segment should increase to around €500 million by 2030.

5.3.2.3 Environmental technology

Environmental technology business, which is now up for sale, is benefiting from the increasingly stringent requirements for air pollution control in many countries. By 2029, the accessible market is expected to increase by an average of 6%. Accordingly, we expect to see an increase in demand in all major sales markets. While growth in Europe and America is primarily being driven by services and the modernization of existing plants, in Asia it is mostly underpinned by new installations.

5.3.2.4 Automation technology

Automation technology is one of our main growth businesses. Key growth drivers include the shortage of skilled labor, ever higher quality requirements and quantities in mass production, as well as rising prosperity in many national economies. This is being joined by the electromobility transformation and – in the field of medical devices – growth in, and the increasing age of, the global population.

Via the BBS Automation Group and the Teamtechnik Group, which were acquired in 2023 and 2021, respectively, we are one of the three leading suppliers in the markets that we address. We originally defined an increase in sales to €500 million by 2030 as a target for automation technology. With the acquisition of the BBS Automation Group, this goal was already achieved in 2023. As market growth and the integration of the activities acquired open up further growth potential, we are now aiming for sales of over €800 million by 2030.

5.3.2.5 Battery production technology

The expansion of electromobility has recently stalled. Demand has cooled, especially in Germany, following the abolition of government subsidies. Automotive OEMs have responded to this by adjusting production capacities for electric vehicles. In addition, the construction of battery cell factories has been stopped or suspended in some cases. Against this backdrop, delays in the award of projects for battery production technology may also materialize in 2025. Nevertheless, we see great future potential in this business segment in the medium to long term. We want to boost corresponding sales to €300 to €500 million by 2030. The big-ticket contract received at the end of 2024 for the delivery of a turnkey electrode coating system for a gigafactory in Italy marks an important milestone.

Calendering technology specialist Ingecal (France), which was acquired in 2023, is also helping us to expand our business in battery production technology, as is the cooperation with US partner LiCAP, which holds special material and process know-how. Both companies are playing an important role, especially in the development of systems for the dry coating of electrode foils. The partnership with the mechanical engineering company Grob is also strengthening our technological expertise and market position in battery manufacturing technology.

5.3.3 OUTLOOK FOR 2025 – NOTES

The outlook for 2025 assumes that growth in the global economy does not fall short of expectations and that the war in Ukraine does not spread to the surrounding regions, or have any greater impact on the economy than at present. Furthermore, we do not expect to see any material disruptions to supply chains, for example, as a result of the conflict in the Middle East or an escalation of tensions between China and Taiwan. Another premise is that world trade does not come under excessive pressure in the face of mounting tariffs. Otherwise, the prevailing risks are described in section 5.1 → page 76.

In order to facilitate a comparison of capital market expectations for 2025 with our forecast, an outlook for the Group as a whole, i.e. including the discontinued operation, is first provided, followed by a forecast for continued operations. To simplify matters, we assume that environmental technology business will be reported as a discontinued operation for the entire year in 2025.

5.3.4 OUTLOOK FOR THE GROUP AS A WHOLE

5.3.4.1 Order intake

Total Group order intake (continued operations and discontinued operation) should reach €4,700 to €5,200 million in 2025. This broad forecast range has been chosen to take current economic and political uncertainties into account. There is limited forward visibility with regard to further action by the US government and the upcoming change of government in Germany. The target range for order intake in 2025 yields an average of €4,950 million, which is below the record order intake of €5,137.2 million achieved in 2024. In this context, it should be borne in mind that the first quarter of 2024 was inflated by an exceptionally large painting technology contract worth just under €500 million. An order of a similar scale is not expected in 2025, as orders of such proportions are extremely rare.

The project pipeline in the Automotive division remains stable in view of the continuing need to modernize legacy painting systems. At Woodworking, order intake remained at the previous year's relatively low level at the beginning of 2025. Given the lower interest rates and strong demand for housing, however, we anticipate an upturn from the middle of the year. Order intake in Industrial Automation weakened in the second half of 2024, as Tier 1 customers in the automotive sector in particular postponed investments. We expect to see a rebound in the course of 2025. In the division's medtech business and in balancing technology, by contrast, we expect demand to stay solid. Against this backdrop, we assume the order intake at Industrial Automation to remain stable or grow significantly in 2025. In the case of environmental technology business, which is classified as discontinued, we expect to see strong growth in order intake.

5.3.4.2 Moderate sales growth expected

The target range for the Group's sales in 2025 is €4,700 to €5,000 million. As a result, we want to at least repeat the previous year's sales but also see growth potential of up to a good 6%. Overall, sales growth looks set to depend strongly on the macroeconomic environment and customers' willingness to invest. Given the high order backlog, we project moderate sales growth for the Automotive division. Sales recognition in this division will be spread over several years, as some major orders have longer turnaround times. For Woodworking, we expect stable sales in 2025 in view of the order intake recorded in 2024. Depending on demand trends, sales at Industrial Automation are expected to remain stable or to grow moderately. We anticipate a moderate increase in sales for environmental technology (discontinued operation).

Since the target ranges for order intake and sales overlap heavily at the level of the Group as a whole, the book-to-bill ratio for 2025 will ultimately depend on short-term macroeconomic conditions and trends in demand in our markets. However, we believe that a figure above 1 is more likely than not, as we expect demand to pick up over the course of the year. Total costs (cost of sales and overheads, other operating expenses) will climb for volume- and inflation-related reasons in 2025. The largest cost items will continue to be the cost of materials and personnel expense.

5.3.4.3 Higher EBIT margin before extraordinary effects planned

For the Dürr Group as a whole we project an increase in the Group EBIT margin before extraordinary effects in 2025; the minimum target is a constant margin. The Industrial Automation and Woodworking divisions in particular should contribute to the improvement that we are seeking. At Automotive, we assume that margins will remain at the high level recorded in 2024. The EBIT margin before extraordinary effects should reach 5.5% to 6.5% for the Group as a whole (2024: 5.5%). As things currently stand, extraordinary expenses should come to around €45 million (2024: €51.9 million) and primarily comprise purchase price allocation effects and, to a lesser extent, expenses for optimization measures. This results in a target corridor for the EBIT margin of 4.5% to 5.5% (2024: 4.4%).

We expect an EBIT margin of 7.5% to 8.5% before extraordinary effects for the Automotive division in 2025. This is roughly the same as in 2024 (8.4%). The margin target is in line with the mid-cycle targets of the previous Paint and Final Assembly Systems (≥6%) and Application Technology (≥10%) divisions, from which the Automotive division has emerged. The good margin quality of the order backlog is one of the reasons for assuming a constant margin on the mid-cycle target level.

At Industrial Automation, we expect the EBIT margin before extraordinary effects to increase to 4.5% to 5.5% in 2025 (2024: 3.6%). In particular, the improved quality of earnings from the execution of projects in the Production Automation Systems business unit should contribute to this. To this end, we have made improvements to project planning and execution following the integration of the BBS Automation Group. Earnings are likely to come under pressure from capacity underutilization in some areas and the muted order intake in 2024.

In the Woodworking Division, the EBIT margin before extraordinary effects should increase to 4.5% to 5.5% (2024: 3.6%), underpinned by the cost savings of around €50 million p.a. resulting from the capacity cutbacks in 2024, which will take full effect in 2025. We also want to further boost service business and are pursuing measures to adjust prices and localize production and development in growth markets. The extent to which margins improve particularly hinges on future trends in demand in the market for woodworking machinery as well as our capacity utilization.

On the basis of the order backlog, we expect the EBIT margin before extraordinary effects to remain stable at a high level for the available-for-sale environmental technology business.

5.3.4.4 Earnings after tax: Increase expected

In light of the expectations outlined above, total Group earnings after tax should rise to €120 to €170 million in 2025 (€102.1 million in 2024). This assumes a tax rate of slightly above 30% as well as a stable financial result. ROCE should reach 13% to 18% and thus on average exceed the 2024 figure (14.5%).

5.3.4.5 Dividend

We will be proposing a dividend of €0.70 per share for the 2024 fiscal year. This is equivalent to 47.4% of total Group earnings after tax. Moving forward, the payout ratio should again be in a range of 30% to 40% of Group earnings after tax in accordance with our dividend policy.

5.3.4.6 Positive free cash flow targeted

At the end of 2024, we received customer payments in the high double-digit million euro range, receipt of which had not been planned until 2025. Despite this pull-forward effect, we are aiming for a positive free cash flow of €0 to €50 million in 2025. In connection with this, we assume comparable interest payments and a similar investment intensity as in 2024. We forecast an increase in net working capital, the extent of which will depend on sales recognition from the current projects. The target range for days working capital is unchanged at 40 to 50 days. Given the expected cash flow development and ample liquidity, we have sufficient financial flexibility to cover operational funding requirements, the cash required for capital expenditure, and the proposed dividend payout.

5.3.4.7 Capital expenditure, acquisitions, disposals

We expect capital expenditure on property, plant and equipment, intangible assets, and right-of-use assets under leases to amount to 3.0% to 5.0% of sales in 2025 (2024: 4.0%). Significant capital expenditure projects include the construction of testing and development facilities for overspray-free painting and electrode coating. Other projects are the new HOMAG plant in Poland as well as modernization measures and the construction of a customer center in Schopfloch. Acquisitions include the purchase of approximately 2.5 million HOMAG shares worth approximately €97 million under the cash settlement offer, which expired on March 3, 2025. No further major acquisitions are planned for 2025. The most important step in the further development of our portfolio is the planned disposal of environmental technology business.

5.3.4.8 Net financial position, liquidity, and funding

As things currently stand, we project a net financial position of €–500 to €–550 million at the end of 2025. This takes into account the dividend proposal, the planned free cash flow, and the expenses for the acquisition of HOMAG shares under the cash settlement offer. On the other hand, a cash inflow from the planned disposal of environmental technology business is not yet factored into the forecast for net financial position. We have a stable funding position and ample scope for financing our operations with our syndicated loan.

5.3.4.9 Expectations beyond 2025

We are aiming to increase sales to more than €6 billion by 2030. The mid-cycle target for the EBIT margin before extraordinary effects is at least 8%. In order to achieve this target, we will be implementing various measures in the divisions and in the Group. This includes expanding the share of service business in sales, product standardization, production efficiency enhancements, and the continued localization of development and production in the main markets. Moreover, we will only achieve our margin target if demand in the Woodworking and Industrial Automation divisions returns to normal.

2.60 — OUTLOOK FOR THE GROUP AS A WHOLE

		2024	2025 target
Order intake	€ million	5,137.2	4,700 to 5,200
Sales	€ million	4,698.1	4,700 to 5,000
EBIT margin before extraordinary effects	%	5.5	5.5 to 6.5
EBIT margin	%	4.4	4.5 to 5.5
Earnings after tax	€ million	102.1	120 to 170
ROCE	%	14.5	13 to 18
Free cash flow	€ million	156.9	0 to 50
Net financial status (December 31)	€ million	–396.2	–500 to –550
Capital expenditure (net of acquisitions)	€ million	188.7	
	% of sales	4.0	3.0 to 5.0

2.61 — OUTLOOK FOR DIVISIONS

	Order intake (€ million)		Sales (€ million)		EBIT margin before extraordinary effects (%)	
	2024	2025 target	2024	2025 target	2024	2025 target
Automotive	2,606.3	2,100 to 2,300	2,057.1	2,000 to 2,200	8.4	7.5 to 8.5
Industrial Automation	811.8	800 to 950	851.9	850 to 950	3.6	4.5 to 5.5
Woodworking	1,356.9	1,300 to 1,500	1,413.5	1,350 to 1,450	3.6	4.5 to 5.5
Clean Technology Systems Environmental	391.5	Strong growth	407.2	Moderate growth	15.2	Stable

5.3.5 OUTLOOK FOR CONTINUED OPERATIONS

The outlook for continued operations refers to the Automotive, Industrial Automation, and Woodworking divisions and includes order intake, sales, and the EBIT margin before extraordinary effects. At Group level, consolidation effects, the cost of the corporate center, and allocation effects are additionally taken into account in the context of the discontinued operation. The latter entail costs that were incurred by the former Clean Technology Systems division but are allocated to continued operations (for example, rental expenses for sites used by multiple divisions). Such costs are included in continued operations on a generalized basis in accordance with IFRS. Consequently, their operational performance appears to be worse than it really is. Please refer to section 1.2 → page 30. Costs related to allocation effects came to €16.7 million in 2024, translating into a negative margin effect of around 40 basis points. Looking ahead to 2025, we assume unchanged allocation effects. For reasons of simplification and comparability, we have included the contribution of environmental technology business to the cost allocations for twelve months in line with the forecast for the Group as a whole.

In terms of key performance indicators, the forecasts for continued operations and for the Group as a whole are similar. We also expect a slight decline in order intake from continued operations following the high volume achieved in the previous year. There is potential for a slight to moderate increase in sales. With respect to margins, we want at least to repeat the previous year's level and see significant potential for improvement. Assuming that environmental technology business is sold, we expect a significantly positive contribution to the EBIT margin before extraordinary effects from recharged rental and shared service costs, which were previously allocated on a generalized basis, in 2026.

2.62 — OUTLOOK FOR CONTINUED OPERATIONS

		2024	2025 target
Order intake	€ million	4,745.7	4,300 to 4,700
Sales	€ million	4,290.9	4,200 to 4,600
EBIT margin before extraordinary effects	%	4.6	4.5 to 5.5
EBIT margin	%	3.6	3.5 to 4.5
ROCE	%	11.4	10 to 15
Free cash flow	€ million	129.6	0 to 50
Capital expenditure (net of acquisitions)	€ million	188.7	
	% of sales	4.4	3.0 to 5.0

5.3.6 BOARD OF MANAGEMENT'S OVERALL STATEMENT ON THE ANTICIPATED DEVELOPMENT OF THE GROUP

The project pipeline in automotive business remains stable. We expect the transition to electromobility and climate-friendly production processes to continue driving demand for energy-efficient painting technologies. In battery production technology, we received our first order to fit out a gigafactory at the end of 2024. In the future area of dry coating of electrode foils, we are cooperating with battery manufacturer Cellforce to make the technology ready for series production. Against this backdrop, we see ourselves as well positioned to continue growing our business with battery manufacturers.

We see growth and synergy potential in automation business through the integration of the BBS Automation Group. However, we are currently observing restraint in capital spending on assembly and testing systems for automotive production; this is particularly the case with Tier 1 suppliers. The Woodworking division scaled back its fixed costs in 2024 through capacity adjustments and is well positioned for the next upturn.

Looking ahead to the next few years, the transformation of our customers' production processes and automation will be the Dürr Group's principal growth drivers. Thanks to resource-efficient products and excellent project management, we are well positioned to benefit from the market opportunities that are emerging. Our core competencies entail the automation and sustainable production processes. We are honing this strategic focus under the "Sustainable Automation" motto. By merging the previous Paint and Final Assembly Systems and Application Technology divisions to form the new Automotive division, we have simplified the Group structure and are harnessing synergies in sales, product development, project management and service. The planned disposal of environmental technology business will enable us to focus even more keenly on our core business, while releasing funds for the continued development and future growth of the Group.

Total Group sales are expected to climb to €4,700 to €5,000 million in 2025. The target range for continued operations is €4,200 to €4,600 million. The key growth drivers are the large order backlog in automotive business and opportunities in the Industrial Automation division. We also expect moderate growth in environmental technology business, which is up for sale.

We want to increase the EBIT margin before extraordinary effects both in the Group as a whole and in our continued operations. The successful cost reduction at Woodworking and the integration measures in automation business will help to improve margins. We project a total Group EBIT margin of 5.5% to 6.5% before extraordinary effects. The target corridor for continued operations is 4.5% to 5.5%. At €120 to €170 million, earnings after tax should surpass 2024. With respect to free cash flow, we anticipate a positive figure of €0 to €50 million based on largely constant capital expenditure, even though customer payments in the high double-digit millions that had been budgeted for 2025 were already received at the end of 2024.

We have ample liquidity totaling €952.3 million. In addition, we have an unused cash facility of €750 million under our syndicated loan. Net financial debt was within a comfortable range at the end of 2024 in absolute terms (€396.2 million) and relative to EBITDA of continued operations (1.3). Against this backdrop, we are financially well positioned to cover our operational financing requirements and to distribute the same dividend as in the previous year. In 2026, we want to continue on our growth trajectory and see potential for an improvement in the EBIT margin before extraordinary effects. Among other things, this is indicated by the rebound in demand expected in the Woodworking and Industrial Automation divisions as well as further efficiency improvements.

Looking forward to 2030, we are aiming for sales of more than €6 billion. The mid-cycle target for the EBIT margin before extraordinary effects is at least 8%. In order to achieve this, we are implementing measures to widen margins in the divisions and at the Group level on the one hand and driving the expansion of growth business with its attractive margin potential on the other.

6 DÜRR AG (IN ACCORDANCE WITH THE GERMAN COMMERCIAL CODE, HGB)

Dürr AG's annual financial statements are prepared in accordance with the provisions of the German Commercial Code (HGB), whereas the consolidated financial statements are prepared in accordance with IFRS. As the holding company, Dürr AG comprises the Group's central functions and does not engage in any operating business of its own. Its economic condition mainly hinges on the business performance of the Group's operating companies. The most important performance indicator for Dürr AG is net profit for the year. Dürr AG holds shares in 131 companies directly or indirectly. The economic environment in which Dürr AG operates is essentially the same as for the Group and is described in section 3.1 → page 47.

6.1 Results of operation

Dürr AG's sales increased by 13.9% to €48.4 million in 2024. This was mainly due to higher transfer payments made by Group companies as a result of increased business volumes. Net balance of other operating income and expenses stood at €-39.1 million, thus improving slightly over the previous year (2023: €-44.2 million). This was primarily attributable to the fact that other operating income grew more strongly than the comparable expenses. The main items on the income side were currency translation gains and higher recharged intragroup expenses for the OneDürrGroup synergy program. On the other hand, other operating expenses mainly comprised currency translation losses, higher expenses for OneDürrGroup, as well as consulting expenses and transaction costs in connection with the issue of the green Schuldschein loan in April 2024. Personnel expenses climbed by 26.6% due to salary increases and the increased number of employees, as Dürr AG took on additional tasks in human resources, for example, that had previously been allocated to the divisions. Although the transfer of tasks to Dürr AG already took place in the course of 2023, it was reflected in personnel expenses for the first full year in 2024. Net investment income rose by more than one third to €86.1 million in 2024, influenced by high dividend payouts in the Dürr Systems and Schenck subgroups. On the other hand, greater losses were absorbed by the intermediate holding company, Dürr Technologies GmbH. These were caused by write-downs on investments in some Group companies as well as the lower earnings transferred from HOMAG Group AG as a result of the decline in its sales and earnings. At €1.6 million, the financial result was once again positive but down on the previous year. The main reason for this was the higher external debt arising from the acquisition of the BBS Automation Group in August 2023. Tax expense rose sharply to €39.6 million. This was caused by the precautionary recognition of additional tax provisions in connection with an external tax audit in Germany. As a result, net profit for the year fell to €22.6 million despite the higher net investment income and was thus lower than the dividend of €48.4 million distributed in May 2024. Consequently, net retained profit dropped by €25.9 million to €663.5 million.

6.2 Net assets and financial condition

Dürr AG's total assets shrank by 6.3% to €2,809.5 million as of December 31, 2024. On the assets side, non-current assets increased by 19.9% to €1,586.4 million, reflecting the increase of €263.7 million in non-current financial assets. This was mainly due to greater lending to subsidiaries for financing purposes, particularly the companies of the BBS Automation Group. Current assets declined by 27.0%. Receivables and other assets were down, as the Group's high free cash flow meant that fewer short-term loans to subsidiaries were required under cash pooling arrangements. The decline in cash funds resulted from the early repayment of two Schuldschein tranches totaling €112 million, as well as from investments in time deposits.

2.63 — DÜRR AG INDIVIDUAL FINANCIAL STATEMENTS – STATEMENT OF PROFIT OR LOSS (HGB)

€ million	2024	2023
Sales	48.4	42.5
Other operating income	70.4	41.1
Material expense	−1.6	−2.7
Personnel expenses	−32.5	−25.7
Depreciation and amortization	−0.8	−0.7
Other operating expenses	−109.5	−85.3
Net investment income	86.1	63.9
Financial result	1.6	4.8
Income taxes	−39.6	−7.4
Net profit for the year	**22.6**	**30.5**
Profit carried forward from the previous year	640.9	658.9
Net retained profit	**663.5**	**689.4**

2.64 — DÜRR AG INDIVIDUAL FINANCIAL STATEMENTS – BALANCE SHEET (HGB)

€ million	December 31, 2024	December 31, 2023
ASSETS		
Non-current assets		
Intangible assets	3.1	3.7
Property, plant, and equipment	0.1	0.1
Financial assets	1,583.2	1,319.5
	1,586.4	**1,323.3**
Current assets		
Receivables and other assets	722.4	978.3
Cash funds	499.9	695.9
	1,222.3	**1,674.2**
Prepaid expenses, miscellaneous	0.9	0.7
	1,223.2	**1,674.9**
Total assets	**2,809.5**	**2,998.2**
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	177.2	177.2
Capital reserve	67.6	67.6
Net retained profit	663.5	689.4
	908.2	**934.1**
Debt capital		
Provisions	74.9	38.7
Liabilities	1,826.4	2,025.4
	1,901.3	**2,064.1**
Total equity and liabilities	**2,809.5**	**2,998.2**

On the other side of the balance sheet, equity declined slightly because part of the dividend for 2023 was paid out of the profit carried forward from previous years. Provisions nearly doubled in value to €74.9 million at the end of 2024 due to the additional tax provisions. The 9.8% decline in liabilities resulted on the one hand from the repayment of the two Schuldschein tranches and the bridge finance for the acquisition of the BBS Automation Group. On the other hand, liabilities to affiliated companies decreased as fewer funds were borrowed from Group companies.

6.3 Opportunities and risks

Dürr AG is exposed to the opportunities and risks of its subsidiaries. The extent of such exposure depends on the size of its share in the respective company. Please also refer to reporting segment 5 → page 76. In addition, strain may arise due to the contingent liabilities in existence between Dürr AG and its subsidiaries.

6.4 Forecast

Dürr AG's future economic performance is closely linked to the Group's future operating performance. Details of the outlook and the plans for our operating business can be found in section 5.3 → page 90. Looking ahead to 2025, we expect a slight increase in income from internal transfer payments and net investment income and, hence, in Dürr AG's net profit for the year. Dürr AG's full individual financial statements can be found under Investors/Financial Publications/Presentations at our website at www.durr-group.com.

7 SUSTAINABILITY STATEMENT

7.1 General information

7.1.1 FUNDAMENTALS

7.1.1.1 General principles of preparation

In view of the expected transposition of the European **Corporate Sustainability Reporting Directive (CSRD)** → page 336 into national law, and in contrast to the previous year, we have used the first set of the **European Sustainability Reporting Standards (ESRS)** → page 336 as a framework for the preparation of the Sustainability Statement and applied it in full. This Sustainability Statement contains the disclosures required by Section 315c of the German Commercial Code (HGB) in conjunction with Sections 289c to 289e HGB. We do not classify the aspect of social matters in accordance with Section 289c Paragraph 2 Sentence 3 HBG as material, as we believe that this topic is of minor business relevance to the Dürr Group, and that it also has little impact on people and the environment. The Sustainability Statement was prepared to meet the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD), and Article 8 of Regulation (EU) 2020/852, as well as Sections 315b and 315c of the German Commercial Code (HGB) for a Group non-financial statement. The Sustainability Statement was prepared on a consolidated basis in accordance with the principles of the consolidated financial statements. The reporting periods of the Sustainability Statement and financial reporting are identical and correspond to the calendar year 2024. With the European Sustainability Reporting Standards (ESRS) having been applied for the calculation of key figures for the first time for the 2024 fiscal year, comparability with the previous year's key figures cannot be consistently ensured, particularly as some key figures were recorded in 2024 for the first time. As a general rule, we therefore refrain from indicating previous year's figures. All Group companies were included in this Sustainability Statement. We take our upstream and downstream value chain into account in the Sustainability Statement. We have not omitted any information relating to intellectual property, know-how, or the results of innovations, unless this was appropriate for competitive reasons. No use was made of the exemption pursuant to Article 19a (3) and Article 29a (3) of Directive 2013/34/EU. The Sustainability Statement is supplemented by information in accordance with the EU Taxonomy Regulation. Any reference to information outside the combined management report or the consolidated financial statements is to be deemed further information beyond the legal requirements for sustainability reporting, and is therefore unaudited.

7.1.1.2 Information in connection with specific circumstances

For the purpose of this Sustainability Statement, we have defined the following time horizons:

- Short-term time horizon: 1 to 12 months
- Medium-term time horizon: 1 to 5 years
- Long-term time horizon: more than 5 years

Topic-related key figures, particularly those that cover our upstream and downstream value chain, are predominantly based on secondary data. In addition, the Sustainability Statement contains key figures that are subject to a considerable degree of measurement uncertainty. An overview of these key figures can be found in → **table 2.65**.

2.65 — KEY FIGURES WITH SIGNIFICANT MEASUREMENT UNCERTAINTY

Topic-related ESRS	Subtopic	Key figures with significant measurement uncertainty	Subchapter
ESRS E1	Climate protection	Emissions from purchased goods and services (Scope 3.1)	7.2.1.4
ESRS E1	Climate protection	Emissions from upstream transportation and distribution (Scope 3.4)	7.2.1.4
ESRS E5	Circular economy	Total weight of products and technical and biological materials used	7.2.4.4
ESRS E5	Circular economy	Weight of secondary reused or recycled components, products, and materials	7.2.4.4
ESRS E5	Circular economy	Rates of recyclable content in products and their packaging	7.2.4.7

We explain the data collection process, the underlying data sources, the use of estimates and approximations, and the resulting degree of accuracy of our information in the respective topic-related chapters.

This Sustainability Statement contains references to information outside the Sustainability Statement in order to cover specific disclosure requirements (→ table 2.66).

2.66 — LIST OF INCORPORATED INFORMATION BY REFERENCE

ESRS disclosure requirement	Reference to	Page
ESRS 2 SBM–1, paragraph 40, subparagraph a, points i and ii	→ **Table 2.2** in reporting segment 1	26

7.1.2 GOVERNANCE IN THE AREA OF SUSTAINABILITY

7.1.2.1 Role of the administrative, management, and supervisory bodies

Board of Management

Composition and diversity

The Board of Management of Dürr AG consists of two men, CEO Dr. Jochen Weyrauch and CFO Dietmar Heinrich. They manage the business and perform their responsibilities in accordance with the schedule of responsibilities drawn up by the Supervisory Board (→ table 2.67).

2.67 — RESPONSIBILITIES WITHIN THE BOARD OF MANAGEMENT (2024 FISCAL YEAR)

	Dr. Jochen Weyrauch (CEO)	Dietmar Heinrich (CFO)
Divisional/ operational responsibility	▪ Paint and Final Assembly Systems ▪ Application Technology ▪ Clean Technology Systems ▪ Woodworking Machinery and Systems	▪ Industrial Automation Systems ▪ OneDürrGroup Programs
Corporate functions	▪ Corporate Human Resources (Employee Affairs Director) ▪ Corporate Communications ▪ Corporate Development ▪ Corporate Sustainability ▪ Purchasing	▪ Finance/Controlling/ Internal Control System ▪ Law/Patents/Insurance ▪ Treasury ▪ Taxes ▪ Internal Audit ▪ Corporate Compliance ▪ Risk Management ▪ Investor Relations ▪ Global IT

Both members of the Board of Management have many years of experience, broad specialist knowledge, and extensive skills in their areas of responsibility. Before taking up their current positions, they acquired relevant experience and knowledge in comparable companies and industries. From 1990 to 1999, Dr. Jochen Weyrauch held various management positions at the mobility-focused technology developer Continental Teves AG & Co. OHG, including as a member of the Management Board. From 2003 to 2005, he was a member of the Board of Management of

Carl Schenck AG, which is part of the Dürr Group. When Schenck Process GmbH was sold to a private equity investor, Dr. Jochen Weyrauch was involved by way of a management buy-out; he served as President and CEO of Schenck Process Holding GmbH from 2006 to 2014. In 2017, he joined the Board of Management of Dürr AG, becoming its Deputy Chairman in 2020 and taking over as CEO at the beginning of 2022. From 2001 to 2020, Dietmar Heinrich held various responsibilities within the Schaeffler Group, which operates as a supplier for the automotive and mechanical engineering industries. Among other things, he was CFO in South Korea (2005 to 2006) and CFO for the Asia/Pacific region based in Shanghai (2006 to 2009). From 2009 to 2011, he was head of Schaeffler's Linear Technology operations. In 2011, Dietmar Heinrich first became CFO, and then CEO for the Europe region in 2014, before becoming CFO of Schaeffler AG in 2017.

In principle, when appointing members to the Board of Management, the Supervisory Board pays attention primarily to professional and social skills, as well as long-term experience in comparable positions in our industry and in an international environment. Added to that are character aptitude and an appropriate educational background. The nationality and age of entry do not constitute decisive factors. In principle, there is an age limit of 63 years for members of the Board of Management, which was not exceeded in 2024.

In its resolution adopted on May 13, 2022, the Supervisory Board formulated the goal of appointing a woman to the Board of Management by June 30, 2027, at the latest. If a successor for an existing member needs to be appointed, the Supervisory Board will favor the appointment of a woman, provided that the requirements in terms of qualification and personality are met. If the Board of Management is increased to more than three members, the statutory requirement to appoint a woman will apply.

Tasks and responsibilities
The CEO has overall responsibility for sustainability and the implementation of our sustainability approach. The CFO is responsible for reporting and governance processes on sustainability-related topics. In doing so, the Board of Management is supported by Corporate Sustainability. This department coordinates Group-wide sustainability activities, provides the Human Rights Officer, and is responsible for the topics of environment and climate worldwide. In 2024, the department had the lead responsibility for the implementation of reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), the preparation of the double materiality analysis, and the recording and structuring of impacts, risks, and opportunities. It also revised the climate strategy and managed the implementation of measures.

The Board of Management delegates the management of impacts, risks, and opportunities to the head of the Corporate Sustainability department and the person responsible for the Group-wide risk management system. Corporate Sustainability reports and assesses sustainability risks from the Group's perspective and checks the risks reported by Group companies for plausibility and completeness. In addition, Corporate Sustainability is involved in the due diligence process for M&A transactions. If necessary, the department analyzes the sustainability performance of companies whose acquisition is being reviewed on behalf of the Board of Management.

The head of the Corporate Sustainability department reports to the Board of Management on sustainability-related progress at least once a month. The department also supports the Board of Management in informing the Supervisory Board about progress in the area of sustainability.

Further information on the role of the Board of Management in relation to business conduct can be found in the subsection "Role of the administrative, management, and supervisory bodies" in subchapter 7.4.1.2 → page 179.

Expertise in the area of sustainability
Due to their many years of management activities, the members of the Board of Management have fundamental expertise in relevant sustainability topics such as corporate governance, further training, and occupational safety. Dr. Jochen Weyrauch already has been responsible for sustainability since 2020. He has extensive expertise in the evaluation and further development of sustainable technologies and the development of suitable business models. Dietmar Heinrich has specific experience in dealing with sustainability topics in corporate finance. Among other things, several financing instruments with sustainability components were arranged under his leadership. Both members of the Board of Management are informed regularly about key sustainability topics by the head of Corporate Sustainability, and can take part in further training or consult experts to expand their specialist knowledge. In 2024, as in the previous year, they took part in sustainability training with internal and external speakers. They actively participated in the preparation of the materiality analysis, thereby deepening their skills and expertise with regard to the company's material impacts, risks, and opportunities.

Supervisory Board
Composition and diversity
In accordance with the German Co-determination Act, the Supervisory Board of Dürr AG is composed of an equal number of six shareholder representatives and six employee representatives. Its composition is designed in such a way that the members have the necessary knowledge, skills, and professional experience to

properly perform their advisory and supervisory functions. As required in Section C.1 of the German Corporate Governance Code (DCGK), this also relates to the relevant sustainability competences. Since the 2016 elections, there have been four women on the Supervisory Board. This corresponds to a proportion of 33%, which fulfills the 30% minimum quota required by law. Gerhard Federer has been Chairman of the Supervisory Board since 2020. Seven members of the Supervisory Board, including Gerhard Federer, are independent in the opinion of the Supervisory Board, which corresponds to a proportion of 58%. Accordingly, a Supervisory Board member is independent if he or she is independent of the company and its Board of Management as well as independent of a controlling shareholder. An overview of its members can be found at → table 2.68.

2.68 — OVERVIEW OF SUPERVISORY BOARD MEMBERS (DECEMBER 31)

Member of the Supervisory Board	Role on the Supervisory Board	Committees
Gerhard Federer	▪ Chairman	▪ Personnel Committee/Executive Committee (Chair) ▪ Audit Committee (Member) ▪ Mediation Committee (Chair) ▪ Nominating Committee (Chair)
Hayo Raich	▪ Deputy Chair ▪ Employee Representative	▪ Personnel Committee/Executive Committee (Member) ▪ Mediation Committee (Deputy Chair)
Arnd Zinnhardt	▪ Additional Deputy Chair	▪ Audit Committee (Chair)
Mirko Becker	▪ Employee Representative	▪ Audit Committee (Member)
Dr. Rolf Breidenbach	▪ Member	▪ Personnel Committee/Executive Committee (Member)
Prof. Dr. Dr. Alexandra Dürr	▪ Member	▪ Audit Committee (Member) ▪ Nominating Committee (Member)
Carmen Hettich-Günther	▪ Employee Representative	▪ Mediation Committee (Member)
Thomas Hohmann	▪ Employee Representative	▪ Audit Committee (Member)
Dr. Markus Kerber	▪ Member	▪ Mediation Committee (Member) ▪ Nominating Committee (Member)
Maximilian Locher	▪ Employee Representative	▪ Audit Committee (Member)
Dr. Anja Schuler	▪ Member ▪ Sustainability Expert	
Dr. Astrid Ziegler	▪ Employee Representative	▪ Personnel Committee/Executive Committee (Member)

2.69 — GENDER DISTRIBUTION ON THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD (DECEMBER 31)

		2024		2023	
		absolute	%	absolute	%
Board of Management	**Total**	**2**	**100.0**	**–**	**–**
	Female	0	0.0	–	–
	Male	2	100.0	–	–
Supervisory Board	**Total**	**12**	**100.0**	**–**	**–**
	Female	4	33.3	–	–
	Male	8	66.7	–	–

Tasks and responsibilities

The Supervisory Board advises and monitors the Board of Management; this also applies to sustainability topics. The Supervisory Board has not established a Sustainability Committee, as it is of the opinion that a separate committee would not be compatible with the fact that sustainability affects the entire business activities of the Group. Dr. Anja Schuler has been sustainability expert on the Supervisory Board since 1 January 2023. In this role, she can assess the corresponding impacts, opportunities, and risks in a special way and informs the other members of the Supervisory Board of her assessments. In 2024, Dr. Anja Schuler closely supported the preparation of the materiality analysis, the revision of the climate strategy, and other sustainability-related topics; she also monitored progress in achieving sustainability-related targets at regular meetings with the head of the Corporate Sustainability department and by participating in the Sustainability Council. Dr. Anja Schuler reported to the Supervisory Board on her activities as a sustainability expert twice in 2024. As a specific internal control body, the Audit Committee of the Supervisory Board regularly deals with sustainability topics. This also includes monitoring material impacts, risks, and opportunities. It is also responsible for auditing the Sustainability Statement. The Supervisory Board's sustainability expert attends its meetings when it discusses sustainability-specific topics.

Further information on the role of the Supervisory Board in relation to business conduct can be found in the subsection "Role of the administrative, management, and supervisory bodies" in subchapter 7.4.1.2 → page 179.

Expertise in the area of sustainability

In 2024, the members of the Supervisory Board completed a training course on the topic of climate protection. As a sustainability expert, Dr. Anja Schuler attended numerous sustainability-related training sessions in the 2024 reporting year. Special emphasis was placed on the CSRD reporting, the preparation and monitoring of the materiality analysis, climate risks, and the circular economy. This means that the Supervisory Board as a whole has the necessary skills and expertise to ensure the appropriate monitoring of the material sustainability-related impacts, risks, and opportunities.

Sustainability Council

The Sustainability Council is the central body for sustainability topics in the Group and consists of the CEO Dr. Jochen Weyrauch, the CFO Dietmar Heinrich, the division heads, as well as managers responsible, from both core functions and relevant specialist areas. Its members discuss sustainability strategies and targets, track progress toward meeting them, and support their implementation. The CEO chairs the Sustainability Council. The Sustainability Council met once in 2024. Focus topics included the implementation status of the CSRD regulatory requirements, the presentation of the revised climate strategy, and the organizational structure with regard to sustainability-related topics. The Sustainability Council invites the Supervisory Board's sustainability expert Dr. Anja Schuler to its meetings on a case-by-case basis.

7.1.2.2 Board of Management and Supervisory Board: Flow of information/handling of sustainability topics

The Board of Management receives a monthly report with selected sustainability indicators; this scorecard is prepared by Group Controlling. Sustainability-related topics as well as the definition and achievement of targets are discussed in the Dürr Management Board or in regular meetings with the Board of Management. The division heads inform the Board of Management about occupational safety data such as the number of serious accidents and the accident rate at least once a quarter. On this basis, the Board of Management decides on the content and intensity of appropriate measures. In the event of serious compliance issues, the Board of Management is informed immediately. The CFO receives key figures on the EU Taxonomy three times a year.

The Board of Management supported the preparation of the materiality analysis and critically assessed the result. In addition, it was closely involved in the revision of the climate strategy and the definition of climate targets. It defines processes and guidelines to manage and monitor the material impacts, risks, and opportunities for the Group. The Sustainability Statement is prepared and signed by the Board of Management as part of the management report.

The Board of Management and the Supervisory Board comply with the statutory regulations on disclosure. They follow Principle 6 of the DCGK, according to which the Supervisory Board should be regularly informed about sustainability-related issues. In 2024, the Board of Management reported on progress in the area of sustainability at several ordinary meetings of the Supervisory Board. In addition, the head of the Corporate Sustainability department briefed the Audit Committee at four meetings on various sustainability-related topics, including climate strategy, EU Taxonomy, ESG ratings → page 336, and CSRD reporting. He also referred to the implementation of due diligence in the area of sustainability, as well as the results and effectiveness of the strategies, measures, parameters, and targets adopted. In addition, the Audit Committee critically assessed the results of the materiality analysis. At the time of publication of this report, we were not aware of any compromises that the Board of Management or Supervisory Board had considered or taken into account in connection with impacts, risks, or opportunities.

The Board of Management and the Supervisory Board are aware of the material impacts, risks, and opportunities arising from the materiality analysis. An explanation of the material impacts, risks, and opportunities can be found in the respective topic-related standards.

7.1.2.3 Sustainability-related performance and incentive systems

Remuneration of the Board of Management

The system for the remuneration of the Board of Management of Dürr AG in force since 2023 implements the applicable provisions of the German Stock Corporation Act (Sections 87 and 87a) and has been approved and adopted by the Supervisory Board in accordance with these requirements. It takes into account the requirements of the most recent version of the DCGK with the exception of the term of the long-term remuneration component (long-term incentive), which, in line with international practice, is three years instead of the four years required. Furthermore, it is based on the guidelines developed by the Working Group on "Guidelines for Sustainable Management Board Remuneration (AlfenV)." The remuneration system was approved by the annual general meeting on May 12, 2023, with a majority of 87.33% of the shareholders.

The remuneration system consists of a fixed, non-performance-related basic remuneration and short-term and long-term variable remuneration components (short-term incentive, STI, and long-term incentive, LTI), the target achievement of which is based on both financial and non-financial performance indicators.

Short-term variable remuneration (STI)

As a performance-related bonus, the STI is based on financial and non-financial results for the respective fiscal year. The ESG target had a weighting of 15% in 2024. It consisted of 50% each of concrete targets relating to customer satisfaction and occupational safety. For customer satisfaction, the Dürr Promoter Score (DPS) parameter was collected from representative customer surveys and compared with concrete target values. In terms of occupational safety, the Group-wide incident rate (number of work-related accidents per 1 million working hours per year) was measured against specific target values.

Long-term variable remuneration (LTI)

The calculation of the LTI payout amount is based on four different performance parameters. These include the achievement of an ESG target with a weighting of 20% during the three-year term of the respective LTI tranche. The target parameter for the LTI tranches 2023 to 2025 and 2024 to 2026 is the assessment of our ESG performance in accordance with the ISS ESG Corporate Rating. This rating assesses the sustainability performance of companies in the areas of environmental, social, and governance using a comprehensive points system. It also takes into account the status of our target achievement and our transparency in reporting on the three areas. Two climate-related sustainability targets were set for the ESG target with a weighting of 20% for the 2025 to 2027 LTI tranche. With a weighting of 70%, a target was set for the absolute reduction of Scope 1 and Scope 2 emissions. With a weighting of 30%, a target was set for the intensity of Scope 3.11 emissions in relation to the sales generated. Both targets are in line with our climate strategy and are intended to promote its implementation.

Further information on the climate-related remuneration of the Board of Management and the Supervisory Board can be found in the subsection "Control and monitoring" in subchapter 7.2.1.2 → page 125.

Supervisory Board

In accordance with the DCGK, the remuneration for members of the Supervisory Board does not include any variable components. It consists of a fixed remuneration, the attendance fee, fringe benefits and – in the case of committee members – remuneration for activities on the committee. If an expert topic is assigned, additional expert remuneration is paid. The only expert topic is sustainability, for which Dr. Anja Schuler has been appointed as an expert.

The remuneration system for the Supervisory Board is approved by the annual general meeting on the basis of a proposal submitted by the Supervisory Board and the Board of Management. The rules governing remuneration are laid down in Dürr AG's Articles of Incorporation. In regular intervals of no more than four years, the Supervisory Board checks whether the amount and structure of the remuneration are still consistent with market standards and aptly reflect the tasks of the Supervisory Board as well as the company's situation. The remuneration system for the Supervisory Board was approved by a majority of 99.89% of the votes cast at the annual general meeting on May 12, 2023.

7.1.2.4 Statement on due diligence

→ Table 2.70 shows where information on our due diligence processes can be found in the Sustainability Statement.

2.70 — STATEMENT ON DUE DILIGENCE

Core elements of due diligence	Chapter in the Sustainability Statement	Page
a) Embedding due diligence in the governance, strategy and business model	7.1.2 Governance in the area of sustainability	102, 104, 105
	7.1.3 Strategy	106
b) Engaging with affected stakeholders	7.1.3 Strategy	108
	7.3.1 Own workforce (S1)	157
	7.3.2 Workers in the value chain (S2)	176
c) Identifying and assessing adverse impacts on people and the environment	7.1.4 Materiality analysis	110
	7.2.1 Climate change (E1)	123
	7.2.2 Pollution (E2)	134
	7.2.3 Water and marine resources (E3)	135
	7.2.4 Circular economy (E5)	136
	7.3.1 Own workforce (S1)	156
	7.3.2 Workers in the value chain (S2)	174
	7.4.2 Corporate security	182
d) Taking actions to address adverse impacts on people and the environment	7.2.1 Climate change (E1)	127, 129
	7.2.2 Pollution (E2)	135
e) Tracking the effectiveness of these efforts	7.2.3 Water and marine resources (E3)	136
	7.2.4 Circular economy (E5)	137, 138, 139
	7.3.1 Own workforce (S1)	158, 160, 161, 167, 168, 171, 172
	7.3.2 Workers in the value chain (S2)	176, 177, 178
	7.4.2 Corporate security	184

7.1.2.5 Risk management and internal controls of sustainability reporting

In 2024, the responsible specialist departments, under the direction of Corporate Sustainability, recorded and evaluated risks and opportunities relating to sustainability topics as part of the double materiality analysis. The results were compared with the existing risks from the previous Group-wide risk inventory. As a result, no adjustment was made to the quantitative risks determined in accordance with the risk management system. In some cases, qualitative and strategic risks relating to sustainability were included in the risk inventory.

During the half-yearly Group-wide risk inventory, existing sustainability-related risks are reviewed and any newly identified risks of this kind are included. The risk inventory is initiated by central risk management. A review is carried out with regard to the topicality and appropriateness of the assessment. One exception so far has been the physical risks posed by climate change. In 2024, we analyzed the impact of physical climate risks on the Group locations. In 2025, the scope and documentation of these analyses are to be expanded and fully integrated into the risk management system. We plan to standardize the risk inventory process of the two systems (risk systems and materiality analysis) as much as possible in 2025 and 2026.

The relevant risks of the Group also include risks in the preparation of the sustainability reporting. For example, incorrect or incomplete data records can lead to stakeholders being misinformed. In order to counter this and ensure the accuracy of reporting, we have established a Group-wide IT system for collecting ESG data as well as corresponding approval processes and monitoring mechanisms. The responsible departments are involved in reviewing the ESG data collected. In addition, an interdisciplinary project team is working to continuously improve the quality of reporting structures and processes. The Audit Committee of the Supervisory Board monitors the sustainability reporting process and also reviews the risk assessment as well as the internal controls and their operational effectiveness.

7.1.3 STRATEGY

7.1.3.1 Strategy, business model, and value chain

Employees, products, and sales

As of December 31, 2024, the Group employed a total of 19,894 people (continued operations and discontinued operation). → Table 2.71 contains a breakdown of employees by number and geographical area. Information about our products and services, markets, and customer groups can be found in → table 2.2 of the reporting segment 1. None of our products are prohibited in specific markets. All our products and services can be allocated to the ESRS machinery and equipment sector (MME), which consequently accounts for 100% of Group sales of €4,698.1 million.

2.71 — BREAKDOWN OF EMPLOYEES BY GEOGRAPHICAL AREA (DECEMBER 31)

	2024	2023
Germany	9,216	–
Europe (excluding Germany)	3,196	–
Americas	2,769	–
China	1,589	–
Asia (excluding China), Africa, Australia	3,124	–
Total	**19,894**	**–**

Our sustainability targets are closely linked to our corporate strategy and mainly relate to climate protection, human and employee rights, as well as compliance and corporate security. Information on the climate strategy and climate targets is contained in chapter 7.2.1 → **page 123**. An explanation of our most important products and services with regard to climate protection is provided in chapter 7.2.5 → **page 140**. With regard to the topics of human and employee rights as well as compliance, the sustainability targets primarily relate to suppliers in countries with increased human rights and compliance risks. Ensuring information security is particularly relevant for customers to whose IT systems we are linked. More information can be found in chapters 7.4.1 → **page 178**, 7.3.2 → **page 174**, and 7.4.2 → **page 182**.

Elements of the corporate strategy relate to sustainability aspects or have an impact on them. For example, the construction of automated production facilities requires components made of iron and steel as well as electronics, the production of which causes greenhouse gas emissions (GHG emissions). One of our solutions for this is the procurement of goods with a reduced **CO_2e → page 336** footprint. The use of our products by customers also generally leads to GHG emissions. We are counteracting this, for example, by electrifying our technologies. This allows for significant reductions in emissions; in 2024, we delivered the first paint shop that can be operated in a CO_2-neutral manner to an automobile manufacturer. One requirement for sales is therefore to convince customers of such new technological solutions.

Value chain

Our value chain and our position in it are shown in → **figure 2.72**. We process the inputs received in the upstream value chain internally into outputs, i.e. products for customers. Information on potential impacts, risks, and opportunities in the ESRS machinery and equipment sector (MME) and their possible connections to our business model or our value chain can be found in the topic-related chapters of this Sustainability Statement.

Inputs

Key inputs or input factors are our employees on the one hand and the materials used to manufacture our products on the other. Our business model comprises the development of innovative technologies and systems, their manufacture and installation at the customer's premises, as well as downstream services. Well-trained employees, especially engineers, are important for developing and producing innovative technologies and products and installing them at the customer's site on time. In order to secure and further develop the necessary workforce, we train our own apprentices and have an extensive further training program in place. Details are described in subchapter 7.3.1.5 → **page 162**. At the same time, we are striving to ensure the safety of our employees and a motivating working environment. Information on this is contained in subchapters 7.3.1.4 → **page 158** and 7.3.1.6 → **page 165**. We source goods, raw materials, and services from several thousand suppliers. In addition to part and component suppliers, these also include contract manufacturers, engineering service providers, and logistics companies. For further information, please refer to subchapter 7.2.4.2 → **page 137**. Compliance with environmental and labor standards in the supply chain is ensured in accordance with the German Supply Chain Due Diligence Act (LkSG) and the Supplier Code of Conduct, which is addressed in chapter 7.3.2 → **page 174**.

2.72 — VALUE CHAIN OF THE DÜRR GROUP

UPSTREAM VALUE CHAIN		OWN COMPANY	DOWNSTREAM VALUE CHAIN	
Raw materials	**Prefabricated components**	**Business activities of the Dürr Group**	**Customer production**	**Recycling/disposal**
We are dependent on raw materials such as metals. The players in the upstream value chain extract and refine these raw materials.	The raw materials are used to produce prefabricated components that we purchase from suppliers, such as electronic components, semiconductors, hydraulic and pneumatic components, motors, pumps, and control systems.	We develop, design, manufacture, and assemble machines and systems. In addition, there are usually activities such as quality assurance, sales, service, and software development.	Customers use our machines and systems to manufacture their products. Typical customer sectors include the automotive industry, furniture and timber construction, as well as the chemical, pharmaceutical, medical, and electrical industries.	At the end of their life cycle, our machines and systems are usually recycled as they contain valuable materials. If this is not possible, they will be disposed of properly.

Outputs

We provide customers with machines, systems, services, and software for cost-efficient, safe, and sustainable production processes. The benefits for our customers include high production quality, the safe operation of our systems and, in particular, high resource efficiency in terms of material and energy consumption. The exchange with customers is continuous and varies depending on the industry. Our employees benefit from high-quality initial vocational education and further training, a value-based corporate culture, and appropriate remuneration. Our shareholders participate in the success of the business through share price gains and dividend payments. The majority of our products consist of raw materials and other materials such as steel, aluminum, and copper as well as electronic components, which generally have a high residual value at the end of their life cycle. External analyses carried out on selected machines and systems supplied by us show that most of the components of the products can be returned to the cycle at the end of their life. For further information, please refer to subchapter 7.2.4.5 → page 138.

7.1.3.2 Interests and views of stakeholders

As part of our business activities, we are in contact with various social stakeholders and take their interests into account when making business decisions. We rely on strong relations based on a spirit of mutual trust with our stakeholders in order to identify their expectations in a timely manner and prepare for change. We consider groups whose satisfaction makes a particular contribution to the company's success to be strategically important stakeholders. These primarily include employees, customers, business partners, and suppliers as well as lenders, shareholders, and other financial market players. Our stakeholders also include governments and authorities, local residents, science and research, as well as non-governmental organizations (NGOs), selected civil society organizations or social institutions, and associations.

2.73 — EXCHANGE WITH STAKEHOLDERS

Stakeholders	Channels	Purpose of the exchange	Result of the exchange
Employees	▪ Company and employee meetings ▪ Regular feedback discussions ▪ Internal communication channels (e.g. intranet) ▪ Employee surveys ▪ Cross-level meetings ▪ Ideas management platform Spark	▪ Inclusion of opinions and interests of the workforce ▪ Understanding of business decisions ▪ Understanding of sustainability topics ▪ Involving the workforce in sustainability initiatives ▪ Improving occupational safety in production and assembly ▪ Promoting diversity and inclusion ▪ Culture of business integrity ▪ Strengthening employee satisfaction and retention ▪ Strengthening the (digital) skills of employees ▪ Promoting ideas and innovations for sustainable solutions	▪ Consideration of views and perspectives of the employees in measures to address material impacts, risks, and opportunities ▪ Achieving sustainability goals ▪ Implementation of internal measures and campaigns on the topic of sustainability ▪ Improved performance in the area of health and safety ▪ Adaptation of training programs ▪ Embedding the corporate mission statement One Vision through workshops and communication ▪ Implementing sustainable ideas and innovations
Customers	▪ Discussions, visits ▪ Surveys, audits ▪ Service, training ▪ Trade fairs, congresses ▪ Workshops	▪ Recognizing requirements for sustainable products ▪ Building trust, promoting retention ▪ Offering and selling sustainable solutions ▪ Supporting sustainable production and the achievement of climate targets ▪ Joint sustainability projects	▪ Adaptation of the product portfolio to sustainability requirements ▪ Development of customized solutions for the reduction of GHG emissions ▪ Reduction of the Dürr Group's Scope 3 emissions ▪ Consulting on the efficient use of our machines and systems ▪ Creation of product information with a focus on sustainability ▪ Adaptation of the sales and marketing strategy ▪ Continuous improvement and further development of products

2.73 — EXCHANGE WITH STAKEHOLDERS

Stakeholders	Channels	Purpose of the exchange	Result of the exchange
Business partners and suppliers	▪ Discussions, negotiations ▪ Supplier assessments and audits ▪ Supplier development and training ▪ Code of Conduct for Suppliers	▪ Promotion of climate and environmentally friendly, responsible procurement ▪ Greater transparency with regard to suppliers, especially in risk countries ▪ Definition and establishment of sustainability standards in the supply chain ▪ Compliance with the Supplier Code of Conduct ▪ Protection of human and employee rights in the supply chain	▪ Reduction of emissions in the upstream value chain ▪ Optimized logistics processes for CO_2 reduction ▪ Promoting innovations for climate-friendly materials and processes ▪ Reduction of the Dürr Group's Scope 3 emissions ▪ Consideration of social and ecological criteria in the supplier selection process ▪ Joint development of improvement plans for business partners and suppliers
Capital market (shareholders, investors, analysts, and lenders)	▪ Annual general meeting ▪ Quarterly/annual reports ▪ Regular discussions with capital market players ▪ Investors' days (Capital Market Days) ▪ Investors' conferences, roadshows	▪ Greater transparency on business/sustainability development ▪ Managing capital market expectations regarding business/sustainability development ▪ Attracting (sustainability-oriented) investors ▪ Communication of corporate strategy, business model, corporate goals, sustainability approach ▪ Information on growth opportunities through sustainable product innovations	▪ Disclosure of comprehensive corporate/sustainability information ▪ Ensuring a fair valuation of the company on the capital market ▪ Compliance with legal/regulatory requirements ▪ Improvement of ESG ratings ▪ Meeting the information needs of investors and shareholders ▪ Optimization of the shareholder structure ▪ Reduction of capital costs ▪ Access to capital/securing corporate financing and financing of investments in sustainable technologies ▪ Improving capital market knowledge of the business model, strategy, and objectives
Governments and authorities	▪ Dialogue ▪ Exchange, cooperation, partnerships ▪ Involvement with regulations and standards	▪ Supporting sustainable social development ▪ Anticipation/contribution to economic, environmental, and social legislation ▪ Compliance with laws, consideration of national/international regulations ▪ Compliance with corporate governance guidelines ▪ Ensuring compliance in all business areas ▪ Dealing with risks and opportunities of climate-related change	▪ Risk reduction through cooperation ▪ Compliance with legal requirements and ethical standards ▪ Business conduct within the meaning of the DCGK ▪ Strengthening the compliance management system
Local residents	▪ Dialogue	▪ Information on company activities and effects ▪ Recognize and address concerns regarding emissions, noise, and traffic at an early stage ▪ Promoting positive coexistence	▪ Support for regional sustainability initiatives ▪ Implementation of noise protection measures and traffic concepts
Science and research	▪ Cooperation with educational institutions ▪ Involvement in research projects ▪ University contacts	▪ Research cooperation for sustainable technologies ▪ Exchange on current findings in the field of sustainability	▪ Innovation partnerships ▪ Integration of the latest findings in product development ▪ Preparation of eco-balances for products and processes ▪ Attracting well-trained specialists

2.73 — EXCHANGE WITH STAKEHOLDERS

Stakeholders	Channels	Purpose of the exchange	Result of the exchange
NGOs, civil society organizations, social institutions, and associations	▪ Local project cooperation ▪ Donations ▪ Association work and working groups	▪ Understanding society's expectations of us ▪ Identification of potential for improvement in sustainability topics by obtaining external expertise	▪ Challenging the strategy with regard to society's expectations ▪ Orientation toward global initiatives, for example the United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs) ▪ Implementation of best practices in sustainability management ▪ Financial support for community welfare

We have taken the views of our stakeholders regarding strategy and business model into account in our materiality analysis. Findings from stakeholder dialogues are recorded, structured, and forwarded to the relevant specialist departments with the help of defined processes. In this way, information from our stakeholders can contribute to the improvement of internal business processes. Examples of this include regular employee surveys, reports via our whistleblowing system Dürr Group Integrity Line, and feedback discussions with customers. Such information has not recently led to any immediate changes to the strategy and business model, especially as objectives such as resource and energy efficiency have long been embedded in them. Both objectives are also becoming increasingly important for customers. No sustainability-related adjustments to the strategy and business model are currently planned.

Employees can use various channels to become involved in company processes and receive timely and comprehensive information about operational changes. We incorporate the interests, views, and rights of our own employees, including respect for their human rights, into the strategy and business model on a topic-specific basis. We determine employee matters as follows:

- Employee surveys: We collect opinions, concerns, and suggestions in Group-wide and location-based surveys on satisfaction, specific topics, and strategy.
- Employee interviews: At the German locations, feedback discussions are held at least once a year in which employees can express their concerns.
- Employee representatives: At various locations in the Dürr Group, works councils, trade unions, and topic-specific committees are in dialogue with employees, addressing their interests and views to the management.

In Germany, works councils and management teams generally discuss the views and interests of their own employees on a monthly basis. Similar formats of exchange also exist at several locations abroad.

The Board of Management and the Supervisory Board receive regular and ad-hoc information on the results of discussions with stakeholders. In the case of the Board of Management, this usually takes the form of regular meetings with division heads and area managers, who are in contact with stakeholders. These are, for example, managers from Sales, Purchasing, R&D, Investor Relations, and Treasury who communicate with customers, suppliers, scientific institutions, and investors. The sustainability-related expectations and interests of stakeholders are also discussed with the Board of Management in the Sustainability Council and other committees. The Supervisory Board is generally informed about stakeholder matters by the Board of Management. The division heads and area managers also report on findings from stakeholder discussions at Supervisory Board meetings as required.

7.1.4 MATERIALITY ANALYSIS

7.1.4.1 Identification and assessment of material impacts, risks, and opportunities

In 2024, we fundamentally revised the process and methodology of the materiality analysis compared to previous analyses. This was done with a view to the requirements of the double materiality analysis as set out in the ESRS. Firstly, the review included the assessment of the topic-related ESRS, including their topics, subtopics and subsubtopics as well as additional company-specific disclosures relating to their impact on people and the environment. Secondly, financial risks and opportunities for our company were updated or newly recorded.

The identification of sustainability aspects and the assessment of impacts, risks, and opportunities related to our own business activities, the upstream and downstream value chains, and to other groups of persons who could be affected by our business activities. The result of the assessment forms the basis for the information in this Sustainability Statement. In 2025, we will review the materiality analysis and adjust it if necessary.

The process used to determine the impacts, risks, and opportunities for all environmental, social, and governance topics corresponded to the process described below.

Step 1: Identification of relevant sustainability aspects
The list of topics in accordance with ESRS 1 Application Requirement (AR) 16 and previous materiality analyses in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) served as the basis for identifying relevant sustainability aspects and assessing their materiality. We also considered sustainability aspects from industry peers, aspects from sector-specific standards, such as the standard set by the Sustainability Accounting Standards Board (SASB), and other sources, such as statements from investors as well as rating and consulting agencies. On this basis, a company-specific list of topics was drawn up.

In order to determine the impacts, we analyzed our global business activities. In doing so, we also examined specific activities, business relationships, and geographical circumstances that are associated with an increased risk of adverse effects.

Based on company-specific considerations, we have made adjustments to the structure of the list of topics in accordance with ESRS 1 AR 16, but have not omitted any of the aspects listed. The classification of the sustainability aspects was based on the levels of topic, subtopic, and subsubtopic. The structure of these first two levels is shown in → **table 2.74**.

2.74 — CLASSIFICATION OF SUSTAINABILITY ASPECTS

Topic-related ESRS	Topic	Subtopic
ESRS E1	Climate change	Climate change adaptation
		Climate protection
		Energy
ESRS E2	Pollution	Pollution
		Substances of concern
		Microplastics
ESRS E3	Water and marine resources	Water
		Marine resources
ESRS E4	Biodiversity and ecosystems	Biodiversity
		Ecosystems
ESRS E5	Resource use and circular economy	Resource inflows
		Resource outflows
		Waste
ESRS S1	Own workforce	Health and safety
		Training and skills development
		Corporate culture and diversity
		Decent work and human rights
ESRS S2	Workers in the value chain	Decent work and human rights
		Health and safety
ESRS S3	Affected communities	Affected communities
ESRS S4	Consumers and end-users	Consumers and end-users
ESRS G1	Business conduct	Business conduct
		Corporate security[1]
		Product quality and safety[1]

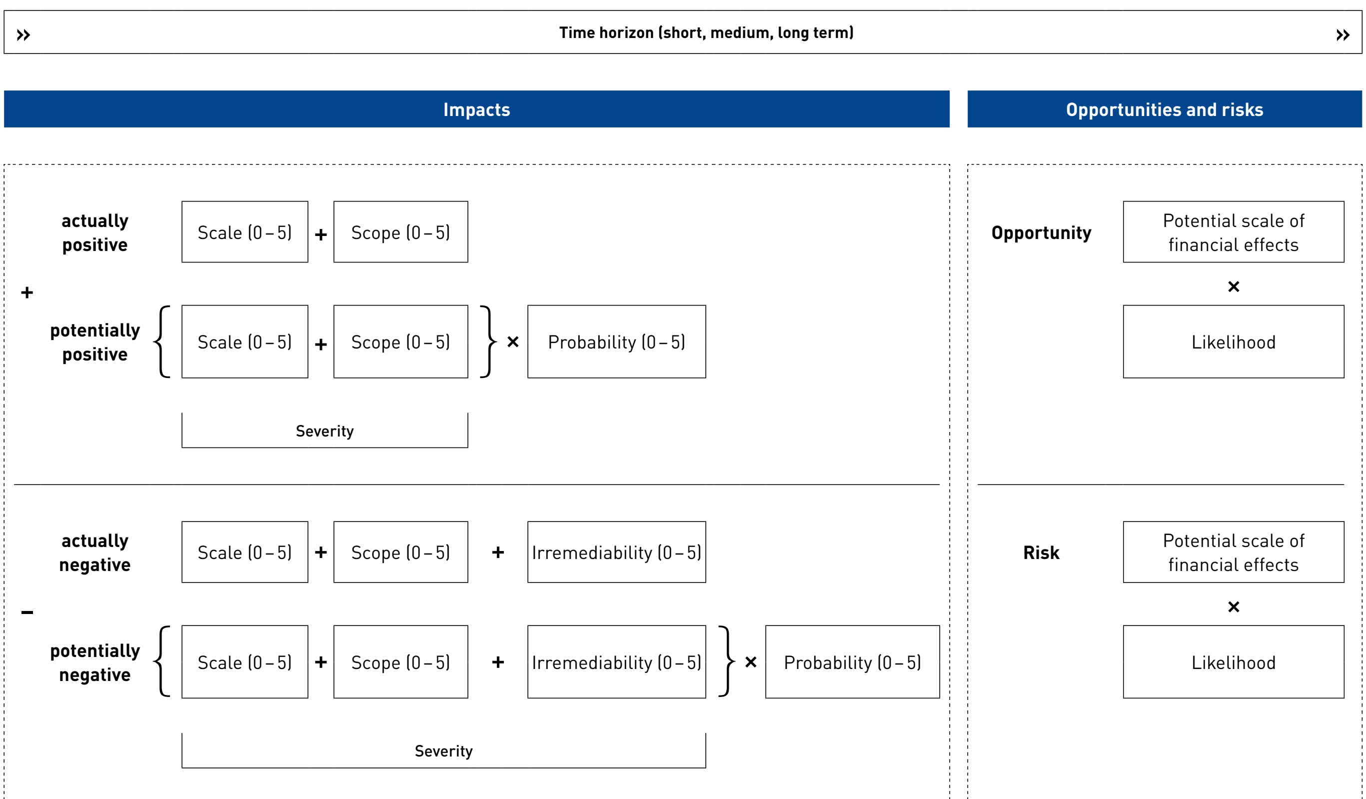
[1] Company-specific disclosures

Step 2: Stakeholder engagement
We collected assessments from internal stakeholders on sustainability-related impacts, risks, and opportunities for the company and our upstream and downstream value chain in interviews and workshops with experts from the Dürr Group. We indirectly considered the views of external stakeholders through interviews with representatives of internal specialist departments. These representatives are in direct and regular contact with external stakeholders, such as customers, business partners, suppliers, lenders, shareholders, other investors, and scientific institutions.

Findings from human rights risk analyses and employee surveys were also incorporated into the identification and assessment of potential and actual impacts. Financial risks associated with environmental, social, or governance impacts have been harmonized with the Group-wide risk management data.

Step 3: Assessment of impacts, risks, and opportunities
The identified sustainability aspects were assessed with regard to the materiality of their impact on people or the environment in terms of actual and potential positive and negative impacts. Here, the company's own business activities as well as the upstream and downstream stages of the value chain were taken into account. In addition, the sustainability aspects were classified in terms of the materiality of the associated financial risks and opportunities for the Group. The parameters and scales used to assess the materiality of the impact and financial materiality, are shown in → figure 2.75.

2.75 — ASSESSMENT DIMENSIONS OF IMPACTS, RISKS, AND OPPORTUNITIES



The term scale defines how grave an actual or potential positive or negative impact is for people or the environment. The scope indicates how widespread an impact is. In the case of impacts on people, it is the number of people affected, in the case of an impact on the environment, it is the geographical span that is assessed. The irremediable character of an actual or potential negative impact expresses whether and to what extent the identified negative impacts could be remediated. It is therefore a question of whether and to what extent affected people or the environment can be restored to their prior state. In accordance with ESRS 1 AR 11, the severity of the impact (expressed as the sum of the scale and the scope) takes precedence over its likelihood of occurrence when assessing potential impacts on human rights. We have therefore always assessed the probability of potential negative impacts on human rights with the highest level.

During the materiality analysis, we regularly identified dependencies between identified impacts as well as between impacts and risks, or opportunities. We have systematically analyzed these dependencies in order to ensure the completeness of our disclosures. In total, we identified and assessed over 400 impacts, risks, and opportunities.

Various input parameters were used to determine and assess the impacts, risks, and opportunities. Findings from previous materiality analyses formed an important basis. Other input parameters included interviews with representatives of relevant specialist departments, data on internal operating processes, results from quality and environmental audits, employee surveys, risk analyses, supplier audits, and performance indicators for our products. We also used external information, such as data from business partners, publicly available databases, and scientific studies.

The impacts, risks, and opportunities identified were assessed on a gross and net basis. The gross assessment does not take into account mitigation measures that have already been implemented; it is therefore a hypothetical "worst-case assessment." In order to present our impacts, risks, and opportunities realistically, we used a net approach to assess materiality and took into account measures that had already been implemented before an impact, risk, or opportunity occurred.

In assessing sustainability-related risks, we have generally followed the methodology of the Group-wide risk management system, but deliberately deviate from established assessment scales when defining the extent of damage. In the materiality analysis, we regularly identified risks with a potential for damage of between €1 million and €5 million. In order to enable a better differentiation of these risks, we have defined a more granular assessment scale for recording sustainability-related financial risks compared to our group-wide risk management system. This also applies to the probability classes used for financial risks and opportunities, which we have adjusted for the materiality analysis accordingly.

Step 4: Aggregation of impacts, risks, and opportunities

The identification and assessment of impacts, risks, and opportunities was generally based on defined subsubtopics. The assessment of a subsubtopic is in turn based on the highest level of the impacts, risks, and opportunities assigned to the topic. Following this system, the assessment of a subtopic results from the highest level of the associated subsubtopics. Our materiality matrix (→ figure 2.77) illustrates the assessment on the basis of 18 subtopics.

Step 5: Definition of the materiality threshold

A sustainability aspect is material if at least one material impact, material risk, or material opportunity has been identified for this aspect. In order to determine material sustainability aspects, we have defined individual thresholds for the materiality of the impact and the financial materiality.

The threshold for the materiality of the impact follows the requirements of ESRS 1 AR 11. Accordingly, the materiality of a negative impact can already result from the level of a single dimension (scale, scope, irremediable character). We have therefore determined that an impact is material for the Dürr Group if at least one dimension is at its highest level.

The following applies when deriving the materiality threshold for financial materiality: The threshold is reached if a potential financial impact would very likely cause a damage of €2 to €5 million in relation to EBIT. The upper limit of this damage amount is based on the escalation threshold defined in the Group-wide risk management system for ad-hoc reports to the Board of Management. The material financial opportunities are part of the strategy and the business model and were identified against this background.

Step 6: Validation and finalization
Impacts, risks, and opportunities were determined in workshops with various specialist departments and the results were validated in terms of comparability, plausibility, and consistency. A critical assessment of the result was carried out by Corporate Sustainability and the Board of Management. The materiality analysis was formally adopted and the identified sustainability aspects approved by the Board of Management and representatives of the Supervisory Board and the Audit Committee.

Climate change

We have dealt intensively with the impacts, risks, and opportunities associated with climate change as part of the revision of the climate strategy. The sustainability aspects of climate protection and energy were assessed on the basis of the Group's business model. Workshops and interviews were conducted on both aspects – climate protection and energy – with the Product Management, Sales, Purchasing, Logistics areas, and the Management Systems department under the leadership of Corporate Sustainability. We also regularly discuss the energy consumption, energy efficiency, and GHG emissions of our products with customers.

The non-materiality of the aspect of climate change adaptation was jointly determined by managers from Purchasing and the Management Systems and Corporate Sustainability departments. Financial risks in connection with climate change adaptation were also compared with the Dürr Group's risk management system. We plan to update the analysis of the impacts and financial effects anticipated in the short, medium, and long term with regard to the sustainability aspect of climate change adaptation as soon as we have new scientific findings or if relevant changes to our assets occur. Potential material changes with regard to the sustainability aspect are taken into account in our materiality analysis.

We have already identified potential harm to selected locations and assets due to physical climate risks by means of climate scenario and vulnerability analyses in the past. In the 2024 fiscal year, we extended the analysis of physical climate risks to other Dürr Group locations and assessed the probability, the scope, and the scale of the damage potential with the support of an insurer. The analyses are based on the Shared Socioeconomic Pathway scenarios (SSP scenarios) SSP2-4.5 and SSP5-8.5 and include short- and medium- to long-term climate hazards for the years 2030, 2050, and 2100.

The SSP scenarios were developed by the Intergovernmental Panel on Climate Change (IPCC) and describe various socio-economic development pathways and their impact on the climate. Damage potential at Group locations was identified on the basis of location-specific geographical coordinates and checked for relevance; if necessary, mitigation measures were initiated and documented. In 2024, we checked 120 locations for physical climate risks. The analysis covers 85% of the Group's locations. It included, among other things, the systematic consideration of climate-related risks that may arise from floods, tropical cyclones, rising sea levels, weather-related fire hazards, extreme aridity and droughts, heat stress, and extreme precipitation. As a result, no significant physical climate risks were identified for the company's own operations. There are no findings on physical climate risks for the upstream and downstream value chain. We have neither linked defined short, medium and long-term time horizons to the expected service life of our assets, nor our strategic planning horizons, nor our capital allocation plans.

In order to determine the impact of our business activities on the sustainability aspect of climate protection along the entire value chain, we have analyzed the GHG balance, which takes into account direct and indirect emissions, as well as the Group's energy consumption since 2019. This allows us to draw conclusions regarding our material impacts. A list of total GHG emissions can be found in subsection "GHG emissions (Scope 1, 2, and 3)" in subchapter 7.2.1.4 → **page 129**. We also analyzed the potential future GHG emissions of our machines and systems in the use phase up to the year 2035 based on various climate and economic scenarios and assessed the sector-specific climate impact using the X-Degree Compatibility model (XDC model) from the climate tech company right°. The XDC model calculates the sector-specific climate impact of companies on a scientific basis and expresses the result in degrees Celsius.

→ **Table 2.76** shows the Dürr Group's material transition risks and opportunities that were identified in the Group-wide risk management system and in the materiality analysis. The risks and opportunities were recorded using an SSP1-2.6 scenario. An assessment based on further climate scenarios is to be carried out in 2025. We also plan to analyze the anticipated short-, medium-, and long-term financial effects in accordance with the ESRS phase-in provisions.

2.76 — CLASSIFICATION OF MATERIAL TRANSITION RISKS AND OPPORTUNITIES

Policy and legal	Technology	Market
– Stricter climate protection standards increase sales and product risks – Geopolitical crises cause energy bottlenecks	+ Customer requirements and stricter regulatory requirements increase the demand for energy-efficient, resource-saving, and low-emission solutions – Increasing regulation leads to the development of alternative technologies	+ Transition to a climate-friendly economy leads to a growing market for technologies for the production of sustainable end products – Climate levies and carbon pricing lead to rising procurement prices

Pollution

When identifying the material impacts, risks, and opportunities related to the topic of environmental pollution, workshops were held with representatives from Purchasing, Environmental Technology, and the Environmental Committee. These were led by the Corporate Sustainability department. Consultations with local communities were not conducted.

For the review of our own sites, we looked at the type of business activity, the environmental protection requirements to be met, and the existence of certified management systems in accordance with the ISO 14001 environmental standard. In relation to the downstream value chain, the impacts, risks, and opportunities result primarily from the use of our machines and systems. Internal calculations and measurements of environmental data were used to assess the environmental impact. Based on supplier data and information from the purchasing department, we evaluated the upstream value chain.

Water resources

When identifying the material impacts, risks, and opportunities related to the topic of water resources, workshops were held with representatives from Purchasing, Product Management, and the Environmental Committee. These were led by the Corporate Sustainability department. Consultations with local communities were not conducted.

We use a Group-wide process to identify locations with a high water risk or water stress. The process provides for a regular analysis of the Group locations using various indicators to identify potential local impacts and develop countermeasures as needed. These indicators include water stress, water scarcity, seasonal fluctuations in water supply, changes in groundwater levels, and the risk of droughts. Indicators from the Aqueduct Water Risk Atlas of the World Resources Institute (WRI) serve as a data basis. We pay particular attention to affected locations in order to minimize water-related risks today and in the future.

Circular economy

With the help of life-cycle analyses, we have gained an indication regarding the environmental impact of individual products. The analyses cover the entire life cycle and were carried out in reference to ISO 14067.

The impacts, risks, and opportunities relating to resource inflows were determined in interviews with representatives of the purchasing department. The topic of resource outflows was addressed in workshops with Purchasing, Logistics, Product Management, and the Management Systems area, with Corporate Sustainability taking the lead. The non-materiality of the topic of waste was determined at a meeting of the Environmental Committee. We did not consult with local communities, as we do not interfere significantly with nature to extract raw materials and we generate minimal waste.

Business conduct

We used various sources to identify the material impacts, risks, and opportunities relating to business conduct. In some cases, we conducted interviews with the Corporate Compliance Officer and took into account data from our Group-wide whistleblowing system and the Group-wide annual compliance self-assessment. In addition, a workshop was held with the head of the Corporate Legal, Patents, Insurance department. The materiality of the financial risks was derived from the risk inventory of the Dürr Group's risk management system.

7.1.4.2 Material topics and sustainability aspects

→ Figure 2.77 shows the result of the double materiality analysis for 2024. The sustainability aspects are aggregated at subtopic level. We have identified 12 material sustainability aspects, including two company-specific disclosures: corporate security and product quality and safety. The material impacts, risks, and opportunities determined and their occurrence in the value chain are explained in this Sustainability Statement in the respective topic-related standards. We also provide detailed information on the individual, material sustainability aspects, including governance and concepts, processes and actions, as well as targets and metrics. The material impacts, risks, and opportunities identified for the two company-specific topics are not covered by the ESRS.

In the 2024 consolidated financial statements, no material impacts of the risks and opportunities described in the topic-related chapters were identified which may affect the financial position, financial performance, or cash flows. We do not expect the material risks and opportunities to lead to significant adjustments to the carrying amounts of assets and liabilities reported in the 2025 consolidated financial statements.

2.77 — MATERIALITY MATRIX

2.78 — MATERIALITY OF THE SUSTAINABILITY ASPECTS

			Materiality of the impacts			Financial materiality
#	Topic-related ESRS	Subtopic	Upstream value chain	Dürr Group	Downstream value chain	Dürr Group
1	ESRS E1	Climate change adaptation	○	○	○	○
2	ESRS E1	Climate change mitigation	●	●	●	●
3	ESRS E1	Energy	●	●	●	●
4	ESRS E2	Pollution	○	○	●	●
5	ESRS E2	Substances of concern	○	○	○	○
6	ESRS E2	Microplastics	○	○	○	○
7	ESRS E3	Water	○	○	●	○
8	ESRS E3	Marine resources	○	○	○	○
9	ESRS E4	Biodiversity and ecosystems	○	○	○	○
10	ESRS E5	Circular economy	●	○	●	●
11	ESRS S1	Training and skills development	○	●	○	●
12	ESRS S1	Corporate culture and diversity	○	○	○	●
13	ESRS S1 + ESRS S2	Decent work and human rights	●	●	○	●
14	ESRS S1 + ESRS S2	Occupational health and safety	●	●	○	●
15	ESRS S3	Affected communities	○	○	○	○
–	ESRS S4	Consumers and end-users	○	○	○	○
16	ESRS G1	Business conduct	○	○	○	●
17	Company-specific topic	Corporate security	○	○	○	●
18	Company-specific topic	Product quality and safety	○	○	●	●

● Dimension material
○ Dimension not material

7.1.4.3 Non-material topics and sustainability aspects

In the double materiality analysis, all topic-related ESRS including their topics, subtopics and subsubtopics as well as additional company-specific considerations were examined. Individual topics or subtopics were rated as not material. This is shown in → table 2.78.

Subtopic: Climate change adaptation

With regard to the topic of climate change, no significant impacts, risks, or opportunities were identified in the subtopic of climate change adaptation. We do not develop technologies that are directly related to climate change adaptation. At the few locations that are potentially affected by climate change, we are gradually implementing action plans to reduce possible future impacts. We counter potential production or supply shortfalls due to climate-related weather events with a diversified supplier structure.

Subtopic: Substances of concern

With regard to the topic of pollution, no significant impacts, risks, or opportunities were identified for the subtopic of substances of concern. We are neither involved in the production of substances classified as substances of concern nor do we process them directly. However, analyses in recent years have shown that, in rare cases, the components we purchase may contain very small quantities of substances of concern. We provide labeling of such technologies and make it available to our customers, therefore acting in accordance with European and national law. In addition, internal processes are in place to test suitable alternative substances as substitutes for potential substances of concern. The prerequisite for this is that such alternative substances are available on the market.

Subtopic: Microplastics

With regard to the topic of pollution, no significant impacts, risks, or opportunities were identified for the subtopic of microplastics. We develop and sell machines and systems that contain only very small amounts of plastic and do not contribute significantly to the creation or spread of microplastics either during operation or when disposed of properly.

Subtopic: Marine resources

With regard to the topic of water and marine resources, the subtopic of marine resources was rated as not material. Potential negative impacts resulting from transportation by ship in the upstream value chain and as part of our own business activities were assessed as not material. No material positive impacts, risks, or opportunities were identified.

Topic: Biodiversity and ecosystems

The topic of biodiversity and ecosystems was rated as not material. This is based on a comprehensive analysis of the Group locations in 2024. The Integrated Biodiversity Assessment Tool (IBAT), which was developed in cooperation with the Taskforce on Nature-related Financial Disclosures (TNFD) and the IBAT Alliance, was used for the analysis. IBAT accesses various databases, including the World Database of Protected Areas (WDPA), the World Database on Key Biodiversity Areas (WDKBA), and the IUCN Red List of Threatened Species. As a result, no Group site is located in a biodiversity-sensitive area. Eleven sites are located less than one kilometer from a biodiversity-sensitive area, eight of which are in Germany. All the sites concerned are located in an industrial area and meet the statutory environmental requirements. The analysis did not reveal any dependencies of our sites on biodiversity or ecosystems. Ecosystem services were not taken into account. There are no physical risks or transition risks or opportunities in connection with biodiversity and ecosystems; this also includes systemic risks. There have been no consultations with affected communities. Furthermore, no material impacts, risks, or opportunities could be identified in the upstream and downstream value chain with regard to biodiversity and ecosystems.

Topic: Affected communities

The topic of affected communities was rated as not material. The sustainability aspects assessed included, in particular, regional prosperity through the creation of secure jobs and ecological impacts in the upstream value chain. Both aspects are below the materiality threshold. Financial risks and opportunities exist mainly in the context of the Dürr Group's social commitment, but were classified as not material in their manifestation.

Topic: Consumers and end-users

As a provider of production technology for the industry, the Group has no direct impacts on consumers or end-users. Therefore, the topic is not material for us.

7.1.4.4 Table of data points resulting from EU legislation

→ Table 2.79 contains the data points from ESRS 2 and the topic-related ESRS standards that result from other EU legislation, and shows where these data points can be found in our Sustainability Statement. The table also indicates which of these data points we have classified as not material.

2.79 — DATA POINTS DERIVED FROM OTHER EU LEGISLATION

Disclosure requirement	Related data point	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS 2 GOV–1	21 (d)	Board's gender diversity	●	–	●	–	material	103
ESRS 2 GOV–1	21 (e)	Percentage of board members who are independent	–	–	●	–	material	103
ESRS 2 GOV–4	30	Statement on due diligence	●	–	–	–	material	106
ESRS 2 SBM–1	40 (d) i	Involvement in activities related to fossil fuel activities	●	●	●	–	not material	–
ESRS 2 SBM–1	40 (d) ii	Involvement in activities related to chemical production	●	–	●	–	not material	–
ESRS 2 SBM–1	40 (d) iii	Involvement in activities related to controversial weapons	●	–	●	–	not material	–
ESRS 2 SBM–1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco	–	–	●	–	not material	–
ESRS E1–1	14	Transition plan to reach climate neutrality by 2050	–	–	–	●	material	125
ESRS E1–1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks	–	●	●	–	material	125
ESRS E1–4	34	GHG emission reduction targets	●	●	●	–	material	129
ESRS E1–5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●	–	–	–	material	131
ESRS E1–5	37	Energy consumption and mix	●	–	–	–	material	131
ESRS E1–5	40 to 43	Energy intensity associated with activities in high climate impact sectors	●	–	–	–	material	131
ESRS E1–6	44	Gross Scope 1, 2, 3 and Total GHG emissions	●	●	●	–	material	132
ESRS E1–6	53 to 55	Gross GHG emissions intensity	●	●	●	–	material	133
ESRS E1–7	56	GHG removals and carbon credits	–	–	–	●	not material	–

2.79 — DATA POINTS DERIVED FROM OTHER EU LEGISLATION

Disclosure requirement	Related data point	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS E1–9	66	Exposure of the benchmark portfolio to climate-related physical risks	–	–	●	–	not reported (phase-in option)	–
ESRS E1–9	66 (a) 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk Location of significant assets at material physical risk	–	●	–	–	not reported (phase-in option)	–
ESRS E1–9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	–	●	–	–	not reported (phase-in option)	–
ESRS E1–9	69	Degree of exposure of the portfolio to climate-related opportunities	–	–	●	–	not reported (phase-in option)	–
ESRS E2–4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●	–	–	–	not material	–
ESRS E3–1	9	Water and marine resources	●	–	–	–	not material	–
ESRS E3–1	13	Dedicated policy	●	–	–	–	not material	–
ESRS E3–1	14	Sustainable oceans and seas	●	–	–	–	not material	–
ESRS E3–4	28 (c)	Total water recycled and reused	●	–	–	–	not material	–
ESRS E3–4	29	Total water consumption in m³ per net revenue on own operations	●	–	–	–	not material	–
ESRS 2 – SBM–3 – E4	16 (a) i		●	–	–	–	not material	–
ESRS 2 – SBM–3 – E4	16 (b)		●	–	–	–	not material	–
ESRS 2 – SBM–3 – E4	16 (c)		●	–	–	–	not material	–
ESRS E4–2	24 (b)	Sustainable land/agriculture practices or policies	●	–	–	–	not material	–

2.79 — DATA POINTS DERIVED FROM OTHER EU LEGISLATION

Disclosure requirement	Related data point	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS E4–2	24 (c)	Sustainable oceans/seas practices or policies	●	–	–	–	not material	–
ESRS E4–2	24 (d)	Policies to address deforestation	●	–	–	–	not material	–
ESRS E5–5	37 (d)	Non-recycled waste	●	–	–	–	not material	–
ESRS E5–5	39	Hazardous waste and radioactive waste	●	–	–	–	not material	–
ESRS 2 SBM–3 – S1	14 (f)	Risk of incidents of forced labor	●	–	–	–	material	170
ESRS 2 SBM–3 – S1	14 (g)	Risk of incidents of child labor	●	–	–	–	material	170
ESRS S1–1	20	Human rights policy commitments	●	–	–	–	material	171
ESRS S1–1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	–	–	●	–	material	171
ESRS S1–1	22	Processes and measures for preventing trafficking in human beings	●	–	–	–	material	171
ESRS S1–1	23	Workplace accident prevention policy or management system	●	–	–	–	material	159
ESRS S1–3	32 (c)	Grievance/complaints handling mechanisms	●	–	–	–	material	158
ESRS S1–14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	●	–	●	–	material	161
ESRS S1–14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	●	–	–	–	not reported (phase-in option)	–
ESRS S1–16	97 (a)	Unadjusted gender pay gap	●	–	●	–	material	169
ESRS S1–16	97 (b)	Excessive CEO pay ratio	●	–	–	–	material	169
ESRS S1–17	103 (a)	Incidents of discrimination	●	–	–	–	material	169
ESRS S1–17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	●	–	●	–	material	171

2.79 — DATA POINTS DERIVED FROM OTHER EU LEGISLATION

Disclosure requirement	Related data point	Designation	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS 2 SBM–3 – S2	11 (b)	Significant risk of child labor or forced labor in the value chain	●	–	–	–	material	174
ESRS S2–1	17	Human rights policy commitments	●	–	–	–	material	176
ESRS S2–1	18	Policies related to value chain workers	●	–	–	–	material	176
ESRS S2–1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●	–	●	–	material	176
ESRS S2–1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	–	–	●	–	material	176
ESRS S2–4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●	–	–	–	material	178
ESRS S3–1	16	Human rights policy commitments	●	–	–	–	not material	–
ESRS S3–1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	●	–	●	–	not material	–
ESRS S3–4	36	Human rights issues and incidents	●	–	–	–	not material	–
ESRS S4–1	16	Policies related to consumers and end-users	●	–	–	–	not material	–
ESRS S4–1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●	–	●	–	not material	–
ESRS S4–4	35	Human rights issues and incidents	●	–	–	–	not material	–
ESRS G1–1	10 (b)	United Nations Convention against Corruption	●	–	–	–	not material	179
ESRS G1–1	10 (d)	Protection of whistleblowers	●	–	–	–	not material	179
ESRS G1–4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	●	–	●	–	material	182
ESRS G1–4	24 (b)	Standards of anti-corruption and anti-bribery	●	–	–	–	material	182

7.2 Environmental information

7.2.1 CLIMATE CHANGE (E1)

This chapter contains information on the two key sustainability aspects for the Dürr Group: climate protection and energy. It provides information on the impact of our activities on climate change, our climate strategy, and the Group's plan for the transition to a climate-neutral economy. It also contains information on measures to avoid negative impacts, on the handling of risks and opportunities, and on the financial effects of these risks and opportunities. All the companies, locations, and assets over which the Dürr Group had operational control in 2024 are included in the following explanations.

We have assessed the sustainability aspect of climate change adaptation as not material (→ table 2.78).

7.2.1.1 Material impacts, risks, and opportunities

Our machines, systems, and services help customers to achieve sustainable production and serve to manufacture products that are necessary for the transformation to a climate-friendly economy. As a mechanical and plant engineering firm, we see ourselves as playing a key role in enabling customers to achieve sustainable production processes in the short, medium, and long term. A key aspect of our business model is the development of technologically leading low-consumption and low-emission solutions and making them available to various industries. These solutions are a significant factor in making the production processes of customers more efficient as well as reducing energy consumption and GHG emissions. Technologies that enable our customers to manufacture sustainable products for a climate-friendly economy include machines and systems for the production of timber houses, solar cell strings, and batteries as well as test stands for electric drives. We regularly review our strategic orientation and make adjustments to our product portfolio where necessary in order to respond to customer requirements and market changes.

Our machines and systems are generally powered by electricity and sometimes by gas. When operating with fossil energy, customers generate direct or indirect GHG emissions. The manufacture of our products requires various raw materials, semi-finished products, and finished parts. In certain parts of the upstream value chain, considerable amounts of energy are required for the extraction of raw materials and the production of intermediate products. Steel production in particular has a large CO_2e footprint and a negative impact on the climate. We also need energy for various processes in our own business area, for example in production or in the operation of real estate. Wherever possible, we use renewable energies, but these processes still generate direct or indirect GHG emissions on a small scale, which has a negative impact on the environment.

Material financial risks in connection with climate protection exist in relation to our product portfolio. In the medium to long term, a stricter regulation of the use of energy- and emission-intensive technologies and the promotion of alternative technologies could be introduced to protect the climate. This could lead to sales and competitive risks, which we counteract by regularly developing our products further. We also expect higher procurement costs in the long term due to climate levies and increased CO_2 prices for imported goods. Energy shortages as a result of geopolitical conflicts and supply chain problems are further material financial risks. We are responding to this by diversifying our global supplier base.

At the same time, stricter regulations for climate protection also create material financial opportunities. Rising CO_2 prices are likely to increase demand for energy-efficient and low-emission products in the medium to long term. Thanks to our leading market and technology positions, we can benefit from this and differentiate ourselves from the competition. There is further sales and earnings potential with technologies for the manufacture of climate-friendly products, such as systems for the assembly of components for electric cars or for the production of timber house modules.

2.80 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Upstream value chain: The extraction of raw materials and the production of upstream products in the supply chain require energy, which releases GHG emissions. Own company: At our locations, business, production, and service processes require the use of energy; this leads directly and indirectly to GHG emissions. Downstream value chain: The operation of our machines and systems requires energy and leads to GHG emissions in the value creation processes of our customers.
Positive impacts	Downstream value chain: Our technologies enable customers to use energy-efficient production processes and reduce GHG emissions. Our technologies contribute to the production of ecologically sustainable end products. In this way, we are contributing to the transformation toward a more sustainable economy.
Financial risks	Own company: Material financial risks result from stricter climate protection standards. This includes sales and product risks for certain technologies. Increasing regulation can lead to the development of alternative technologies and corresponding competitive risks. As a result of climate levies and CO_2 pricing, procurement prices are rising. Energy shortages due to geopolitical crises could destabilize our supply chain.
Financial opportunities	Own company: Customer requirements and stricter regulatory requirements increase the demand for energy-efficient, resource-saving, and low-emission solutions. We believe that this gives us a competitive edge as a technology leader. We see the transition to a climate-friendly economy as a financial opportunity, as the market for technologies for manufacturing sustainable end products is growing as a result.

Information on the financial effects of the business with technologies for sustainable production processes or the manufacture of sustainable products can be found in chapter 7.2.5 → page 140. We do not expect the material risks and opportunities to lead to significant adjustments to the carrying amounts of assets and liabilities reported in the 2025 consolidated financial statements. We have not identified any business activities that are not compatible with the transition to a climate-neutral economy. All material financial risks are climate-related transitory risks. We have not identified any material climate-related physical risks.

We consider the Group's business model and strategy to be sufficiently robust to cope with the material impacts and risks of our activities in connection with the aspects of climate protection and energy and to exploit any corresponding opportunities. Material negative impacts on the climate as a result of our business activities are mainly caused by the use of energy- and emission-intensive systems in our customers' production processes. We limit these impacts by developing and selling energy-efficient and sustainable production technologies. This reduces financial risks such as a possible decline in sales of energy- and emission-intensive systems as a result of legal restrictions on use. In addition, our service business helps to improve the energy efficiency and climate impact of older systems.

Due to the strategic orientation of our offering on energy-efficient and low-emission technologies, we consider the transformation to a climate-friendly economy an opportunity. We are benefiting from the increasing demand for such technologies. The analysis of our resilience outlined above is based on decades of knowledge of our business processes and markets as well as corresponding surveys of the management and the relevant specialist departments and risk officers. It relates to a medium- to long-term time horizon and also takes into account the potential financial effects of significant physical risks and transition risks as well as climate protection measures.

7.2.1.2 Governance and concepts

Transition plan for climate change mitigation

In December 2024, the Dürr Group adopted a well-founded plan for the transition to a climate-friendly economy. Its core element is the Group's revised climate strategy with science-based climate targets for the years 2030 and 2035. When developing the GHG emission reduction targets, we were guided by the latest findings of climate science, which aim to limit global warming to 1.5°C compared to pre-industrial levels in line with the Paris Climate Agreement.

The **transition plan** → page 336 and the climate strategy were developed on the basis of the Group structure valid at the time of publication of this report with the Automotive (Paint and Final Assembly Systems and Application Technology until December 31, 2024), Industrial Automation (Industrial Automation Systems until December 31, 2024), and Woodworking (Woodworking Machinery and Systems until December 31, 2024) divisions. The environmental technology business allocated to the Clean Technology Systems Environmental division (Clean Technology Systems until December 31, 2024) was not included, as the Supervisory Board of Dürr AG approved a possible sale of the business on December 11, 2024, subject to certain framework conditions.

All direct GHG emissions (Scope 1), indirect GHG emissions from purchased energy (Scope 2), and material indirect GHG emissions within the value chain (Scope 3) are reported in a Group-wide GHG balance sheet in accordance with the requirements of the **Greenhouse Gas Protocol (GHG Protocol)** → page 336. Due to the planned sale of the environmental technology business, this report contains two GHG balance sheets for 2024:

- a GHG balance sheet that relates to the Group structure as of December 31, 2024, and includes the environmental technology business
- a GHG balance sheet that assumes the planned sale of the environmental technology business as early as in the 2024 base year and serves as the foundation for the strategic transition plan

Both GHG balance sheets are shown in → table 2.87.

Based on the Group-wide GHG balance sheet for the 2024 base year (excluding the environmental technology business), we have developed a transition plan for climate change mitigation. The GHG emission targets contained therein up to the year 2035 are in line with the goal of the Paris Climate Agreement to limit global warming to 1.5°C above pre-industrial levels by the year 2100. We have simulated the transition plan using the climate scenarios SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5. The transition plan presented in this report is based on the SSP2-4.5 scenario in conjunction with the Stated Policies Scenario (STEPS) of the International Energy Agency (IEA). STEPS takes into account existing political measures and commitments of governments worldwide with regard to energy and climate and includes forecasts on the future development of energy consumption and corresponding global GHG emissions. The transition plan also includes forecasts for the Dürr Group's regional sales growth, assumptions regarding technological innovations at division and business unit level, as well as forecasts regarding the electrification of our product portfolio up to 2035. As a result, the transition plan follows a sector-specific GHG reduction pathway until 2035 that is in line with the 1.5°C target; the XDC model of the climate tech company right° was used to validate the plan. With regard to the sector-specific GHG reduction pathway, the Dürr Group was allocated to the mechanical engineering sector (NACE code 28).

The transition plan for climate change mitigation is an integral part of the corporate strategy and is reflected in the business model. The overarching strategic goal of the plan is to decouple the Group's value creation from our direct and indirect GHG emissions. We will achieve this via two strategic legs: On the one hand, we develop and distribute products that save materials, energy, and emissions, and support customers in making their production processes more sustainable. On the other hand, our technologies enable the manufacture of sustainable products, such as construction elements for timber houses and battery production technologies for electric vehicles. This means that our business model goes beyond the GHG emission reduction targets set out in the balance sheet and makes a significant contribution to the transition to a climate-friendly economy. This approach of supporting the transformation to an ecologically sustainable economy is also described in our environmental and climate policy. It serves as the basis for our actions in our own business area as well as in the upstream and downstream value chain, applies to all Group companies, and can be accessed on the intranet and on the company website. Responsibility for implementing the policy lies with the Management Board. The environmental and climate policy was under revision at the time of publication of this report.

The transition plan for climate change mitigation is in line with our growth targets. In order to comply with the 1.5°C-aligned GHG reduction pathway, the transition plan provides for a steady reduction in Group-wide absolute GHG emissions while at the same time achieving sales growth. Specifically, we aim to reduce total Group-wide GHG emissions with organic sales growth by 30% by 2035, which corresponds to a reduction in GHG intensity of 60% (base year: 2024). The focus here is on reducing the GHG emissions generated by customers during the use of our products (Scope 3.11 emissions).

In the transition plan, we differentiate between the areas of Growth Business and Established Business and have aligned the revised climate strategy with the sales growth targets for these areas. More information can be found in chapter 1.4.4 → page 35 of the combined management report. The above-average growth potential in the Growth Business has a significant impact on our transition plan. Typically, the machines and systems in the Growth Business areas are less energy- and emission-intensive to operate than the products in the Established Business. The high sales growth that we are aiming for in the Growth Business and the corresponding change in sales distribution implies a reduction in Group-wide GHG intensity.

For the energy-intensive painting systems business in the Established Business, we anticipate a more moderate sales development in the coming years. In this business, the holistic optimization of the painting process in conjunction with the significant reduction in energy consumption per painted car body represents a key lever for reducing GHG intensity. We are also continuously developing solutions for the electrical operation of our painting systems, which reduces the consumption of fossil fuels when using low-emission power supply or green electricity. The provision of energy-efficient and electrified technologies for our customers' production holds enormous potential for reducing indirect GHG emissions in our value chain in the medium to long term.

We are also pursuing the strategic goal of permanently increasing the service share of Group sales to at least 30%. Important approaches in this regard are the expansion of the spare parts business and the extension of the brownfield business with climate-friendly and energy-efficient plant modernizations. These measures are intended to further reduce the GHG intensity of the business model in the coming years.

The transition plan is closely linked to the financial planning of the Group. This provides for operational expenditure and investments to finance various decarbonization measures. Financial resources for the implementation of the climate strategy are evaluated and approved on a project-specific basis using profitability analyses. More information on taxonomy-aligned investment and operating expenses can be found in chapter 7.2.5 → page 140. For further information on climate targets and decarbonization measures, please refer to the subsection entitled "Climate targets" in subchapter 7.2.1.4 → page 129.

We are not pursuing any further financial objectives or plans to adapt our economic activities to the technical screening criteria set out in the EU Taxonomy Regulation. At the time of publication of this report, we were not aware of any material locked-in GHG emissions associated with our key assets and products that could jeopardize the achievement of the Group's GHG emission reduction targets or promote transition risks. The Dürr Group is not excluded from the Paris-aligned EU benchmarks.

Control and monitoring

The transition plan was presented to, and approved by, the Board of Management, the Dürr Management Board, and the Supervisory Board of Dürr AG in November and December 2024. It presupposes that identified decarbonization measures are implemented and that the necessary financial resources are made available.

Since 2021, the variable remuneration of the Board of Management has been partially linked to the achievement of ESG targets, including the achievement of the Dürr Group's GHG emission reduction targets. In the 2024 fiscal year, the variable remuneration components paid out were not linked to climate-related targets. The long-term variable remuneration component (LTI) for the Board of Management and the top management level of the divisions includes GHG emission reduction targets for the Scope 1, 2, and 3.11 categories from 2025 onward. The proportion of long-term remuneration linked to climate-related targets is 20%. In accordance with the GCGC, the Supervisory Board is not remunerated according to performance-related criteria, meaning that climate-related aspects are not taken into account either.

Controlling the climate strategy is the task of the Board of Management and the division heads. Corporate Sustainability is responsible for the preparation, calculation, and monitoring of climate-related data and regularly informs the Board of

Management and the Sustainability Council on the implementation of the climate strategy. The Sustainability Council was last informed about measures to reduce GHG emissions in December 2024. From 2025, the Supervisory Board will regularly monitor the progress made in implementing the transition plan and the status of target achievement. Stakeholders can find out more about the climate protection concept and the environmental and climate policy on our corporate website

7.2.1.3 Actions and financial resources

Actions

In order to achieve our climate-related targets and implement the transition plan, we have taken measures and planned for the short to medium term. Significant measures implemented in 2024 are included in the capital expenditures and operating expenditure in accordance with (EU) 2021/2178 (chapter 7.2.5 → page 140). A CapEx plan does not exist.

Natural gas as a bridging technology (Scope 1)
We rely on fossil energy sources, particularly natural gas, to supply heat at several locations worldwide. Our aim is to gradually reduce gas consumption and switch to low-carbon energy sources, if possible. Possible options include the use of biomass, low-emission local heating or heat pumps, and other electrical heating systems. In 2024, we converted the heating systems in Bietigheim-Bissingen and Holzbronn to air heat pumps. As a result, we expect an annual reduction in GHG emissions of around 2,300 tons of CO_2e in the future. The Lichtenberg site was connected to a climate-friendly heat supply in 2024, which is expected to reduce CO_2e emissions by around 150 tons per year. In accordance with our climate strategy, our goal is to emit around 4,200 tons of CO_2e less per year by 2035 than in the 2024 base year (2024 base year: 12,233 tons of CO_2e).

Investments in sustainable buildings (Scope 1)
We plan to continuously reduce the Dürr Group's energy requirements through the energy-efficient refurbishment of buildings. We aim to carry out new buildings and certain conversions at European locations in accordance with EU taxonomy criteria. Corresponding projects are audited by the German Sustainable Building Council (DGNB) and conformity with the requirements of the EU Taxonomy is verified. Alternatively, certification can be carried out in accordance with the Building Research Establishment Environmental Assessment Methodology (BREEAM). A statement of savings from construction measures can usually only be made retrospectively, as no comparative data is generally available when a construction measure is completed.

Conversion of the vehicle fleet to low-emission drives (Scope 1)
In order to reduce the company's own emissions, we are converting our vehicle fleet to low-emission vehicles in accordance with a guideline from the year 2022 that applies to all German companies. The switch to CO_2e-free drives is scheduled to be completed by 2035. The guideline is to be revised in 2025 and is to apply to the vehicle fleets of all European Group companies in the future. In 2024, the GHG emissions of our global vehicle fleet decreased by roughly 2.0% compared to the previous year. According to the climate strategy, our goal is to reduce the GHG emissions of our vehicle fleet by 8,900 tons of CO_2e per year by 2035 (2024 base year: 11,278 tons of CO_2e).

Increase in energy efficiency (Scope 1 and Scope 2)
In line with our climate strategy, we aim to increase the energy efficiency of our locations worldwide by 1% to 2% per year, for example by modernizing technical building equipment. In 2024, our global energy consumption increased by 1.3% compared to the previous year, even though the BBS Automation Group acquired in August 2023 and the company Ingecal, which has been part of the Group since November 2023, were included for the full year for the first time. The majority of our largest production sites have certified environmental and energy management systems in accordance with the ISO 14001 environmental standard in place. In the medium term, certification of the environmental management systems in accordance with ISO 14001 is to be extended to all relevant locations. These include locations with production or assembly facilities, a technical center, or locations where hazardous substances are regularly handled. 44% of the relevant locations have already been certified in accordance with ISO 14001. The German Group sites regularly conduct energy audits in accordance with DIN EN 16247-1 or have a certified energy management system in accordance with ISO 50001 in place. Nine Group sites had been certified in accordance with ISO 50001 at the time of publication of this report. Others are to follow in the medium term, including the Group headquarters in Bietigheim-Bissingen in 2025. The certified energy and environmental management systems increase transparency regarding site-specific energy consumption. On this basis, we can derive measures for increasing energy efficiency in a structured manner.

100% green electricity from renewable energy sources (Scope 2)
Since 2023, all the Group sites have been using exclusively green electricity, which is mainly generated from wind energy, solar energy, and hydro power. As a result, our Scope 2 emissions in 2024 were around 26,100 tons of CO_2e lower than if we had purchased electricity according to the electricity mix of the respective country (location-based).

Expansion of self-generation of electricity using photovoltaics (Scope 2)
In 2024, we equipped further factory and office buildings with photovoltaic systems, for example in Gengenbach, Holzbronn, St. Johann-Lonsingen, and Hallbergmoos. On a Group-wide level, the installed systems had a total output of just under 6,771 kilowatts peak (kWp) at the end of 2024, and their electricity generation increased by 32.1% to 5,147 megawatt hours (MWh) (previous year: 3,896 MWh). 78.5% of the energy generated was used for our own consumption, the rest was fed into public grids. 6.5% of our electricity requirements were covered by our own photovoltaic systems in 2024. In the coming years, we will continue to expand our self-generation of electricity using photovoltaics.

Reduction of GHG emissions in the supply chain (Scope 3.1)
The indirect GHG emissions from our supply chain depend largely on our procurement volume. In the medium term, we expect a significant increase in procurement volumes and the associated indirect GHG emissions. A key countermeasure is the procurement of materials and components that are produced in a climate-friendly way or with a high recycling proportion. In the medium term, however, we expect the availability of low-carbon and recycled raw materials in our supply chain to remain low. In order to promote the decarbonization of the supply chain, we began to create framework conditions for taking the GHG emissions reported by suppliers into account when awarding contracts in 2024. The certificate price for GHG emissions set by the EU is included in the total cost assessment of suppliers in order to create incentives to reduce emissions. Our aim is to systematically reduce upstream GHG emissions. Despite our corresponding measures, we expect absolute procurement-related GHG emissions to increase by 18.2% per year by 2035 compared to 2024 due to the expected significant increase in procurement volume.

Collaboration with sustainable logistics service providers (Scope 3.4)
The indirect CO_2e emissions caused by the transportation, distribution, and interim storage of goods by external service providers also largely depend on the procurement volume. In view of the expected increase in procurement volumes, we anticipate an increase in Scope 3.4 emissions in the medium term. The transportation of goods by air, for example spare parts, is particularly relevant here. Although it accounts for a small proportion of GHG emissions, it has a high emission intensity (ratio of CO_2e emissions caused per distance traveled) and thus a high reduction potential. By contrast, transportation by rail and ship is less emissions-intensive. Since 2023, the current Automotive division has had a monthly reporting system for emissions by modes of transport, which also covers the emission intensity of logistics processes. We evaluate air freight emissions for individual business units in order to derive approaches for reducing CO_2e. Since 2023, some Group companies have had airfreight of up to 2.5 tons transported by a more sustainable service provider. Our aim is to systematically reduce GHG emissions from the transportation of goods. Despite the measures already implemented and those planned for the future, we expect absolute annual GHG emissions from logistics processes to rise by 23.5% by 2035 compared to the 2024 base year due to the expected significant increase in procurement volume.

Further development of our technologies (Scope 3.11)
The largest share of total GHG emissions is attributable to the use of our machines and systems by customers. Around 69.5% of these emissions are attributable to the painting systems business. By holistically optimizing the painting process and reducing the energy requirement per painted car body, we can reduce the emissions of paint shops by 20% or more compared to the current market standard. This requires customers to be willing to use our resource-saving, energy-efficient, and low-emission technologies. We also offer solutions for the electrification of complete painting systems. Energy-efficient and electrified production systems that run on green electricity have enormous potential to reduce our customers' indirect GHG emissions in the medium to long term. In 2024, we completed the construction of a paint shop that requires no fossil fuels and operates in a CO_2e-free manner when using green electricity.

We have also defined targets for increasing the energy efficiency of our products in other business areas. We aim to reduce our downstream GHG emissions by 37.4% by 2035 compared to the 2024 base year. This is based on the assumption that the share of low-emission electricity generation continues to increase worldwide.

Financial resources
With the Sustainable Finance Framework, the Dürr Group has a standard framework for corporate financing in place that is based on the principles of sustainability. It specifies how sustainable financing instruments are to be designed. This is an important prerequisite for being able to raise funds on the financial market

to implement our transition plan. In April 2023 and 2024, we issued green Schuldschein loans, which follow the requirements of the Sustainable Finance Framework. The proceeds of €300 million and €350 million, respectively, are reserved for financing sustainable product innovations and climate-friendly projects.

7.2.1.4 Metrics and targets

Climate targets

In 2021, the Dürr Group published a climate strategy for the first time. It was valid until December 2024 and contained the target of reducing GHG emissions in our own business area (Scope 1 and 2 emissions) by 70% and emissions from the upstream and downstream value chain (Scope 3 emissions) by 15%. These GHG reduction targets were to be achieved by 2030; the base year was 2019. The targets were validated by the Science Based Targets initiative (SBTi) in 2022 and met the SBTi criteria for 1.5°C-aligned development applicable at that time. Since 2021, we have implemented various measures to reduce GHG emissions, thereby driving forward the achievement of our published climate targets. In 2023, Scope 1 and 2 emissions were already 55% lower than in 2019. Information on measures and the reduction of GHG emissions in 2024 can be found in the subsection entitled "Actions" in subchapter 7.2.1.3 → page 127.

The revised climate strategy was adopted by the Board of Management and the Supervisory Board in December 2024. The new climate targets embedded in it, which are to be achieved by 2035, are more ambitious than the previous targets; we are thus consistently pursuing the GHG reduction path we have embarked upon on the basis of the latest scientific findings. Stakeholders were not included in the definition of the climate targets. Information on the guidelines, models as well as the climate and policy scenarios on which the targets are based can be found in the subsection entitled "Transition plan for climate change mitigation" in subchapter 7.2.1.2 → page 125.

→ Table 2.81 shows the reduction targets we want to achieve for GHG emissions by 2030 (medium-term target) and 2035 (long-term target) compared to the 2024 base year. In accordance with the transition plan, the targets relate to our global activities excluding the environmental technology business that is up for sale. They are broken down into reduction targets for the company's own business area (Scope 1 and 2 emissions) and the upstream and downstream value chain (Scope 3 emissions).

The following categories are material for the GHG emissions in the upstream and downstream value chain of the Dürr Group:

- Purchased goods and services (Scope 3.1)
- Upstream transportation and distribution (Scope 3.4)
- Use of sold products (Scope 3.11)

We have also been recording and calculating GHG emissions for other Scope 3 categories since 2019. However, these emissions are not material due to their small contribution to the GHG balance. Corresponding categories are:

- Capital goods (Scope 3.2)
- Fuel and energy-related emissions (Scope 3.3)
- Waste (Scope 3.5)
- Business travel (Scope 3.6)
- Employee commuting (Scope 3.7)

Other Scope 3 categories are not relevant for the Dürr Group due to our business model.

When defining the reduction targets for GHG emissions, we used the following assumptions and forecasts up to the year 2035:

- organic sales growth
- development of the energy requirements of the locations
- change and regional distribution of the vehicle fleet
- regional sales development of the divisions and business units
- development of the GHG intensity of global electricity generation
- planned technological innovations by divisions and business units
- expected customer demand for electrified products
- other regulatory and political factors

We consider the 2024 base year to be representative and suitable for measuring progress toward our targets, using it as a benchmark. It is true that the Woodworking Machinery and Systems division's sales in 2024 were lower than in the two previous years. However, the impact on the Dürr Group's GHG emissions is not material. There are no other particular features to consider with regard to business performance and GHG emissions for the 2024 base year. We consider the reference value of 6.0 million tons of CO_2e for 2024 to be representative, as both the characteristics and the distribution of the scope categories taken into account correspond to the Group's total annual GHG emissions in the period from 2019 to 2023.

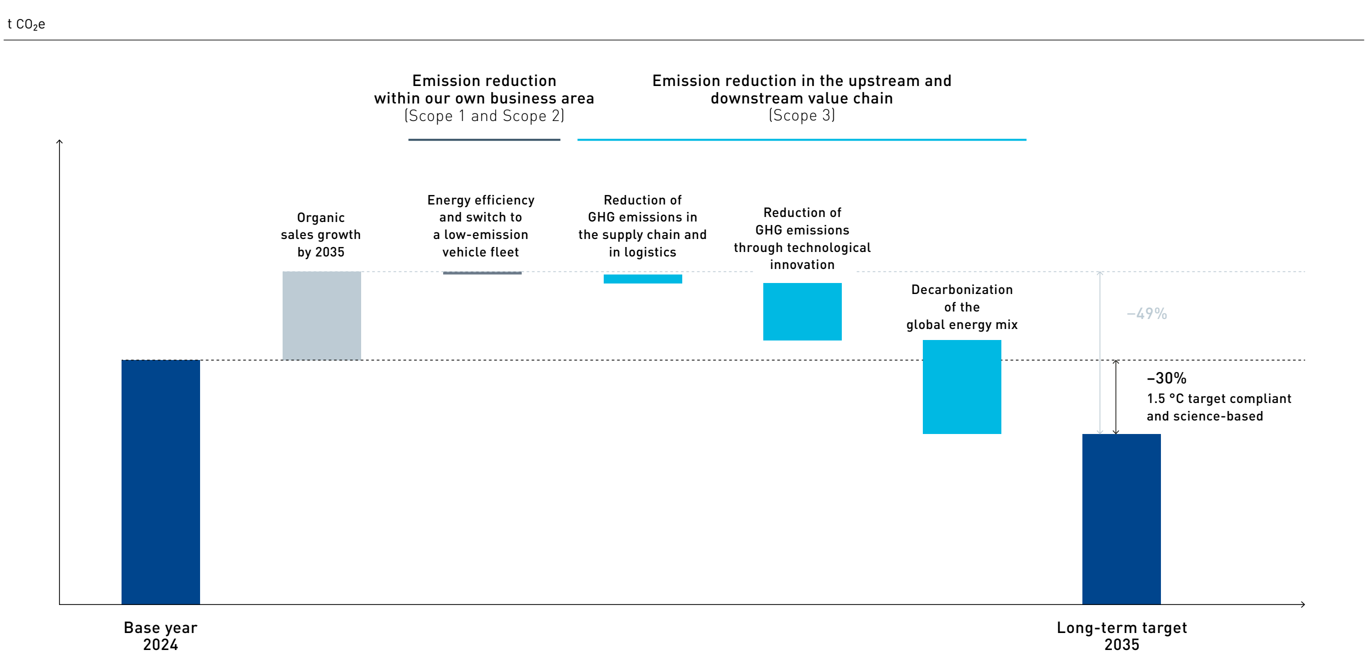
2.81 — CLIMATE TARGETS: REDUCTION OF GHG EMISSIONS

	2024 base year (excluding environmental technology)	2030 medium-term target	2035 long-term target
Scope 1 emissions			
GHG emissions	100.0%	–33.8%	–57.9%
GHG intensity (CO_2e per €1 million in sales)	5.3	2.5	1.3
Scope 2 emissions			
GHG emissions	100.0%	0.0%	0.0%
GHG intensity (CO_2e per €1 million in sales)	0.2	0.2	0.1
Scope 3 emissions			
GHG emissions	100.0%	–3.7%	–30.3%
GHG intensity (CO_2e per €1 million in sales)	1,399.6	952.5	555.8

We record the main GHG emissions in Scope 1, 2, and 3 regularly or – depending on the scope category – at least every six months in order to track the development and progress in achieving the targets. This process also includes the regular assessment of GHG emissions and the identification of emission sources; we also measure the implementation status of our emission-reducing measures. The Group-wide GHG emissions are listed in the subsection entitled "GHG emissions (Scope 1, 2, and 3)" in subchapter 7.2.1.4 → page 129. The Scope 1 and 2 targets were defined on the basis of the market-based method.

→ Figure 2.82 illustrates our forecasts for the development of GHG emission reductions. Our measures to reduce GHG emissions are described in the subsection entitled "Actions" in subchapter 7.2.1.3 → page 127.

2.82 — CLIMATE TARGET 2035: REDUCTION BY DECARBONIZATION MEASURES



Energy consumption and mix

We record the consumption and generation of energy as well as the energy mix in our own business operations by requesting data from all the Group companies. If data is not available on the respective reporting date, it is extrapolated. For this purpose, we use empirical values, for example the latest available invoices, or average consumption of comparable properties. For the year 2024, we have extrapolated 0.2% of our Group-wide energy requirements. The Group companies report their primary data on the basis of meter readings, regular invoices from energy suppliers or consumption statements from landlords or other service providers, for example. The energy consumption of the Agramkow companies sold on July 1, 2024, for the first half of 2024 was extrapolated using the values from 2023 (→ table 2.83). The primary data reported is subject to internal controls; there is no external validation beyond this.

2.83 — ENERGY CONSUMPTION AND MIX

Energy source	2024	2023
Fossil energies		
Fuel consumption from coal and coal products (MWh)	0.0	–
Fuel consumption from crude oil and petroleum products (MWh)	4,896	–
Fuel consumption from natural gas (MWh)	52,088	–
Fuel consumption from other fossil sources (MWh)	0.0	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	7,309	–
Total fossil energy consumption (MWh)	64,293	–
Share of fossil sources in total energy consumption (%)	48.3	–
Nuclear energy		
Consumption from nuclear sources (MWh)	0.0	–
Share of nuclear sources in total energy consumption (%)	0.0	–
Renewable energies		
Fuel consumption from renewable sources, including biomass (MWh)	0.0	–
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	64,262	–
Consumption of self-generated non-fuel renewable energy (MWh)	4,514	–
Total renewable energy consumption (MWh)	68,776	–
Share of renewable sources in total energy consumption (%)	51.7	–
Total energy consumption (MWh)	133,069	–

We generated 5,147 MWh of electricity with our photovoltaic systems in 2024. The combined heat and power plants operated by the Group generated 5,984 MWh of electricity from non-renewable sources.

2.84 — ENERGY INTENSITY PER NET REVENUE

	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh per €1 million)	28.3	–

2.85 — NET REVENUE FROM ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

	2024	2023
Net revenue from activities in high climate impact sectors used to calculate energy intensity (€ million)	4,698.1	–
Net revenue (other) (€ million)	0.0	–
Total net revenue (Financial statements) (€ million)	**4,698.1**	**–**

The net revenue in high climate impact sectors in 2024 resulted from activities in the sectors listed in → table 2.86.

2.86 — ACTIVITIES IN HIGH CLIMATE IMPACT SECTORS

Section[1]	Economic sector
B – Mining and quarrying	Other mining and quarrying
C – Manufacturing	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials Manufacture of chemicals and chemical products Manufacture of basic pharmaceutical products and pharmaceutical preparations Manufacture of rubber and plastic products Manufacture of electrical equipment Manufacture of machinery and equipment n.e.c. Manufacture of motor vehicles, trailers and semi-trailers Manufacture of other transport equipment Manufacture of furniture Other manufacturing
D – Electricity, gas, steam and air conditioning supply	Electricity, gas, steam and air conditioning supply

[1] Regulation (EC) 1893/2006

The energy intensity in climate-intensive sectors was determined based on the areas of activity of our customer groups. Revenue from high climate impact sectors amounted to €4,698.1 million in 2024.

GHG emissions (Scope 1, 2, and 3)

2.87 — TOTAL GHG EMISSIONS

		Retrospective			Milestones and target years		
	2024 (base year)[1]	2023	2024[2]	2024[1]/2023 (%)	2030	2035	Average annual emissions reduction 2024[1]/2035 (%)
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (t CO_2e)	22,553	–	23,726	–	14,937	9,505	5.3
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (%)	0.0	–	0.0	–	0.0	0.0	–
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (t CO_2e)	25,641	–	27,550	–	25,641	25,641	0.0
Gross market-based Scope 2 GHG emissions (t CO_2e)	1,041	–	1,066	–	1,041	1,041	0.0
Significant Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions (t CO_2e)	6,005,617	–	9,046,398	–	5,782,958	4,185,568	2.8
1 Purchased goods and services (t CO_2e)	677,764	–	753,680	–	792,429	800,873	–1.7
4 Upstream transportation and distribution (t CO_2e)	78,608	–	80,623	–	93,733	97,118	–2.1
11 Use of sold products (t CO_2e)	5,249,246	–	8,212,095	–	4,896,796	3,287,577	3.4
Total GHG emissions							
Total GHG emissions (location-based)[3] (t CO_2e)	6,053,812	–	9,097,675	–	–	–	–
Total GHG emissions (market-based) (t CO_2e)	6,029,211	–	9,071,190	–	5,798,935	4,196,114	2.8

[1] Excluding environmental technology
[2] Including environmental technology
[3] The calculation of location-based GHG emissions from the purchase and consumption of electricity is based on country-specific emission factors from the International Energy Agency (IEA 2024). The greenhouse gases CO_2, CH_4, and N_2O are taken into account in the emission factors. The greenhouse gases HFC, PFC, SF_6, and NF_3 are negligible due to their very small share of total emissions.

The GHG emissions in → table 2.87 are attributable to the consolidated companies included in the 2024 consolidated financial statements.

2.88 — Intensity of total GHG emissions

	2024 (incl. environmental technology)	2024 (excl. environmental technology)	2023
GHG emissions (location-based) per net revenue (t CO_2e per €1 million)	1,936.5	1,410.8	–
GHG emissions (market-based) per net revenue (t CO_2e per €1 million)	1,930.8	1,405.1	–

2.89 — NET REVENUE FOR THE CALCULATION OF GHG INTENSITY

	2024 (incl. environmental technology)	2024 (excl. environmental technology)	2023
Net revenue for the calculation of GHG intensity (€ million)	4,698.1	4,290.9	–
Net revenue (other) (€ million)	0.0	0.0	–
Total net revenue (financial statements) (€ million)	**4,698.1**	**4,290.9**	**–**

2.90 — BIOGENIC EMISSIONS OF CO_2

	2024	2023
Biogenic emissions of CO_2 from the combustion or biodegradation of biomass that arise within our own business area	0.0	–
Biogenic emissions of CO_2 from the combustion or biodegradation of biomass that arise from the generation of purchased and acquired energy	0.0	–
Biogenic emissions of CO_2 from the combustion or biodegradation of biomass that arise from the generation of purchased and acquired energy	0.0	–
Biogenic emissions of CO_2 from the combustion or biodegradation of biomass that occur in the upstream and downstream value chain	0.0	–

In 2024, the electricity we purchased came exclusively from renewable energy sources. We procured 43.1% of the electricity we bought in on the basis of original green electricity contracts with local electricity providers. 56.9% were attributable to the purchase of guarantees of origin for green electricity, whereby there was no bundling with energy attributes.

Methodologies and assumptions
The direct and indirect GHG emissions (Scope 1 and Scope 2) were calculated on the basis of the energy consumption of the Group companies and in accordance with the requirements of the GHG Protocol. We used energy source- and country-specific emission factors from the International Energy Agency (IEA 2024) and the Department for Energy Security and Net Zero (DESNZ 2024). The use of these annually updated emission factors ensures a uniform determination of GHG emissions. The calculation of market-based Scope 2 emissions, which result from the consumption of purchased and acquired energy, was carried out taking the energy sources used by the suppliers into account. In the absence of such information and to calculate location-based Scope 2 emissions, we used country-specific conversion factors from the International Energy Agency (IEA 2024) and the Department for Energy Security and Net Zero (DESNZ 2024).

In 2024, the Scope 3.1 emissions were calculated exclusively on the basis of secondary data. Emission factors based on purchasing volume and weight-based emission factors (spend-based method and average data method) were applied. The calculation was carried out in accordance with the GHG Protocol. In order to determine Scope 3.1 emissions, we used artificial intelligence (AI)-based software that accesses our most important ERP systems. It automatically evaluates all the available information on purchased goods and services and assigns a suitable emission factor to each order item. The emission factors come from established databases such as Ecoinvent and Exiobase. If weights are available for an order item, the average data method is preferred. If the weight data is implausible, the spend-based method is used as an alternative. If the software cannot assign a suitable emission factor to individual order items, this is done manually. In total, we were able to assess 75% of the order volume, whereby the GHG emissions for around 50% of this volume were calculated using the spend-based method, and around 25% using the average data method. The remaining 25% was extrapolated by dividing the GHG emissions calculated with the software by the total order volume and then multiplying the result by the remaining order volume. The products and services were not categorized.

The total GHG emissions from our procurement activities were calculated by adding up all the GHG emissions determined in this way. We aim to improve the quality of the data generated by training the AI application.

In 2024, the calculation of the Scope 3.4 emissions was made exclusively on the basis of secondary data. These include emission factors based on the logistics volume and distance-based emission factors (spend-based method and distance-based method). The calculation was carried out in accordance with the GHG Protocol. In the medium term, we intend to apply the distance-based method to all of the Group's logistics processes. We record our transports using individual shipping systems or transport lists, which we evaluate at least once a year. The Logistics Excellence department is responsible for checking the data and subsequently calculating the GHG emissions throughout the Group. The EcoTransIT World software is used for this purpose. It also carries out calculations for complex transportation with different modes of transport. Calculations using the spend-based method are performed manually. This is based on the turnover per logistics service provider and means of transport as well as emission factors from the Department for Energy Security and Net Zero (DESNZ 2024). These standardized emission factors are updated annually, which ensures the uniform identification of our GHG emissions. No information on transports was available for around 44 locations in 2024. Missing data was extrapolated on the basis of historical values or local shipping volumes.

When calculating Scope 3.11 emissions, we use the anticipated energy consumption of our products during the use phase as a basis. Some processes carried out with our products also require the use of compressed air, cold water, or hot water. We allocate the associated energy requirements to our machines and systems. The energy requirements of our technologies are usually determined as part of product development or project management. The machines and systems that are put into operation in the reporting period are taken into account; the final acceptance by the customer is typically decisive for this. The relevant information is provided by the finance departments of the divisions. The useful life of our products is generally 15 years. When calculating emissions, different energy sources such as electricity, gas, and district heating are taken into account. We use energy source- and country-specific emission factors from the International Energy Agency (IEA 2024) and the Department for Energy Security and Net Zero (DESNZ 2024). The standardized emission factors are updated annually and ensure the uniform identification of our GHG emissions. In certain cases, customers already operate our machines and systems with green electricity. This is taken into account when calculating GHG emissions if verified information is available from independent third parties confirming that the customer uses green electricity at the location in question. For machines and systems for which no information on energy consumption is available, we use the energy consumption of comparable Dürr products as a basis. Their percentage of total Scope 3.11 emissions amounted to around 2.2% in 2024. When determining our Scope 3.11 emissions, we followed the requirements of the GHG Protocol.

7.2.2 POLLUTION (E2)

In the double materiality analysis, we identified our activities in the area of environmental technology to prevent air pollution as material. In view of the strategic realignment of the Group and the planned sale of the environmental technology business, we will review an adjustment to the materiality analysis in relation to the topic of pollution in the year 2025.

7.2.2.1 Material impacts, risks, and opportunities

For our own business area and the upstream value chain, we have not identified any activities that have a significant impact on people, the environment, or our financial situation in the context of pollution. In contrast, the Dürr Group makes a significant contribution to reducing air pollutants in the downstream value chain through the development and sale of environmental technology systems.

The use of our products for exhaust-air purification reduces the emission of substances that are harmful to health and the environment in the industrial processes of our customers in the short, medium, and long term, and it therefore has a positive effect on air quality. Due to the increasing tightening of environmental standards and more demanding emission and pollutant limits for production processes, the environmental technology business offers financial opportunities for the Group. With a global market share of between 20% and 30%, we believe that the Environmental Technology segment is well positioned to exploit significant opportunities in the future with regard to the sustainability aspect of pollution.

2.91 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	No material negative impacts identified
Positive impacts	Downstream value chain: The Environmental Technology business area develops and sells systems for industrial exhaust-air purification and the treatment of pollutants. Our technologies make a significant contribution to reducing air pollutants and environmental pollution.
Financial risks	No material financial risks identified
Financial opportunities	Own company: The sale of systems for industrial exhaust air-purification and treatment of pollutants has a material positive impact on the Group's financial position, financial performance, and cash flows.

7.2.2.2 Governance and concepts

The environmental technology business was part of the Clean Technology Systems division in 2024. At the time of publication of this report, it was on the one hand in line with the Group's strategy and business model, as it meets our sustainability requirements. On the other hand, however, it is outside our strategic focus on production automation, which is why the business is up for sale. Our environmental technology products are used primarily in industries such as the chemical, pharmaceutical, and automotive sectors, where they contribute to exhaust-air purification and the treatment of pollutants. With every machine and system sold, our installed base grows and with it our contribution to reducing air pollutants and environmental pollution. The Board of Management is responsible for the environmental technology business and defines the strategy and corresponding measures together with the head of the current Clean Technology Systems Environmental division. Business planning is based on the corporate strategy. The operational achievement of the targets contained in business planning is the task of the departments responsible.

7.2.2.3 Processes and actions

We develop and supply systems for efficient waste gas purification and pollutant reduction in various industries. The range of technologies includes processes for regenerative thermal oxidation, systems for recuperative thermal oxidation, catalytic filter element systems, high-pressure catalytic systems, as well as selected sorptive processes and systems for concentrating pollutants. We are continuously developing our technologies. One example is the Oxi.**X** RV flameless exhaust-air purification system. It uses a particularly sustainable process to clean waste gases and vapors, which – unlike conventional combustion processes – does not produce any unwanted by-products such as nitrogen oxides. The global electrification of our products is also a focus of our R&D agenda. The emissions from our machines and systems can be reduced considerably if green electricity is used for operation instead of gas and conventional electricity. The R&D department of the Clean Technology Systems Environmental division is responsible for technology development.

7.2.2.4 Metrics and targets

We have not defined any measurable targets for the 2024 fiscal year with regard to reducing air pollution at our customers' premises. The effectiveness of the measures was not assessed.

7.2.3 WATER AND MARINE RESOURCES (E3)

As part of the double materiality analysis, the use of water resources in the downstream value chain was identified as a material topic.

7.2.3.1 Material impacts, risks, and opportunities

In analyzing the material impacts, risks, and opportunities, we have applied the method described in subchapter 7.1.4.1 → page 110. Based on our analyses, we have come to the conclusion that the activities of the Group and in our upstream value chain do not have a material impact on people, the environment, or our financial situation with regard to the sustainability aspect of water.

Our products in the fields of industrial automation, environmental technology, and woodworking generally do not require any water during the use phase. In contrast, the operation of certain painting technology products for the automotive industry requires the use of water. For example, ambient air must be conditioned when painting cars. Depending on the climatic conditions at the site of operation, this is sometimes accompanied by considerable water extraction. In the short, medium, and long term, this may lead to a shortage of water in the regions where our customers operate paint shops. The availability of water also plays a key role in the upstream cleaning and pretreatment of car bodies. In older paint shops, the wet separation of excess paint (overspray) is still common. This process requires the extraction and use of considerable quantities of water. In principle, the water used in paint shops is treated several times by means of filtration processes and process waste water systems and is recirculated. Waste water recirculation is generally performed via the local sewer system.

The painting technology business is assigned to the Automotive division and was of considerable importance for the strategy and business model at the time of publication of this report. We regularly review our strategic orientation and make adjustments to our product portfolio where necessary in order to respond to customer requirements and market changes. We have not carried out an analysis of the resilience of our strategy and business model with regard to the sustainability aspect of water and marine resources.

2.92 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Downstream value chain: Most of the Group's machines and systems generally do not require water during operation. In contrast, certain painting technologies for the automotive industry require the use of considerable quantities of water in the production process.
Positive impacts	No material positive impacts identified
Financial risks	No material financial risks identified
Financial opportunities	No material financial opportunities identified

7.2.3.2 Governance and concepts

We classify water as a resource worthy of protection and have established processes and guidelines for water conservation. A water policy has been in place since 2024, which serves as the basis for our actions in our own business area, applies to all Group companies, and describes our understanding of the sustainable use of water across all the stages of the value chain. Our aim is to make the use of our products as water-efficient as possible for our customers. The water policy has been published on the intranet and on our company website. Responsibility for its implementation lies with the Board of Management.

In order to enable customers to use water-efficient painting processes, we attach great importance to the low water consumption of our products right from the product development stage. The R&D department of the Automotive division is responsible for developing new technologies.

7.2.3.3 Processes and actions

During development projects in painting technology, a standardized evaluation process is used to determine the environmental impact of innovations. An additional qualitative assessment of various environmental impacts is carried out as part of regular project reports. In the process, we also examine the influence of our technologies on the water requirements of our customers' production processes. In the new and further development of painting technologies, we strive to always achieve a reduction in water consumption compared to older products. This has already enabled us to significantly reduce the amount of water required for painting in recent years. Examples of such innovations include the EcoDryScrubber dry separation system, the EcoProWet PT system for the pretreatment of car bodies, and the new EcoProBooth paint booth concept.

7.2.3.4 Metrics and targets

We have not set ourselves any measurable targets for reducing our customers' water requirements in the 2024 fiscal year. The effectiveness of the measures was not assessed.

7.2.4 CIRCULAR ECONOMY (E5)

As part of the double materiality analysis, the topic of circular economy was identified as material in terms of its impact on the upstream and downstream value chain as well as with regard to the financial opportunities and risks for our company.

7.2.4.1 Material impacts, risks, and opportunities

Our business model includes the production of machines and systems and providing service to our customers. We generally source prefabricated parts, semi-finished products and components, such as steel and metal parts, sheet metal and electronic components, to build our products. Their production in the upstream value chain, i.e. at suppliers and their raw material suppliers, can have a significant negative impact on nature and the climate in the short, medium, and long term if they remain in a business-as-usual scenario.

When designing our products, we focus on durability, resource efficiency, and ease of repair. This results in material positive impacts for the downstream value chain in the short, medium, and long term, as customers can use the products for many years. In addition, the service life of our products can be increased considerably through regular servicing and modernization.

Material medium and long-term financial risks are possible if customers demand a higher proportion of carbon-neutral or recycled upstream products without such upstream products being available in sufficient quantities. This could increase our costs and put pressure on margins. We are therefore planning to pay more attention to the composition of our upstream products in purchasing. Thanks to our central purchasing organization and the use of AI-supported purchasing tools, we believe that we are well equipped to counteract the identified medium- to long-term risks.

We see material medium- and long-term financial opportunities in increasing service sales, as these generally have higher margins. Expanding the share of service in sales is therefore an integral part of the corporate strategy.

Due to our low real net output ratio, there is hardly any waste in our own production. We were also unable to identify any material impacts, risks, or opportunities with regard to waste in the upstream and downstream value chain. We therefore do not consider the topic of waste to be material.

2.93 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Upstream value chain: The high proportion of energy-intensive raw materials used in purchased components and upstream products has negative impacts on nature and the climate.
Positive impacts	Downstream value chain: Our machines and systems have a long durability and reparability. Services, modernizations, and spare parts significantly extend the service life and increase resource efficiency.
Financial risks	Own company: If customers demand a higher proportion of recycling for purchased components and upstream products, this could lead to problems regarding availability, rising costs, and pressure on margins. Competitive disadvantages are also possible if other suppliers have better access to the relevant components and upstream products.
Financial opportunities	Own company: Financial opportunities arise from the expansion of the spare parts and service business. As a result of the growing installed base of our products, we expect continuous cash flows, high EBIT contributions, and a correspondingly positive impact on the financial situation. The use of our technologies often enables reduced resource requirements in customers' production processes. This generates financial opportunities in terms of sales and EBIT, as our customers are increasingly switching to resource-saving production processes.

7.2.4.2 Resource inflows: Governance and concepts

The Supplier Code of Conduct is an instrument to counteract the negative impacts of sourcing components and upstream products from the upstream supply chain. Its aim is to ensure that purchased products are manufactured in accordance with applicable environmental standards and requirements, and emphasizes the use of renewable natural as well as secondary raw materials. The Supplier Code of Conduct applies in principle to all suppliers worldwide; it is part of the contracts with suppliers and can be accessed on the intranet and on our company website. Compliance with the Code and its integration into supplier contracts is the task of the purchasing department. The suppliers are responsible for implementing the requirements of the Code. We check the suppliers' compliance with the Code as part of quality audits.

7.2.4.3 Resource inflows: Processes and actions

We revised the Supplier Code of Conduct in 2024, taking into account increased regulatory requirements, customer demands, our own expectations, and findings from our interactions with suppliers. Specifically, we have included a section on the circular economy in the text and set out our expectations of suppliers regarding the use of secondary raw materials. In December 2024, all the employees in purchasing were informed about the revised Code in training sessions.

In 2024, we also began to systematically record the weight of purchased materials, such as steel, in the material master data. This information is required for the sustainability statement and forms the data basis for analyses in purchasing. In 2024, we also began to use secondary data to determine approximate values for the recycling proportion in purchased products. To this end, AI-supported software was introduced that uses order information to draw conclusions about the raw material with the largest weight share in procured components or upstream products. This is necessary because the recycling proportion in purchased goods depends largely on their material composition. We aim to improve the quality of the data generated by training the AI application.

At the time of publication of this report, we were not aware of any customer requirements regarding the proportion of recycling materials in our machines and systems. Nevertheless, purchasing has taken initial measures to be able to systematically analyze the recycling proportion from the upstream supply chain in the medium term. Among other things, as part of a pilot project in 2024, we began requesting primary data on the recycling proportion of purchased components and upstream products from a supplier.

7.2.4.4 Resource inflows: Metrics and targets

The material resources that we receive are steel and metal components, sheet metal, and electronic components such as drives and sensors. Other resources, such as packaging material, play a minor role.

Metrics

In 2024, we purchased technical and biological materials with a total weight of around 186,000 tons. Weight data was available for around 25% of our total order volume; the weight of the remaining share of the order volume was extrapolated. To this end, we determined the average weight per euro of order volume on the basis of weight data already available, and then multiplied it by the order volume for which no weight data was available. We have not yet categorized the materials used.

In 2024, we determined the recycling proportion for approximately one third of our total order volume; it amounted to around 35%. Extrapolated to the total weight of all the resource inflows mentioned in the previous subsection, the recycling proportion was around 65,000 tons. Using AI-supported software, we evaluated order information in order to determine the raw material with the largest weight proportion for each order item. Afterward, we calculated the total weight of all recycled materials. It corresponds to the sum of the weights of these materials, multiplied by their recycling quota, which varies from material to material. The recycling quotas are based on country- or region-specific average values and were drawn from recognized public sources.

The weight of the packaging of delivered upstream products is usually recorded at the incoming goods department. In doing so, the material composition is not determined. When it comes to packaging for our own products, we pay attention to a high proportion of biological materials. Most packaging with a net weight of less than 6 kilograms is made of paper or cardboard. For packaging materials with a higher net weight, wood has the highest share, followed by fibrous materials such as cardboard and plastics.

Biological materials have no significance in the production of our machines and systems or in the provision of services. That is why they are not material for the Group.

Targets

We have not yet formulated any quantitative targets in relation to resource inflows. We are also not aware of any specific requirements from our customers with regard to the use of secondary raw materials or recycling quotas for material inflows. However, we expect this to change in the medium to long term. We are therefore taking measures to prepare ourselves for future objectives and requirements. We plan to use AI to automatically extract information on recycling proportions from suppliers' product-related documents. A sound data basis is an important prerequisite for defining measurable targets and promoting the circular economy.

7.2.4.5 Resource outflows: Governance and concepts

The aim of offering durable and repairable products is in line with the corporate strategy. It includes the goal of increasing the share of service business in Group sales to at least 30% in the medium term. The service business includes, for example, spare parts deliveries, conversions of machines and systems, and consulting on system optimization for our customers. Responsibility lies with the Board of Management, which defines appropriate strategies and measures together with the division heads. The divisions prepare their business plans, including planning for the service business, on the basis of the corporate strategy. The planning serves as a guideline for the departments with operational responsibility and is taken into account in their target agreements. Responsibility for implementation lies with the operational departments responsible for the service business. Overall responsibility for the operational service business rests with the respective division management.

In the provision of spare parts, we are subject to the relevant legal requirements. We also aim to supply our customers with spare parts beyond the legal requirements.

During the manufacture of our products, we keep the entire lifecycle in mind. In product development, we pay attention to the principles of the circular economy, such as durability, reusability, reparability, remanufacturing, dismantling, and recycling. These are intended to ensure a long product service life as the basis for a profitable service business. In this way, we also aim to ensure that the materials are highly recyclable at the end of their useful life. These principles also apply to our packaging materials; a Group policy does not exist. We mainly use recyclable materials for packaging in order to avoid disposable packaging and to promote recycling.

7.2.4.6 Resource outflows: Processes and actions

Increasing the global service share of Group sales is a strategic Group goal. In order to achieve this goal, we use short, medium, and long-term measures, which are reviewed for their effectiveness in the annual budget processes and adjusted if necessary. These include

- the development of machines and systems that ensure durability and reparability,
- the establishment of service personnel in order to generate more service business,
- the use of technologies to automatically determine service and spare parts requirements, for example sensors and AI-supported software for condition analysis and predictive maintenance.

7.2.4.7 Resource outflows: Metrics and targets

We offer our customers a full range of options from individual machines to turnkey manufacturing systems. These include painting systems, final assembly systems, assembly and testing systems, coating systems for battery electrodes, balancing and diagnostic technology as well as machines for the production of furniture, kitchens, and construction elements for timber houses. Our products have a residual material value at the end of their lifecycle. The real net output ratio of our own production is low. The priorities are metalworking and the assembly of prefabricated components. Consequently, resource outflows regularly correspond to resource inflows in terms of volume and composition. The majority of our products consist of raw materials such as steel, aluminum, and copper as well as electronic components. External analyses carried out on selected machines and systems supplied by us show that most of the components of the products can be returned to the cycle at the end of their life.

Metrics

The service life of our products depends on the intended use, the production program, and the customers' maintenance intervals. When used properly, our machines regularly achieve a service life of 15 years or more. The service life can be significantly increased through services such as modernizations and the installation of spare parts. As a result, paint shops and environmental technology systems are generally operated by our customers for significantly longer than 20 years. However, a statement on the durability of our products is only possible on a customer- and application-specific basis. A comparison with industry averages therefore does not allow any meaningful conclusions to be drawn.

The reparability of our machines and systems is part of our business model. Consequently, we offer spare parts, maintenance and repair services. An assessment of the reparability of our products based on an established rating system does not exist and is not planned either.

The proportion of recyclable components in our products essentially corresponds to the proportion of purchased recyclable materials and components. For our own packaging, we pay attention to the use of recycled materials (e.g. wood and cardboard). We do not yet calculate the proportion of recycled material in packaging for all Dürr Group sites.

In 2024, we determined the share of recyclable parts in our products for approximately one third of our total order volume; it amounted to around 90%. This so-called end-of-life recycling quota is assumed for the total of all material outflows. Its determination is based on the process for the recognition of the recycling proportion in our machines and systems described in the subsection entitled "Metrics" in subchapter 7.2.4.4 → page 138. The share of recyclable parts results from the sum of the weights of these materials, multiplied by their respective end-of-life recycling quotas, divided by the total weight. The end-of-life recycling quotas are based on global average values and were drawn from recognized public sources.

Targets

Quantitative targets for the Group's resource outflows do not exist. As explained above, the service life of our products depends on the intensity of use and customer-specific maintenance intervals, meaning that no general targets can be set. We measure the service sales of the divisions and assess service sales by comparing them with the Group target of 30% and with the previous year's figures. In addition, the sales development of technologies is regularly reviewed to determine service and spare parts requirements.

7.2.5 EU TAXONOMY

7.2.5.1 Background and goals

The Dürr Group sees the shift toward greater sustainability as an opportunity. With its Taxonomy Regulation, the EU has created a classification system for environmentally sustainable economic activities and thus uniform criteria for companies. The Dürr Group makes disclosures on the EU Taxonomy in accordance with the "Disclosure Delegated Regulation" of June 2021, the "Complementary Climate Delegated Regulation" of March 2022, the "Environmental Delegated Regulation" published in the Official Journal of the EU in November 2024, and the supplements to the "Climate Delegated Regulation."

In the 2024 fiscal year, we made or initiated changes to the Dürr Group's portfolio. As of July 1, 2024, the Agramkow Group, which specializes in filling technology for general industry, was sold. We have also carried out a strategic review of the environmental technology business and are aiming to sell this business. Therefore, the current Clean Technology Systems Environmental division is classified as a discontinued operation in the 2024 consolidated financial statements, with the environmental technology business but without battery production technology. The activities in battery production technology, which were also part of Clean Technology Systems, are not for sale and were carved out of the division as of December 31, 2024, and integrated into the Industrial Automation division. For further information, please refer to the chapter 1.1.8 → page 28 in the combined management report.

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

7.2.5.2 Business activities of the Dürr Group

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

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

In accordance with Annex XII of the Delegated Regulation 2021/2178, we would like to point out that the Dürr Group uses combined heat and power (CHP) plants at two locations, thus generating a small amount of electricity from fossil gases. This results in neither sales nor significant CapEx or OpEx. The Dürr Group does not pursue any activities in the field of nuclear energy.

7.2.5.3 Identification of taxonomy-eligible economic activities

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

The following economic activities defined by the EU Taxonomy have been identified for the recognition and assignment of the Dürr Group's sales revenues, CapEx, or OpEx to the first environmental objective "climate change mitigation" in the 2024 fiscal year:

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

The activity description "3.6 Manufacture of other low carbon technologies" is of particular relevance to the Dürr Group. Due to the generic description of this economic activity, it is necessary to describe our interpretation in greater detail. The economic activity includes activities for the production of technologies that aim at substantial reductions in GHG emissions in other sectors of the economy. From the Dürr Group's perspective, a substantial reduction means a decrease in GHG emissions in the use phase by at least 20%. Such a substantial reduction can usually only be achieved by a technological leap and not by continuous improvements. We have therefore set the value of 20% as the minimum level for a substantial reduction in GHG emissions.

For the 2024 fiscal year, the following business activities of the Dürr Group have accordingly been identified for the recognition and assignment of taxonomy-eligible sales revenues, CapEx, and OpEx.

Painting technology

Despite significant technological leaps in recent years, modern paint shops continue to be among the biggest energy consumers in automotive production. In particular, paint application and car body drying are responsible for the majority of energy and resource consumption in paint shops. In addition to technologies that meet current market standards, we also sell solutions with above-average energy efficiency and resource savings that we classify as taxonomy-eligible due to their significant emission savings.

In the following, only those technologies are identified as taxonomy-eligible that contribute to a significant reduction in GHG emissions. Examples include selected solutions for the dry separation of paint overspray, such as **Eco**DryScrubber or **Eco**DryX, and our latest **Eco**ProBooth paint booth concept. With the help of these technologies, energy consumption during paint application in the paint booth can be reduced by up to 60% compared to conventional wet separation. In the field of car body curing, the **Eco**InCure oven and the **Eco**Smart VEC fresh- and exhaust-air control system can achieve a reduction in energy consumption of more than 20% compared to conventional drying systems. Furthermore, our intelligent energy network **Eco**QPower contributes to a significant reduction in the energy consumption of paint shops at factory level through an optimal combined heating and cooling system. These solutions are complemented in particular by energy- and resource-saving technologies for paint application, including the **Eco**PaintJet overspray-free application system, the **Eco**Bell3 and **Eco**Bell4 atomizer product lines in particularly paint-saving versions, the **Eco**LCC color changer generation, and the **Eco**SupplyP special paint supply system. The Dürr Group's business activities considered in painting technology are assigned to economic activity 3.6.

Battery manufacturing technology

The Dürr Group offers specific technologies for producing rechargeable battery packs and accumulators for the transportation sector as well as stationary or decentralized energy storage systems. Only machines and systems for such a purpose are covered below. Due to their specific nature, it would not make economic sense for our customers to use these technologies for any other purpose, as this would require correspondingly complex technical adjustments. The Dürr Group offers technical solutions for various process steps in the battery production value chain. These include our coating technology, dryers, and solvent recovery systems for the production of battery electrodes, technologies for filling battery cells, as well as assembly and testing technology for lithium-ion cells and for battery modules and packs. Furthermore, we provide gluing application technologies for battery systems. The battery types mentioned above are manufactured directly using technologies from the Dürr Group and then installed in electric vehicles or energy storage systems. The batteries produced with our machines and systems are thus either part of the electric power train, which is essential for the emission reduction potential of electric cars, or they form the central storage unit in stationary or decentralized energy storage systems. Our corresponding business activities thus aim to significantly reduce lifecycle emissions in the transportation and energy sectors, so that our technologies support the EU's key objectives with regard to the accelerated introduction of low-emission modes of transport and the decarbonization of the energy sector. The Dürr Group's business activities considered in battery manufacturing technology are assigned to economic activity 3.6.

Technology for electromobility

The Dürr Group manufactures technologies specifically used in the production of electric drives and components for emission-free mobility in the automotive sector. This paragraph refers exclusively to technologies for this intended use. It would not make economic sense for customers to use our machines and systems for the production of these components in any other way, as this would require extensive and correspondingly complex technical adjustments to the technologies. Specifically, we develop and supply equipment for filling electric vehicles with highly specific refrigerants, balancing and spin-test systems for rotors in electric drives, and modular end-of-line test stands for electric drives. We also offer our customers automation solutions for the production of electric axle drives, inverters, and DC/DC converters for fully electric vehicles. The drives and components manufactured and tested with our machines and systems form the central element for electrification and thus for improving environmental performance in the automotive sector. Our business activities thus aim to considerably reduce lifecycle emissions in the mobility sector and are predominantly assigned to economic activity 3.6.

Renewable energy technology

The Dürr Group manufactures technologies for renewable energies. These include machines and systems for the production of solar cell strings. The Dürr Group's technologies considered are assigned to economic activity 3.1.

Technology for fuel cells

The Dürr Group manufactures technologies that are used in the production of fuel cells. These include machines for balancing compressors and anode feedback blowers in fuel cells. The Dürr Group's technologies considered are assigned to economic activity 3.6.

Woodworking technology

The Dürr Group produces technologies for the solid-wood manufacturing sector that are specifically used for the industrial production of timber construction elements as well as timber windows and doors. These technologies include machines and systems for manufacturing cross laminated timber, for the fully automated production and insulation of wall and ceiling elements of timber houses, and for the production of timber windows and doors. In the following, only machines and systems for such a purpose are considered. For economic reasons, it would not make sense for customers to use these technologies for other purposes, as this is impossible to achieve without extensive and complex technical modifications. Timber construction elements as well as timber windows and doors are manufactured directly with Dürr Group machines and systems. According to the German Federal Environment Agency, around 60% of emissions in the building sector are attributable to the construction and demolition of existing buildings, as the building materials (for example steel, cement, aluminum) predominantly used in the building sector to date are highly energy-intensive. In addition, expert analysis shows that the production of windows and doors made of materials such as PVC and aluminum, for example, is eight times more energy-intensive than the production of doors and windows made of timber. Thus, our technologies are aimed at significantly reducing lifecycle emissions in the building sector; they are assigned to economic activity 3.6.

For the 2024 fiscal year, further economic activities have been identified for the recognition and assignment of taxonomy-eligible CapEx and OpEx of the Dürr Group for the first environmental objective "climate change mitigation":

- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.6 Installation, maintenance and repair of renewable energy technologies
- 7.7 Acquisition and ownership of buildings

Taxonomy-eligible CapEx and OpEx create the prerequisites for making the Dürr Group's infrastructure sustainable. In the 2024 fiscal year, this included investments in energy-efficient buildings and their technical equipment as well as in systems for using renewable energies at our locations.

7.2.5.4 Identification of taxonomy-aligned economic activities

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

7.2.5.5 Substantial contribution

Compliance with the criteria for a substantial contribution to the environmental objective of "climate change mitigation," which is relevant to the Dürr Group, was assessed individually for each taxonomy-eligible business activity of the Dürr Group. In the analyses conducted, no economic activity was identified that makes a substantial contribution to the remaining five environmental objectives.

Taking into account the technical screening criteria, it is possible that taxonomy-eligible and taxonomy-aligned sales revenues and CapEx differ in their results. Taxonomy-eligible and taxonomy-aligned OpEx of the Dürr Group, on the other hand, regularly correspond to each other. Further details on the composition of environmentally sustainable sales revenue, CapEx, and OpEx are provided in subchapter 7.2.5.8 → page 144.

Due to the generic description of economic activity "3.6 Manufacture of other low carbon technologies", the verification regarding the substantial contribution to the environmental objective of "climate change mitigation" also requires explanation. The economic activity includes the production of technologies that aim to, and demonstrably achieve, substantial reductions in GHG emissions over the lifecycle compared to the best-performing alternative technology available on the market. As a reference standard, we base it on the technology commonly used in the market at the time of publication of this report. The reference technology is thus the best performing alternative technology predominantly available on the market.

Furthermore, the technical screening criteria for economic activity 3.6 describe the requirements for the quantification of lifecycle GHG emission balances. These balances must be calculated on the basis of defined standards and audited by an independent third party. We generally provide our customers with individual technological solutions, some of which may differ significantly due to customer- or location-specific characteristics. In order to determine the GHG emissions in the lifecycle of our machines and systems at product level, a separate GHG balance would have to be prepared for each location- or customer-specific project. Since this would be disproportionate, we have science-based lifecycle GHG balances for representative machines and systems prepared by the Fraunhofer Institute for Building Physics (IBP). In order to demonstrate the substantial contribution at factory level, however, we rely on location-specific lifecycle GHG balances for each project. As a result, these balances show that the use phase of our machines and systems in particular has a substantial impact on the lifecycle GHG emissions. By contrast, upstream and downstream emissions relating, for instance, to logistics processes, the manufacture of purchased parts, and end-of-life recycling, as well as emissions from our internal value chain, have only a minor impact on the lifecycle GHG emissions of the technologies. In assessing the lifecycle emissions of goods manufactured with our machines and systems, we relied on published data and analyses from recognized scientific organizations.

7.2.5.6 Avoidance of significant harm

Furthermore, we analyzed whether the achievement of the five remaining EU environmental objectives is significantly harmed by the business activities listed above (Do No Significant Harm, DNSH). For this purpose, it was appropriate to regularly assess DNSH compliance at the level of the business activities and at the level of the Dürr Group's locations. The locations assessed as relevant were those which accounted for significant value-adding processes for taxonomy-eligible business activities or environmentally sustainable CapEx and OpEx in the 2024 fiscal year. Subsequently, a comparison was made with the DNSH criteria for the selected locations.

The criteria for the second EU environmental objective, "climate change adaptation," refer to physical climate risks. We have already identified potential harm to relevant locations due to physical climate risks by means of climate scenario and vulnerability analyses in the past. In the year 2024, we extended the analysis of physical climate risks to 120 Dürr Group locations and assessed the damage potential with the support of an insurer. The analysis covers 85% of the Group's locations. The analyses are based on the SSP scenarios SSP1-2.6, SSP2-4.5, SSP3-7.0, and SSP5-8.5 and include climate hazards for the years 2030, 2040, 2050, and 2100. In the process, we systematically looked at, for example, climate-related risks that may arise from floods, tropical cyclones, rising sea levels, weather-related fire hazards, extreme aridity and droughts, heat stress, and extreme precipitation. Identified local damage potential was checked for relevance and, if necessary, mitigation measures were initiated and documented.

The third EU environmental objective describes criteria for the sustainable use and protection of water and marine resources. We analyzed relevant locations according to the criteria of water stress, seasonal fluctuations in water availability, and the supply of drinking water and sanitary facilities. To this end, we relied on internal queries, the documentation of audits as part of the ISO 14001 certification of relevant sites, and external data sources. We used the results to derive and describe possible adaptation solutions.

The fourth EU environmental objective, "transition to a circular economy," includes general requirements regarding high durability, ease of disassembly, and reparability. The majority of the components installed in our machines and systems are designed for a very long service life and still have a monetary material value at the end of their useful life. They can therefore usually be either reused or recycled in a useful manner by an external facility. In addition, our Group-wide spare parts and modernization business ensures an extended service life for the machines and systems used by our customers.

The criteria for the fifth EU environmental objective, "pollution prevention and control," relate primarily to legal and regulatory requirements with which we are obliged to comply. Compliance in the context of our business activities is monitored and ensured worldwide by our Group-wide environmental management system. This includes compliance with Regulation (EC) No. 1907/2006 (REACH) and Directive 2011/65/EU (RoHS Directive). By contrast, Regulations (EU) 2019/1021 (POPs Regulation), (EU) 2017/852 (Mercury Regulation), and (EC) No. 1005/2009 (Ozone Layer Regulation) were not deemed to be relevant to our business activities following internal analyses by experts. The use of substances of concern identified by the EU is regulated for our machines and systems in our purchasing conditions, among other things. Corresponding documentation (for example safety data sheets) – including for purchased components – is usually provided to our customers upon project completion. We cannot completely rule out the possibility at present that the Dürr Group's taxonomy-eligible business activities contribute to the production, marketing, or use of substances classified as hazardous to a limited extent in individual cases. However, at the time of publication of this report, no suitable alternative substances or technologies were available to our knowledge.

With regard to the sixth EU environmental objective, "protection and restoration of biodiversity and ecosystems," a comprehensive analysis of relevant Group sites was carried out in 2024. The IBAT, which was developed in cooperation with the TNFD and the IBAT Alliance, was used for the analysis. IBAT accesses various databases, including the WDPA, the WDKBA, and the IUCN Red List of Threatened Species. As a result, no Group site is located in a biodiversity-sensitive area. Eleven sites are located less than one kilometer from a biodiversity-sensitive area, eight of which are in Germany. All the sites concerned are located in an industrial area and meet the statutory environmental requirements.

As a result, we did not identify any significant harm to the achievement of the five environmental objectives at any relevant location.

7.2.5.7 Compliance with minimum safeguards

The Dürr Group is committed to respecting human rights and promoting fair working conditions. This applies in particular to dealings with its own employees and direct suppliers. Our actions are guided by the Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD), the United Nations Guiding Principles on Business and Human Rights (UNGP), and the Core Labor Standards of the International Labour Organization (ILO), among others. In the 2024 fiscal year, we once again reviewed compliance with these guiding principles and standards in our business activities across the Group, focusing on the following areas: respect for human and employee rights, combating bribery and corruption, taxation, and (fair) competition. The result showed that our Group-wide processes and systems are suited to reliably identify potential risks or violations at our locations worldwide. Further information on respect for human rights in our business activities and in the supply chain is provided in the relevant chapters of this Sustainability Statement. Chapter 7.3.2 → page 174 also contains detailed information on the processes and actions that we have developed against the background of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) in order to fulfill our corporate responsibility for ensuring compliance with human rights. We report on compliance with the minimum requirements regarding occupational safety in subchapter 7.3.1.4 → page 158.

7.2.5.8 Performance indicators according to the EU Taxonomy Regulation

In the following, we provide information on our Group-wide taxonomy-eligible and taxonomy-aligned sales revenues, CapEx, and OpEx in accordance with the EU Taxonomy for the past two fiscal years.

Sales revenues

In accordance with the EU Taxonomy Regulation, sales revenues are generally defined as reported in the consolidated statement of profit or loss. The Dürr Group generates a large part of its sales revenues from the production and delivery of customer-specific machines and systems and the resulting service business. Sales revenues over time are recognized using the percentage-of-completion method (POC method). Taxonomy-eligible or taxonomy-aligned sales revenues over time are determined analogously on the basis of the costs incurred in relation to the total expected costs of a contract. If only individual components of an overall project generate taxonomy-eligible or taxonomy-aligned revenues, only these components are taken into account. Sales revenues that are not recognized over time can be derived directly from financial accounting. In addition, certain revenues generated in service business are reported as taxonomy-eligible or taxonomy-aligned sales revenues. Depending on the business activity, such service revenues are determined from separately identifiable service projects or on the basis of appropriate allocation keys as a subset of the total service business. Only taxonomy-eligible or taxonomy-aligned sales revenues of fully consolidated subsidiaries were taken into account.

In the 2024 fiscal year, the Dürr Group's taxonomy-aligned sales revenues amounted to €552.1 million. This represents a year-on-year decrease of 25.9% (previous year: €744.8 million). The background to this is that the environmental technology business will be classified as a discontinued operation in the 2024 consolidated financial statements. For this reason, the sales revenues allocated to the environmental technology business under business activity "4.11 Storage of thermal energy" and business activity "3.1 Manufacture of renewable energy technologies" will not be reported in the 2024 fiscal year.

On a comparable basis, i.e. adjusted for the sales generated by the discontinued operation in the 2023 fiscal year, this results in an increase in taxonomy-eligible sales revenues of 8.9% to €679.7 million for 2024 (previous year €624.2 million). On this basis, taxonomy-aligned sales revenues increased by 6.4% year-on-year to €552.1 million (previous year: €518.8 million). This resulted from an increase in activities in the context of economic activity "3.6 Manufacture of other low carbon technologies," where the Dürr Group recorded a significant increase in demand in the areas of electromobility and battery manufacturing technology. The share of taxonomy-eligible sales revenues increased to 15.8% in the 2024 fiscal year (previous year: 14.9%). The share of taxonomy-aligned sales revenues rose to 12.9% (previous year: 12.4%).

2.94 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SALES REVENUES IN 2024

Economic activities	Code(s)	Fiscal year 2024: Absolute sales revenues	Fiscal year 2024: Share of sales revenues 2024	Substantial contribution criteria[1]: Climate change mitigation	Climate change adaptation	Water	Circular economy
		€ million	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)							
Manufacture of renewable energy technologies	CCM[6] 3.1; CCA[7] 3.1	11.0	0.3	Y	N	N/EL	N/EL
Manufacture of other low carbon technologies	CCM[6] 3.6; CCA[7] 3.6	541.0	12.6	Y	N	N/EL	N/EL
Manufacturing of aircraft	CCM[6] 3.21; CCA[7] 3.21	0.0	0.0	Y	N	N/EL	N/EL
Storage of thermal energy	CCM[6] 4.11; CCA[7] 4.11	0.0	0.0	Y	N	N/EL	N/EL
Sales revenues of environmentally sustainable activities (taxonomy-aligned) (A.1)		552.1	12.9	12.9%	0.0%	0.0%	0.0%
of which: enabling activities[4]		552.1	12.9	12.9%	0.0%	0.0%	0.0%
of which: transitional activities[5]		0.0	0.0	0.0%	0.0%	0.0%	0.0%
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)							
Manufacture of other low carbon technologies	CCM[6] 3.6	127.7	3.0	EL	EL	N/EL	N/EL
Sales revenues of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		127.7	3.0	3.0%	0.0%	0.0%	0.0%
Sales revenues of taxonomy-eligible activities (A.1 + A.2)		679.7	15.8	15.8%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
Sales revenues of taxonomy-non-eligible activities (B)		3,611.2	84.2				
Total (A + B)		**4,290.9**	**100.0**				

[1] The table section "Substantial contribution criteria" shows the breakdown of the Dürr Group's taxonomy-aligned and taxonomy-eligible sales revenues by economic activities and environmental objectives. Taxonomy-aligned economic activities receive a "Y" for "yes" for the corresponding environmental objective. Taxonomy-eligible economic activities receive an "N" for "no" in table section A.1 for the corresponding environmental objective and an "EL" for "eligible" or "taxonomy-aligned" in table section A.2. Not taxonomy-aligned economic activities are identified by an "N/EL" for "non-eligible" or "not taxonomy-aligned."

[2] A taxonomy-eligible economic activity meets the DNSH criteria if significant harm can be ruled out for each EU environmental objective ("Y" for "yes"). Significant harm is indicated in the table by an "N" ("no").

[3] As reported in 2023, including the discontinued operation.

[4] Enabling economic activities within the meaning of Article 10 (1) of Regulation (EU) 2020/852 play a key role in decarbonizing the economy by directly enabling the carbon footprint and environmental performance of other activities to be improved. Enabling economic activities are indicated by an "E" in the table.

[5] Transitional activities within the meaning of Article 10 (2) of Regulation (EU) 2020/852 did not have technically feasible and economic low-carbon alternatives at the time of publication of the report, but they support the transition to a carbon-neutral economy. Transitional activities or transitory economic activities are indicated by a "T" in the table.

[6] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."

[7] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."

Substantial contribution criteria[1]		DNSH criteria ("Do No Significant Harm")[2]									
Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Compliance minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) share of sales revenues 2023[3]	Enabling activities[4]	Transitional activities[5]
Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.5	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	12.3	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.0	–	T
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	3.3	E	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	16.1	–	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	16.1	E	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	0.0	–	T
N/EL	N/EL	–	–	–	–	–	–	–	2.3	–	–
0.0%	0.0%	–	–	–	–	–	–	–	2.3	–	–
0.0%	0.0%	–	–	–	–	–	–	–	18.4	–	–

2.95 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SHARES OF SALES REVENUES IN 2024 PER EU ENVIRONMENTAL OBJECTIVE

	Taxonomy-aligned share of sales revenues per environmental objective (%)	Taxonomy-eligible share of sales revenues per environmental objective (%)
Climate change mitigation (CCM[1])	12.9	15.8
Climate change adaptation (CCA[2])	0.0	0.0
Water (WTR[3])	0.0	0.0
Circular economy (CE[4])	0.0	0.0
Pollution (PPC[5])	0.0	0.0
Biodiversity (BIO[6])	0.0	0.0

[1] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."
[2] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."
[3] WTR (Sustainable use and protection of water and marine resources): EU environmental objective "Sustainable use and protection of water and marine resources."
[4] CE (Transition to a circular economy): EU environmental objective "Transition to a circular economy."
[5] PPC (Pollution prevention and control): EU environmental objective "Pollution prevention and control."
[6] BIO (Protection and restoration of biodiversity and ecosystems): EU environmental objective "Protection and restoration of biodiversity and ecosystems."

CapEx

In accordance with the EU Taxonomy Regulation, CapEx includes investments in intangible assets (excluding goodwill) and property, plant, and equipment, including rights to use leased assets. This also includes additions to non-current assets resulting from company acquisitions which were consolidated for the first time in the fiscal year under review. The amount can be reconciled with the disclosures in → **notes 19 and 44** in the notes to the consolidated financial statements. CapEx is calculated on a gross basis, i.e. without taking into account revaluations or amortization, depreciation, and impairment. CapEx amounts attributable only partially to taxonomy-aligned or taxonomy-eligible business activities are allocated on a pro rata basis using expected shares of sales.

Taxonomy-eligible CapEx including the CapEx of the discontinued operation amounted to €98.2 million in the 2024 fiscal year (previous year: €123.4 million). Of this, €63.8 million (previous year: €47.2 million) met the criteria of the EU Taxonomy Regulation for taxonomy-aligned CapEx. The increase is primarily due to investments in new buildings at BENZ in Gengenbach and at HOMAG in Środa Wielkopolska (Poland), which are assigned to economic activity "7.7 Acquisition and ownership of buildings." In addition, capitalized development costs in the areas of battery production technology and painting technology as well as investments in the solid-wood manufacturing sector caused an increase in environmentally sustainable CapEx in the context of economic activity "3.6 Manufacture of other low carbon technologies."

The difference between taxonomy-eligible and taxonomy-aligned capital expenditures in the amount of €34.4 million resulted from investments assigned to economic activities "6.5 Transport by motorbikes, passenger cars, and light commercial vehicles" and "7.7 Acquisition and ownership of buildings," though it was not possible to demonstrate a substantial contribution to the first environmental objective "climate change mitigation" in all cases. In the 2024 fiscal year, 33.8% of our investments complied with the requirements of the EU Taxonomy Regulation for taxonomy-aligned CapEx (previous year: 13.4%). The increase in percentage terms compared to the previous year is due to the one-off effect from acquisitions in 2023. The taxonomy-aligned share of investments in non-current intangible assets amounted to 10%, while tangible assets accounted for 90%.

2.96 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED CAPEX IN 2024

		Fiscal year 2024		Substantial contribution criteria[1]			
Economic activities	Code(s)	Absolute CapEx	Share of CapEx 2024	Climate change mitigation	Climate change adaptation	Water	Circular economy
		€ million	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)							
Manufacture of other low carbon technologies	CCM[5] 3.6; CCA[6] 3.6	14.1	7.5	Y	N	N/EL	N/EL
Storage of thermal energy	CCM[5] 4.11; CCA[6] 4.11	0.1	0.1	Y	N	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM[5] 6.5; CCA[6] 6.5	0.0	0.0	Y	N	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM[5] 7.3; CCA[6] 7.3	1.7	0.9	Y	N	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM[5] 7.6; CCA[6] 7.6	6.0	3.2	Y	N	N/EL	N/EL
Acquisition and ownership of buildings	CCM[5] 7.7; CCA[6] 7.7	41.8	22.2	Y	N	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		63.8	33.8	33.8%	0.0%	0.0%	0.0%
of which: enabling activities[3]		21.9	11.6	11.6%	0.0%	0.0%	0.0%
of which: transitional activities[4]		0.0	0.0	0.0%	0.0%	0.0%	0.0%
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)							
Manufacture of other low carbon technologies	CCM[5] 3.6	0.0	0.0	EL	EL	N/EL	N/EL
Storage of thermal energy	CCM[5] 4.11	0.0	0.0	EL	EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM[5] 6.5	17.1	9.1	EL	EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM[5] 7.3	0.0	0.0	EL	EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM[5] 7.6	0.0	0.0	EL	EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM[5] 7.7	17.3	9.2	EL	EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		34.4	18.2	18.2%	0.0%	0.0%	0.0%
CapEx of taxonomy-eligible activities (A.1 + A.2)		98.2	52.0	52.0%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
CapEx of taxonomy-non-eligible activities (B)		90.5	48.0				
Total (A + B)		**188.7**	**100.0**				

[1] The table section "Substantial contribution criteria" shows the breakdown of the Dürr Group's taxonomy-aligned and taxonomy-eligible CapEx by economic activities and environmental objectives. Taxonomy-aligned economic activities receive a "Y" for "yes" for the corresponding environmental objective. Taxonomy-eligible economic activities receive an "N" for "no" in table section A.1 for the corresponding environmental objective and an "EL" for "eligible" or "taxonomy-aligned" in table section A.2. Not taxonomy-aligned economic activities are identified by an "N/EL" for "non-eligible" or "not taxonomy-aligned."

[2] A taxonomy-eligible economic activity meets the DNSH criteria if significant harm can be ruled out for each EU environmental objective ("Y" for "yes"). Significant harm is indicated in the table by an "N" ("no").

[3] Enabling economic activities within the meaning of Article 10 (1) of Regulation (EU) 2020/852 play a key role in decarbonizing the economy by directly enabling the carbon footprint and environmental performance of other activities to be improved. Enabling economic activities are indicated by an "E" in the table.

[4] Transitional activities within the meaning of Article 10 (2) of Regulation (EU) 2020/852 did not have technically feasible and economic low-carbon alternatives at the time of publication of the report, but they support the transition to a carbon-neutral economy. Transitional activities or transitory economic activities are indicated by a "T" in the table.

[5] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."

[6] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."

Substantial contribution criteria[1]		DNSH criteria ("Do No Significant Harm")[2]									
Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Compliance minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) share of CapEx 2023	Enabling activities[3]	Transitional activities[4]
Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	7.0	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.0	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.0	–	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.1	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.4	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	5.8	–	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	13.4	–	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	7.6	E	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	0.0	–	T
N/EL	N/EL	–	–	–	–	–	–	–	0.0	–	–
N/EL	N/EL	–	–	–	–	–	–	–	0.0	–	–
N/EL	N/EL	–	–	–	–	–	–	–	4.1	–	–
N/EL	N/EL	–	–	–	–	–	–	–	0.0	–	–
N/EL	N/EL	–	–	–	–	–	–	–	0.0	–	–
N/EL	N/EL	–	–	–	–	–	–	–	17.5	–	–
0.0%	0.0%	–	–	–	–	–	–	–	21.6	–	–
0.0%	0.0%	–	–	–	–	–	–	–	35.0	–	–

2.97 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SHARE OF CAPEX 2024 PER EU ENVIRONMENTAL OBJECTIVE

	Taxonomy-aligned share of CapEx per environmental objective (%)	Taxonomy-eligible share of CapEx per environmental objective (%)
Climate change mitigation (CCM[1])	33.8	52.0
Climate change adaptation (CCA[2])	0.0	0.0
Water (WTR[3])	0.0	0.0
Circular economy (CE[4])	0.0	0.0
Pollution (PPC[5])	0.0	0.0
Biodiversity (BIO[6])	0.0	0.0

[1] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."
[2] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."
[3] WTR (Sustainable use and protection of water and marine resources): EU environmental objective "Sustainable use and protection of water and marine resources."
[4] CE (Transition to a circular economy): EU environmental objective "Transition to a circular economy."
[5] PPC (Pollution prevention and control): EU environmental objective "Pollution prevention and control."
[6] BIO (Protection and restoration of biodiversity and ecosystems): EU environmental objective "Protection and restoration of biodiversity and ecosystems."

OpEx

Operating expenses as defined by the EU Taxonomy Regulation include non-capitalizable expenses for research and development, building refurbishment measures, short-term leasing, maintenance and repair, and all other direct expenses for the upkeep of property, plant, and equipment to ensure that the taxonomy-eligible or taxonomy-aligned assets are ready for operation. The corresponding values can be clearly derived from our internal reporting systems. OpEx are not directly reconcilable to the presentation in the consolidated statement of profit or loss.

As in the previous year, the Dürr Group's taxonomy-eligible OpEx corresponded to taxonomy-aligned OpEx, amounting to €22.0 million (previous year: €16.5 million including OpEx from the discontinued operation).

On a comparable basis, i.e. adjusted for the OpEx from the discontinued operation for the 2023 fiscal year, this results in an increase of €6.5 million compared to the previous year (previous year: €15.5 million). The taxonomy-eligible or taxonomy-aligned share of the Dürr Group's relevant OpEx in accordance with the Taxonomy Regulation amounted to 15.7% in the year under review (previous year: 11.0%) according to this consideration. One important component was non-capitalizable expenses for research and development, particularly in the areas of battery production technology, the filling of battery cells, and solid-wood manufacturing. These expenses contributed 94% to the taxonomy-eligible or taxonomy-aligned OpEx (previous year: 87%).

2.98 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED OPEX IN 2024

		Fiscal year 2024		Substantial contribution criteria[1]			
Economic activities	Code(s)	Absolute OpEx	Share of OpEx 2024	Climate change mitigation	Climate change adaptation	Water	Circular economy
		€ million	%	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL	Y/N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES							
A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)							
Manufacture of renewable energy technologies	CCM[6] 3.1; CCA[7] 3.1	0.6	0.4	Y	N	N/EL	N/EL
Manufacture of other low carbon technologies	CCM[6] 3.6; CCA[7] 3.6	21.2	15.1	Y	N	N/EL	N/EL
Storage of thermal energy	CCM[6] 4.11; CCA[7] 4.11	0.0	0.0	Y	N	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM[6] 7.3; CCA[7] 7.3	0.3	0.2	Y	N	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		22.0	15.7	15.7%	0.0%	0.0%	0.0%
of which: enabling activities[4]		22.0	15.7	15.7%	0.0%	0.0%	0.0%
of which: transitional activities[5]		0.0	0.0	0.0%	0.0%	0.0%	0.0%
A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)							
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		0.0	0.0	0.0%	0.0%	0.0%	0.0%
OpEx of taxonomy-eligible activities (A.1 + A.2)		22.0	15.7	15.7%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES							
OpEx of taxonomy-non-eligible activities (B)		118.5	84.3				
Total (A + B)		**140.5**	**100.0**				

[1] The table section "Substantial contribution criteria" shows the breakdown of the Dürr Group's taxonomy-aligned and taxonomy-eligible OpEx by economic activities and environmental objectives. Taxonomy-aligned economic activities receive a "Y" for "yes" for the corresponding environmental objective. Taxonomy-eligible economic activities receive an "N" for "no" in table section A.1 for the corresponding environmental objective and an "EL" for "eligible" or "taxonomy-aligned" in table section A.2. Not taxonomy-aligned economic activities are identified by an "N/EL" for "non-eligible" or "not taxonomy-aligned."

[2] A taxonomy-eligible economic activity meets the DNSH criteria if significant harm can be ruled out for each EU environmental objective ("Y" for "yes"). Significant harm is indicated in the table by an "N" ("no").

[3] As reported in 2023, including the discontinued operation.

[4] Enabling economic activities within the meaning of Article 10 (1) of Regulation (EU) 2020/852 play a key role in decarbonizing the economy by directly enabling the carbon footprint and environmental performance of other activities to be improved. Enabling economic activities are indicated by an "E" in the table.

[5] Transitional activities within the meaning of Article 10 (2) of Regulation (EU) 2020/852 did not have technically feasible and economic low-carbon alternatives at the time of publication of the report, but they support the transition to a carbon-neutral economy. Transitional activities or transitory economic activities are indicated by a "T" in the table.

[6] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."

[7] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."

Substantial contribution criteria[1]		DNSH criteria ("Do No Significant Harm")[2]									
Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Compliance minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) share of OpEx 2023[3]	Enabling activities[4]	Transitional activities[5]
Y/N; N/EL	Y/N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.2	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	10.4	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.5	E	–
N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	0.3	E	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	11.5	–	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	11.5	E	–
0.0%	0.0%	–	Y	Y	Y	Y	Y	Y	0.0	–	T
0.0%	0.0%	–	–	–	–	–	–	–	0.0	–	–
0.0%	0.0%	–	–	–	–	–	–	–	11.5	–	–

2.99 — TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SHARE OF OPEX IN 2024 PER EU ENVIRONMENTAL OBJECTIVE

	Taxonomy-aligned share of OpEx per environmental objective (%)	Taxonomy-eligible share of OpEx per environmental objective (%)
Climate change mitigation (CCM[1])	15.7	15.7
Climate change adaptation (CCA[2])	0.0	0.0
Water (WTR[3])	0.0	0.0
Circular economy (CE[4])	0.0	0.0
Pollution (PPC[5])	0.0	0.0
Biodiversity (BIO[6])	0.0	0.0

[1] CCM (Climate change mitigation): EU environmental objective "climate change mitigation."
[2] CCA (Climate change adaptation): EU environmental objective "climate change adaptation."
[3] WTR (Sustainable use and protection of water and marine resources): EU environmental objective "Sustainable use and protection of water and marine resources."
[4] CE (Transition to a circular economy): EU environmental objective "Transition to a circular economy."
[5] PPC (Pollution prevention and control): EU environmental objective "Pollution prevention and control."
[6] BIO (Protection and restoration of biodiversity and ecosystems): EU environmental objective "Protection and restoration of biodiversity and ecosystems."

The Dürr Group issued a green Schuldschein loan in April 2023 and April 2024, respectively. The proceeds, totaling €650 million, are exclusively reserved for financing sustainable product innovations and climate-friendly projects. Taxonomy-aligned CapEx and OpEx of the Dürr Group were allocated to cover the green Schuldschein loan in full in 2023, and in 2024 with the exception of €0.15 million from the discontinued operation.

7.3 Social information

7.3.1 OWN WORKFORCE (S1)

The sustainability matters of the "Own workforce" Standard (S1), as specified in the topic list according to ESRS 1 AR 16, were individually assessed in the materiality analysis and grouped into four subchapters:

- Occupational health and safety
- Training and skills development
- Corporate culture and diversity
- Decent work and human rights

With this company-specific aggregation of sustainability matters, we deviate in part from the structure pursuant to ESRS 1 AR 16. Each subchapter begins with an explanation of the sustainability matters it covers.

7.3.1.1 Material impacts, risks, and opportunities

In identifying and assessing material potential and actual impacts, we have focused on the Group's workforce. This also includes non-Group employees, i.e. people provided by undertakings primarily engaged in employment activities and those contracted under work and service agreements. People provided by undertakings primarily engaged in employment activities work in both industrial and commercial roles, for example in manufacturing, incoming goods, or as project assistants. Solo self-employed people work in areas such as site management, commissioning, or plant maintenance. We describe the material impacts, risks, and opportunities and their interaction with our strategy and business model in the respective subchapters. In our view, the transition plan for climate change adaptation has no material impacts on employees.

We consider our business model and strategy to be sufficiently resilient in the short, medium, and long term to address any material negative impacts of our activities on social topics such as occupational safety, health, and wellbeing. Material negative impacts may include, for example, work-related accidents and excessive workload demands placed on employees. We mitigate such impacts through high occupational safety standards and relevant training, compliance with labor regulations, the consideration of employees' needs, and the involvement of workers' representatives. This also reduces corresponding financial risks, such as labor law disputes or reputational damage.

One material opportunity of our business operations in relation to social topics is our focus on innovation. We invest heavily in further training and skills development to drive innovation. Employees benefit from this in the form of skills enhancements. The innovation work and high skill levels within the Group enhance our ability to adapt to new market, regulatory, and technological requirements. This, in turn, increases the resilience of our business model and strategy. Further positive social impacts result from actions in the areas of employer attractiveness, an inclusive corporate culture and diversity, and from the safeguarding of interests through workers' representation. All of this supports the recruitment and retention of talents and top performers, thereby strengthening competitiveness and profitability.

The assessment of the resilience of our strategy and business model regarding social topics was conducted based on interviews with various specialist departments as part of the materiality analysis. Key foundations for the assessment are decades of knowledge of our business processes in specialist departments, regular employee surveys, and the evaluation of relevant metrics, such as accident figures and salaries.

7.3.1.2 Engaging with own workforce and workers' representatives

Communication with employees and workers' representatives

Employee participation in German stock corporations is regulated by German labor law through the Co-determination Act. It is based on the principle of parity co-determination. Accordingly, employees and their employer participate equally in certain decision-making processes. The Supervisory Board of Dürr AG consists of twelve members with an equal number of shareholders' and workers' representatives. Six members of the Supervisory Board are elected by the employees. Regular elections were last held in 2016. In 2021, the workers' representatives were appointed by court because it was not possible to hold the mandatory in-person elections due to the pandemic. The next election is scheduled to take place in 2026. In 2024, the Supervisory Board held five regular and two extraordinary meetings, four of which were in-person events and three were held in hybrid format.

The German Works Constitution Act regulates employee participation at the operational level in Germany. It contains provisions on the formation, rights and obligations of works councils, employee participation in company decisions, and cooperation between employers and works councils. Certain organizational changes at German sites must be communicated to the relevant workers' representatives in a timely manner according to the law, allowing them to effectively exercise their consultation and co-determination rights. At the German sites, the interests of employees are represented by works councils. Works council elections are scheduled to take place in 2025 at the main production site of the BBS Automation Group in Sonthofen, which was acquired in 2023.The Dürr Group Works Council represents the interests of employees across all sites in Germany; its function is enshrined in the Works Constitution Act. On the European or global level, there is no works council with a negotiating mandate for cross-border issues.

Our dialogue with workers' representatives is generally open and based on trust. Quarterly works meetings and ad-hoc information events facilitate direct communication between employees, workers' representatives, and management. The works councils maintain direct and regular communication with employees through various channels. Employee matters are handled by workers' representatives and the relevant specialist departments, and employees are informed accordingly. The Dürr Group Works Council meets at least five times a year to discuss matters affecting the various sites and define central follow-up measures. In 2024, it concluded a Group works agreement with the employer side on the introduction and use of cloud-based software solutions to regulate the protection of employees' work-related rights and ensure the safeguarding of personal data. The agreement was preceded by negotiations with the Board of Management, during which employee interests were presented. The Group Works Council exercised its co-determination rights in the merger of the Paint and Final Assembly Systems and Application Technology divisions to form the current Automotive division, thereby representing the interests of the employees concerned. The workers' representatives also exercised their co-determination rights in conjunction with the capacity adjustments at the Woodworking Machinery and Systems division. In the event of conflicts between employees and the company, the workers' representatives and the sites' HR departments act as points of contact.

Employee survey

With the help of Group-wide employee surveys, we gather feedback from the workforce every three years. Employees can express their opinions on various topics, including working conditions, job roles, development opportunities, and leadership behavior. We inform them of the results of the survey and, if necessary, initiate improvement measures, monitoring their implementation and success through follow-up surveys.

The last employee survey took place in September 2023, with subsequent follow-up processes in 2024. The first follow-up process aimed to improve employee integration as well as development, change, and business processes. The second follow-up process focused on teams with survey results that warranted attention, analyzing weaknesses, and initiating improvements.

We conduct random pulse surveys on current topics relevant to the company as required. The next pulse survey is planned for 2025. The People Development and Change department is responsible for the surveys. In 2024, we conducted a pilot survey on diversity, equal opportunities, and inclusion. In addition, employees were involved in developing the One Vision corporate statement. Further information can be found in the paragraph "Engaging with own workforce and workers' representatives" in subchapter 7.3.1.6 → page 165.

We assess the effectiveness of collaboration with our own workforce based on performance indicators. Examples include the employee turnover rate and the satisfaction score derived from employee surveys. Other key indicators include communication with workers' representatives and feedback from employees in discussions with management.

7.3.1.3 Remediating negative impacts: Processes and reporting channels

Mechanisms for identifying, reporting, and investigating concerns are detailed in the subsection of the same name in chapter 7.4.1 → page 178.

The Dürr Group Integrity Line, the publicly accessible whistleblowing system established by the Dürr Group, is available to all internal and external stakeholders. All reports submitted via the Dürr Group Integrity Line are reviewed by the Corporate Compliance Officer, who forwards any information related to employee matters to the Human Rights Officer. In justified cases, they initiate further steps and coordinate case-specific individual measures in consultation with the specialist departments. They work closely with the relevant departments to clarify and follow up on the matter.

In addition to the Dürr Group Integrity Line, employees can use other channels to voice concerns or needs and have them reviewed. These include contacting works councils, other workers' representatives, direct superiors, the HR department, local compliance managers, and the Human Rights Officer. If employees have concerns about occupational health and safety, they are encouraged to inform managers or safety officers about work-related hazards and dangerous situations. We promote the reporting channels through training sessions for managers and employees, and through communication campaigns at the sites. Process descriptions for using the channels and the corresponding procedural principles can be found on the intranet. We regularly review the effectiveness of the grievance mechanism based on the number of complaints and the analysis of complaint statistics. In employee surveys ("Employee survey" subsection in subchapter 7.3.1.2 → page 157), we assess the level of awareness of the Dürr Group Integrity Line.

Our process to provide remedy for human rights violations and the corresponding grievance mechanism are based on the United Nations Guiding Principles on Business and Human Rights, and on the OECD Due Diligence Guidance for Responsible Business Conduct. If human rights are violated, we initiate appropriate remedial action, for example with respect to labor law or process adjustments. We review and assess the effectiveness of remedial action on a case-by-case basis, for example, by analyzing working time accounts and incoming reports.

7.3.1.4 Occupational health and safety

This subchapter covers the following aspects:

- Health and safety of the company's own workforce (S1)
- Workers in the value chain (S2) in relation to health and safety

Material impacts, risks, and opportunities

Occupational health and safety is essential for the Group, as we want to prevent short-term negative impacts on the health of our workforce. In mechanical and plant engineering, there are activities typically associated with an increased risk of accidents. The measurement and evaluation of accident figures and accident histories show that at-risk work areas at our own sites are warehouses, logistics, manufacturing, assembly, and technical centers. There are also numerous accident hazards on customers' construction sites worldwide. The group of people working in at-risk areas includes not only our own workforce (including non-Group employees, i.e. people provided by undertakings primarily engaged in employment activities and those contracted under work and service agreements) but also subcontractor employees, customers and their sub-tier suppliers on construction sites.

Our Group-wide health and safety management system includes processes and actions to avoid accidents and enhance safety standards that go beyond national legal requirements. This comprehensive safety policy has a positive impact on our own workforce as well as on subcontractor employees, customers and their sub-tier suppliers on construction sites, especially in countries with lower safety standards.

By preventing accidents, we also mitigate reputational and financial risks, such as claims for damages. The material financial risks identified in the context of occupational health and safety relate to all groups of people.

Warehouses, logistics, manufacturing, assembly, technical centers, and the commissioning of machines and systems are areas with an increased risk of accidents but are an inherent part of our business operations. We see no need to change the business model or strategy. Instead, we have established processes and actions to reduce negative impacts and financial risks. Our Group-wide health and safety strategy aims to enhance occupational health and safety, for example through requirements for implementing safety standards, as well as through training and audits. It is continuously reviewed for its appropriateness.

2.100 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Upstream value chain and own company: The Group's business operations in mechanical and plant engineering and its upstream value chain are typically characterized by activities with an increased risk of accidents, which can have a negative impact on the physical health of the people concerned.
Positive impacts	Upstream value chain and own company: Within the Group and when working with direct suppliers, we establish processes and actions in the area of occupational health and safety that go beyond the minimum legal requirements. As a globally active company, we contribute to the promotion of high safety standards and reduce the risk of work-related accidents.
Financial risks	Own company: Potentially inadequate occupational safety measures could lead to financial claims against the company or damage its reputation.
Financial opportunities	No material financial opportunities identified

Governance and concepts

Concepts

The health and safety strategy "Striving for Excellence in Safety", aimed at preventing work-related accidents, applies to all areas of our company and is being continuously developed. A cross-functional team, whose head reports to the CEO, is responsible for the Group-wide implementation of the health and safety strategy. In addition, the members of the Board of Management receive monthly updates on current topics and any accidents. The Dürr Management Board also regularly discusses accident statistics, major accidents, and serious (near) accidents. The Cross Functional Health & Safety Lead Team consists of the corporate health and safety manager and the health and safety managers of all divisions. It is supported by local health and safety managers, who implement the standards and processes locally. A meeting of all health and safety managers in the Group is usually held once a year. All managers are responsible for conducting a proper risk assessment and implementing appropriate actions to prevent injuries and occupational diseases. All employees must assume responsibility for their own safety and that of others while at work.

Policies

Our health and safety strategy is set out in a Group-wide policy on occupational health and safety. The policy contains guidelines for creating a safe working environment and preventing accidents. Aside from general principles and values, it includes specific requirements for eight focus topics, such as the handling of hazardous substances and chemicals or fire protection. It applies to all staff working for the Group, i.e. both Group employees and non-Group employees, such as people provided by undertakings primarily engaged in employment activities and solo self-employed people without a direct employment contract with a Group company. The cross-functional health and safety team regularly reviews the policy, updates it as needed in line with legal requirements, and is responsible for its implementation and monitoring. The processes and instructions included in the policy are described in Group-wide and division-specific health and safety guidelines. These define responsibilities and mandatory minimum standards and meet the requirements of ISO 45001. The policy is available on the intranet and on our company website. We familiarize employees with the policy through mandatory annual online safety training and information on the intranet.

We also expect suppliers and service providers to comply with and pass on the safety standards to which we are committed. This is stipulated in the Supplier Code of Conduct.

Engaging with own workforce and workers' representatives

Quarterly meetings of the local occupational safety committees take place at sites within the EU. They facilitate communication between the employer and employees. The members make recommendations on occupational safety and accident prevention and adopt improvement measures to be implemented according to a set timeframe. In the German companies, the works councils represent the interests of employees in the occupational safety committees. At all sites worldwide, the health and safety managers provide information to local management at least every six months. The topic of occupational safety was included in the employee survey in 2023 ("Employee survey" subsection in subchapter 7.3.1.2 → page 157).

Processes and actions

The following section describes our actions in the area of occupational health and safety. They serve to implement our health and safety policy and thus contribute to the overall improvement of occupational safety. They are designed to be long-term and permanent, and not limited to a specific timeframe.

Accident analysis

We record accidents throughout the Group in order to identify accident hotspots and clusters and to take countermeasures. Depending on the severity of the accident, a direct report is made to the Dürr Management Board or the CEO. Particularly serious accidents are investigated separately by the cross-functional team. We classify accidents in three categories depending on their severity: major accident, serious accident, and minor accident. We classify the causes of accidents in ten categories, for example falls, fire, and explosions. The categorization corresponds to the focus areas of our prevention work and is intended to help avoid similar incidents in the future. We also record and analyze reported near misses on a monthly basis, and the findings are used as indicators of accident risks in our prevention work. The most common work-related injuries associated with our business activities are minor injuries, such as bruises, contusions, and cuts. Broken bones caused by falls or falling objects are less common.

Training

Online safety training for all employees is an important element of accident prevention. It is designed to familiarize employees with all safety-related regulations and enable them to apply these in their day-to-day work. The training consists of basic training for new employees and an annual refresher course. Participation is mandatory, tracked, and subject to an escalation process. Employees in particularly high-risk work areas, such as warehouses, logistics, manufacturing, assembly, commissioning, or technical centers, receive job-specific in-depth training. Training and safety briefings for in-house workers and non-Group employees working on construction sites for customer projects are carried out by trained safety coordinators. Service providers and other business partners can also take part in selected online training courses.

Managers receive training on their duties and responsibilities regarding occupational safety when they start their role and every three years thereafter. The continuous provision of information on the intranet aims to further promote awareness of occupational health and safety. Our training and communication measures focus primarily on key topics and findings from accident analyses.

Safety audits

Trained safety experts carry out regular on-site inspections and internal audits. The latter take place at least once a year. The on-site inspections and internal audits are documented and are intended to ensure compliance with guidelines and processes for occupational safety on construction sites and in plants and offices. If hazardous situations or work-related accidents do occur, they are investigated by the health and safety managers.

Health and safety management system

We comply with all relevant occupational health and safety laws and regulations. In addition, we establish a needs-based occupational health and safety standard for offices, production, and construction sites worldwide that exceeds the minimum legal requirements. This comprehensive health and safety concept contributes to a higher level of occupational health and safety within our scope of influence. This is reflected in lower accident rates compared to peers and in country- and sector-specific accident statistics. Our ISO 45001-certified occupational health and safety management system covers the safety of all internal and external employees, as well as business processes and workplace equipment. With our certified management system, we aim to minimize the risk of health-related issues and accidents in the workplace. The health and safety management system of the BBS Automation Group, acquired in 2023, is gradually being aligned with the Dürr Group standard. We plan to complete the alignment process by the end of 2025.

Financial risks related to occupational health and safety are taken into account in the Group-wide risk management system. Resources are allocated to managing occupational health and safety to ensure compliance with all relevant legal requirements and company policies. These primarily include financial resources, for example to ensure compliance with international standards, training, the free provision of personal protective equipment, and the regular inspection of work equipment and environments. Time resources and capacities for monitoring working conditions, as well as for regular safety audits and inspections are also provided.

The aforementioned actions aim to reduce the number of work-related accidents and lower associated financial risks, such as claims for damages directed against us. The effectiveness of these actions is tracked and evaluated using metrics and targets.

Metrics and targets

Metrics

The metrics for occupational safety have been classified in employee categories in accordance with ESRS S1. The company's own workforce consists of Group employees with a direct employment contract and non-Group employees, such as people provided by undertakings primarily engaged in employment activities and solo self-employed people without a direct employment contract with a Group company.

→ Table 2.101 contains metrics on occupational safety in accordance with ESRS S1. In addition, we collect and report values for subcontractor employees who, according to ESRS S2 AR 3, are considered value chain workers; these additional disclosures are clearly identifiable by their designation. Subcontractor employees are people who work on the premises or at the sites of Group companies but are employed by subcontractors. They represent a significant part of the workforce involved in on-site construction activities for customer projects. Since our Group-wide health and safety concept includes these people, the relevant occupational safety metrics relating to them are reported within the present topic-related Standard, Own workforce (S1). All reported health and safety metrics are subject to internal controls; however, no external validation is conducted.

The short-term incentive (STI), a variable compensation component for the Board of Management and the most senior management level of the divisions, has included an ESG target related to occupational health and safety since 2023. Since 2024, this has also applied to additional management levels.

2.101 — OCCUPATIONAL SAFETY METRICS

	2024	2023
Health and safety management system		
Percentage of Group employees covered by a health and safety management system (%)	100.0	–
Percentage of non-Group employees covered by a health and safety management system (%)	100.0	–
Percentage of workforce covered by a health and safety management system (%)	100.0	–
Reportable work-related accidents		
Number of reportable work-related accidents: Group employees	283	–
Number of reportable work-related accidents: non-Group employees	10	–
Number of reportable work-related accidents: workforce	293	–
Number of reportable work-related accidents[1]: subcontractor employees on construction sites	16	–
Total number of reportable work-related accidents[1]: workforce plus subcontractor employees on construction sites	309	–
of which number of fatalities: Group employees	0	–
of which number of fatalities: non-Group employees	0	–
of which number of fatalities: workforce	0	–
of which number of fatalities[1]: subcontractor employees on construction sites	0	–
of which number of fatalities[1]: other workers	0	–
Accident rates		
Accident frequency per 1 million hours worked: Group employees	7.6	–
Accident frequency per 1 million hours worked: non-Group employees	2.2	–
Accident frequency per 1 million hours worked: workforce	7.0	–
Accident frequency per 1 million hours worked[1]: subcontractor employees on construction sites	1.1	–
Accident frequency per 1 million hours worked[1]: workforce plus subcontractor employees on construction sites	4.4	–

[1] Excluding commuting accidents

In 2024, we recorded 7.6 accidents per 1 million working hours for our Group employees. In almost 90% of incidents, the accidents were minor, such as bruises, contusions, and cuts. Just under 20% of accidents were commuting accidents. The accident frequency for our own workforce and our subcontractor employees on construction sites is 4.4 accidents per 1 million working hours and does not include commuting accidents. Through mandatory health and safety training and safety briefings on construction sites, regular inspections by our site managers, and on-site audits, we strive for the most comprehensive recording of all accident occurrences. However, it cannot always be guaranteed with absolute certainty that minor accidents involving subcontractor employees, particularly on construction sites, are fully recorded. Subcontractors are generally obliged to report such accidents to us.

Health and safety targets

The overarching target of the health and safety strategy is to reduce the number of accidents. Indicators of the effectiveness of the corresponding actions include accident numbers and rates, the analysis of accidents and near misses, our safety audits, and the extension of certifications. These indicators also form the basis for the Group-wide targets we have defined and are monitored by the cross-functional health and safety team. The accident rate target relates to all workers who operate within our area of responsibility, based on our assessment. These include all Group employees and non-Group employees as well as all subcontractor employees on construction sites. The cross-functional health and safety team has presented the Dürr Management Board with proposals for targets and realistic improvements in the field of occupational health and safety based on the previous year's figures. The interests and concerns of employees, customers, or suppliers were not explicitly taken into account when setting the targets. However, through their participation in occupational safety committee meetings, the workers' representatives are involved in monitoring target achievement and developing improvement measures. The Dürr Management Board has assessed and approved the health and safety targets presented in → table 2.102 for 2024 and 2025.

2.102 — OCCUPATIONAL HEALTH AND SAFETY TARGETS

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Recording, analysis, and reporting of at least 70% of major near misses that occurred in the year	ongoing[1]	■■■■
Group-wide maximum of 11 work-related accidents per 1 million hours worked[2]	2024	■■■■
Conducting and documentation of at least 600 safety audits per year worldwide	2024	■■■■
ISO 45001 certification of all companies at Dürr Systems, Schenck, and HOMAG with operational value creation and sales of at least €10 million per year	2024	■■■□
Group-wide maximum of 8 work-related accidents per 1 million hours worked[2]	2025	□□□□
Conducting and documentation of at least 600 safety audits per year worldwide	2025	□□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

[1] The degree of target achievement is specified for 2024.
[2] Excluding commuting accidents

By the end of 2024, we had almost fully achieved our target of implementing ISO 45001 certification for all Dürr Systems, Schenck, and HOMAG companies with operational value creation and sales of at least €10 million per year. Two of the remaining Dürr Systems companies have already completed the pre-audit, while the certification of another company has been postponed to 2025.

7.3.1.5 Further training and skills development

Material impacts, risks, and opportunities

Further training and skills development are essential to us, as highly qualified, skilled staff are crucial to our business model. They help to develop new technologies and to execute customer projects in accordance with contracts. We have not identified any material negative impacts for this sustainability matter. One material positive impact is our ability to innovate. It forms the basis for developing more sustainable and efficient technologies, which can have long-term positive effects on people and the environment, for example by reducing GHG emissions to achieve global climate targets. The group of people affected by material positive impacts primarily includes our own workforce. Non-Group employees provided by undertakings primarily engaged in employment activities are only included in part, while those contracted under work and service agreements are not included.

We support and monitor the skills development of our employees through skills development and talent processes. Contemporary leadership, opportunities for individual growth, and a motivating work culture are intended to enhance employee satisfaction and retention, as well as our attractiveness as an employer. Our people development measures are designed to prepare employees for new tasks, for example in the areas of digitalization and AI.

A material financial risk arises from labor shortage, competition for skilled workers, and demographic change, which is leading to an increased number of employees from the baby boomer generation leaving the company. Inadequate succession planning, which may result in excessive workload and demotivation, can lead to a loss in innovative capacity, quality, and competitiveness.

We see a material opportunity in investing in further training and skills development. To ensure that we also have a qualified workforce in the future, we provide in-house vocational training, collaborate with cooperative state universities, and offer various opportunities for further training. The competency model helps to ensure that employees' skills align with the Dürr Group's strategy and business model in the long term.

Unless otherwise stated, the material financial risks and opportunities in the context of further training and skills development relate to all groups of people. We see no need to change the business model or strategy. We consider our actions sufficient to mitigate the risks we have identified and to seize opportunities.

2.103 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	No material negative impacts identified
Positive impacts	Own company: Our people development and training measures promote the professional and personal development of employees and enhance job satisfaction. In order to be innovative, we need well-qualified employees who receive ongoing training. Downstream value chain: Innovations contribute to the development of more sustainable and efficient technologies.
Financial risks	Own company: Competition for skilled workers, age-related retirements, demographic trends, inadequate succession planning, and the resulting excessive demands placed on employees and their demotivation can impair innovation capacity, quality, and competitiveness.
Financial opportunities	Own company: In-house vocational training can ensure the availability of future skilled staff. Further training for employees can increase work productivity. This applies in particular to the areas of digitalization and AI.

Governance and concepts

The overarching goal of our people development and further training concept is to support and develop specialist and managerial staff, thereby ensuring the future viability of the Dürr Group. Overall responsibility for human resources within the Group lies with Corporate Human Resources. The People Development and Change department, which is part of Corporate Human Resources, is responsible for managing, coordinating, and implementing people development measures. All managers are tasked with identifying and promoting the potential of employees. They support their employees in matters of personal development. The People Development and Change department monitors and promotes this process by advising managers and employees, providing suitable processes and tools, and offering people development measures. The divisions and their training officers are responsible for vocational training.

Our competency model and the evaluation and talent process form the basis for the development and further training of employees and are regulated in a Group works agreement, which is available on the intranet. The agreement was concluded by the Board of Management and the Group Works Council, both of whom are also responsible for compliance with its terms. It applies to all employees whose company is connected to our central human resources platform. The People Development and Change department implements the Group works agreement. The training assessment process and the training management system are also regulated in Group works agreements concluded by the Group Works Council and the Board of Management. The agreements, which are stored on the intranet, apply to employees at German locations with employee representation. When developing the training concept, the interests of employees were taken into account, such as the needs expressed in employee discussions.

Subchapter 7.3.1.2 → page 157 explains how the perspectives of our own workforce are integrated into decisions and processes aimed at addressing the actual and potential impacts on our workforce. In the context of further training and skills development, no material negative impacts on employees have been identified. Mechanisms for identifying, reporting, and investigating concerns are detailed in the section of the same name in subchapter 7.4.1.3 → page 180.

Processes and actions

The following section describes actions for the vocational training and further development of employees. They are designed to be long-term and permanent and not limited to a specific timeframe.

Vocational training

In-house vocational training is intended to help cover the demand for skilled workers and attract qualified junior staff for management positions. The Dürr Group Graduate Program is aimed at university graduates and focuses on the disciplines of technology & innovation, software engineering & data science, and finance. Internships, working student positions, and thesis opportunities are also offered across the Group. In this way, we aim to identify and attract potential talent. Metrics on training and graduation rates allow us to monitor the effectiveness of these actions.

Employee development

Our competency model, designed for employee development, includes several interdisciplinary skills that are essential for the implementation of the strategy. Based on the competency model, we piloted two new people development processes in 2024, which are to be gradually implemented throughout the Group: the evaluation process and the talent process. Managers carry out the evaluation process with their employees to assess skills and define development goals. The skills evaluation process generates a performance score, which serves as the basis for the subsequent talent process. Its goal is to prepare high-potential and high-performing employees for future roles as part of the Group-wide succession planning. We also use the performance score to track and evaluate the effectiveness of the actions.

Our orientation and development centers, which are likewise aligned with the competency model, also facilitate career planning. In the orientation center, employees receive feedback on their motivation and skills and can define personal learning areas and development measures. The development center is designed to develop future executives, incorporates feedback from managers and self-assessments, and results in a development plan. If employees take part in orientation and development centers as part of talent programs, the results are reviewed based on the participants' further career path.

The Dürr Group Academy (DGA) is a Group-wide platform that bundles all training offerings. We offer online training for all employees, covering topics such as leadership, working methods, and collaboration, as well as in-person training sessions that include communication and team development elements. Occupational safety, data security, and compliance are covered in mandatory training sessions. International corporate training sessions focus on topics such as project management, sales, and leadership, as well as skills enhancement for managers. All employees can use the multilingual learning platform LinkedIn Learning. The Working Out Loud (WOL) initiative promotes cross-functional collaboration, networking, and knowledge sharing. We evaluate the effectiveness of the actions based on metrics and feedback from participants.

Our practices in vocational training and employee development have no material negative impacts. To ensure this, we continuously evaluate the relevant offerings and take into account both the interests of employees and our corporate goals.

Metrics and targets

To ensure the availability of highly qualified specialists and managers and to further develop our people development processes and actions, we have defined qualitative targets for the areas of further training and skills development. These were defined by the People Development and Change department, taking into account findings from regular dialogue with workers' representatives and from employee surveys, among other things. The People Development and Change department is responsible for implementing people development measures and monitors target achievement based on project progress. The experiences of the participants are continuously recorded and incorporated into process improvements. As part of the regular employee surveys, employees throughout the Group have the opportunity to comment on progress in the area of further training and skills development.

2.104 — FURTHER TRAINING AND SKILLS DEVELOPMENT TARGETS

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Piloting of the new evaluation and talent process in the new HR IT tool	2024	■■■■
Implementation of talent pools and corresponding talent development programs	2024	■■■■
Further development and Group-wide roll-out of orientation and development centers	2024	■■■■
Development of a change management system to support strategic projects in the company	2024	■■■■
Introduction of talent reviews for talent identification and succession planning as part of the new talent process	2024	■■■■
Roll-out of the new evaluation and talent process[1]	2025	■□□□
Qualification of 15 employees in the handling of a tool for creating e-learning sessions to improve internal knowledge transfer	2025	□□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

[1] The roll-out group comprises employees (excluding industrial workers) and managers of the Group companies Dürr AG, Dürr Group Services GmbH (excluding employees from the information technology area), and Schenck RoTec GmbH in Germany, as well as the managers of Benz GmbH Werkzeugsysteme.

7.3.1.6 Corporate culture and diversity

This subchapter covers the following matters:

- Corporate culture (social matters)
- Diversity
- Equal treatment and opportunities for all
- Gender equality and equal pay for work of equal value

Our corporate culture aims to create and promote a cooperative environment. The basis for this is the One Vision corporate statement, which aims to contribute to employee motivation and satisfaction. This subchapter explains the social characteristics of our corporate culture and how they are promoted. Therefore, we deviate from the structure pursuant to ESRS 1 AR 16 regarding the disclosures on corporate culture and assign this information to the area of social information. This subchapter also deals with the topics of diversity and equal opportunities. Compliance-relevant matters of corporate culture, such as our Code of Conduct and the Dürr Group Integrity Line whistleblowing system, are included in the governance information in chapter 7.4.1 → page 178.

Material impacts, risks, and opportunities

Our business model is based on the innovative strength, motivation, further development, and productivity of our employees. Achieving this requires a positive corporate culture that fosters diversity, ensures equal treatment and opportunities, and thus prevents discrimination. Unequal treatment of employees can have material negative impacts on their personal and professional development in the medium and long term, which may adversely impact the company's performance. Any potential unequal treatment is not part of the business model. It primarily arises from individual misjudgments and a lack of consideration for diversity and inclusion matters. We want to promote a diverse corporate culture and reduce unequal treatment through various actions. Examples include the development and implementation of the One Vision corporate statement and the management of diversity and inclusion. The group of people who may be affected by unequal treatment includes the company's own employees as well as non-employees provided by undertakings primarily engaged in employment activities and those contracted under work and service agreements. The risk of unequal treatment is higher for minorities, for instance regarding background or gender. The findings are based on a 2024 pilot survey on diversity and inclusion conducted among employees in Germany. It should be noted that the proportion of women is particularly low in technical roles such as manufacturing or assembly.

In the medium to long term, there is a significant financial risk that unequal treatment decreases motivation and productivity, increases employee turnover, and leads to losses in know-how, particularly among the aforementioned minorities, such as women in technical roles. Since the interaction among employees and between employees and management is an inherent part of our business operations, we accept the associated risks and have implemented actions to prevent their occurrence whenever possible and to realize opportunities instead.

An appreciative, inclusive corporate culture and equal opportunities contribute to employee satisfaction and offer the opportunity to reduce employee turnover and recruitment costs in the medium and long term. This does not relate to specific groups of people but applies in principle to all our employees.

2.105 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Own company: Unequal treatment (for example in hiring, promotion, remuneration) could negatively impact the wellbeing of employees and hinder their personal and professional development.
Positive impacts	No material positive impacts identified
Financial risks	Own company: Unequal treatment (for example in hiring, promotion, remuneration) could lower morale within our own workforce. This can lead to decreased productivity, higher employee turnover, and losses in know-how and efficiency. At the same time, the costs of recruiting and onboarding new employees could rise.
Financial opportunities	Own company: The One Vision corporate statement and actions in the areas of diversity, equal opportunities, and inclusion increase employee satisfaction and thus productivity. A high employee retention rate reduces the costs of recruiting and onboarding new employees.

Governance and concepts

Concepts

The One Vision corporate statement describes the Group's values, purpose, vision, and mission with the aim of reducing unequal treatment, promoting better collaboration within the company, and increasing employee satisfaction. It applies to all our employees. Employees from various countries were involved in the development of the corporate statement in 2022. The resulting findings were further developed with management and then presented to the workforce. After another round of feedback with employees, One Vision was adopted.

The competency model corresponding to One Vision describes the the key areas of expertise for the Group and serves as the basis for people development (subchapter 7.3.1.5 → page 162). Managers were able to familiarize themselves with this and the corporate statement during workshops held in spring 2023. This was followed by so-called Values-Competencies Workshops, where employees engaged with the corporate values and the competency model within their teams.

One Vision and the competency model were approved by the Board of Management and are applicable to the entire workforce. Their implementation is primarily the responsibility of the managers. Ongoing information about both is provided on the intranet to foster acceptance and application. We familiarize new employees with them during onboarding events. Implementation is tracked as part of the employee surveys.

At Group level, a designated official develops and implements actions to promote diversity and equal opportunities and coordinates these with Corporate Human Resources. Additionally, there are Equal Opportunities Officers at the German locations who advocate for work-life balance, among other things. Representative bodies for employees with severe disabilities represent the interests of and provide support to those concerned.

Policies

The Dürr Group aims to promote diversity, equal opportunities, and inclusion and to eliminate discrimination. Our Code of Conduct ("Code of Conduct" subsection in subchapter 7.4.1.2 → page 179), and the Policy Statement on the Respect for Human Rights ("Policies" paragraph in subchapter 7.3.1.7 → page 170) describe the applicable governance. We do not tolerate discrimination and treat all individuals and groups equally, regardless of personal or genetic features, including gender, and irrespective of skin color, nationality, ethnic or social origin, language, religion, belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation. Neither do we tolerate harassment or other forms of discrimination covered by EU and national law. Our Group-wide due diligence process for respecting human rights includes various elements to prevent discrimination and harassment ("Governance and concepts" subsection in subchapter 7.3.1.7 → page 170). Among other things, employees are informed about the prohibition of discrimination through mandatory annual compliance online training and on the intranet. In addition, we initiated the development of a concept for promoting diversity and inclusion in 2024.

The remuneration paid to employees in Germany is largely governed by collective bargaining agreements negotiated by the employers' associations of the metal and electrical industries and the IG Metall metalworkers' union. If there is no collective bargaining agreement in place, corresponding contracts are concluded between the Group company and its employees or their representatives. In both cases, the General Equal Treatment Act (AGG) must be observed, which is intended to protect employees against discrimination. The Pay Transparency Act, which is also applicable, aims to reduce the gender pay gap and promote transparency in pay structures. The HR departments are responsible for ensuring equal treatment. Comparable regulations apply at our locations abroad. Remuneration is either governed by collective bargaining agreements or defined in individual contracts in accordance with local regulations and taking into account the principle of equal treatment.

Engaging with own workforce and workers' representatives
To promote a positive working environment and reduce discrimination and unequal treatment, we want to firmly establish the One Vision corporate statement by engaging with the workforce. We primarily measure implementation through employee surveys ("Employee survey" subsection in subchapter 7.3.1.2 → page 157). The last survey took place in September 2023 and included questions about the level of awareness of the corporate statement, the associated values, and their acceptance among employees. All aspects received a high level of approval.

Furthermore, a pilot survey on diversity and inclusion among employees in Germany was conducted in the 2024 reporting year. Employees from potentially disadvantaged groups, such as women, were also interviewed. As a result, we found no evidence of systematic discrimination or deliberate exclusion of any groups of people. However, topics such as sexism, lack of career opportunities, and inappropriate remarks were identified as areas of concern on occasion. Responsibility for incorporating the survey results into the corporate statement lies with the One Vision project management, which reports to the CEO.

Processes and actions

Prevention of unequal treatment and discrimination
The identification of suitable processes and actions to prevent and avoid unequal treatment and discrimination is based on regular communication between management and workers' representatives, strict compliance with relevant legal regulations, and the sharing of best practices with companies in comparable industries.

When hiring staff, we ensure equal opportunities and take individual needs into account, for example by offering flexible working time models and mobile working. Employees can opt for part-time work arrangements in consultation with their superiors. At companies in Germany subject to collective bargaining agreements, pay scale employees with children or dependents in need of care, as well as those working shifts, are entitled to eight additional days off.

In the interest of equal opportunities, we strive for equal pay. In hiring, promotions, and all other salary-related processes, our objective is to ensure that employees with the same skills and in the same position receive the same salary. In Germany, all staff employed under the terms of a collective bargaining agreement (pay scale employees) receive an annual performance assessment, while non-pay scale employees have a target agreement, the achievement of which is assessed in the following calendar year. Upon request, comparative salaries are disclosed in accordance with the Transparency in Wage Structures Act. Since 2024, we have additionally used the UNGC's Target Gender Equality program to help us develop and implement actions for the fair participation of women in the company. The targets are to increase the representation and inclusion of women, particularly in management positions, and to reduce the gender pay gap. Following an initial status quo analysis of the gender pay gap in September 2024, we have set ourselves the target of implementing a system to determine the adjusted gender pay gap across all EU Group companies in 2025.

Actions against unequal treatment and discrimination also include the employee survey and the follow-up processes for teams that warrant attention. These processes are individually designed, implemented, and tracked, depending on the nature and scope of the challenge.

Another action to prevent unequal treatment and discrimination is the consistent communication of our values-based corporate statement, One Vision. Among other things, we present One Vision at onboarding events for new employees. This aims to ensure that all employees become familiar with the company's values early on, thereby promoting their positive contribution to respectful collaboration within the team. This ongoing action is organized by the Human Resources department. In addition, we conducted a survey among managers in 2024 to assess the progress of implementation for One Vision. In response to the survey results, we have enhanced our intranet reporting. Managers receive a newsletter on this topic several times a year. In addition, the People Development and Change department organizes workshops for teams that want to engage more deeply with the values. The financial expenses for the One Vision project are not material in proportion to the total cost of the Group.

Preventing and eliminating unequal treatment and discrimination involves a low-threshold reporting process with consistent tracking via our whistleblowing system. In this context, we also assess the extent to which our practices have material negative impacts on our employees, and we track the effectiveness of our actions and initiatives. Through our whistleblowing system, Dürr Group Integrity Line, ("Mechanisms for identifying, reporting, and investigating concerns" subsection in subchapter 7.4.1.3 → page 180), we provide a public and, if desired, anonymous reporting process for all employees. In 2024, we followed up on reports of potential discrimination or harassment of employees. In confirmed cases, we issue warnings to the person causing the incident or terminate the employment relationship.

Managing diversity

In 2023, we launched a project for managing diversity and inclusion. It aims to further enhance employee satisfaction through the active management of diversity and inclusion and to better leverage the productivity potential of diverse teams. In the reporting year, we conducted a pilot survey at several locations in Germany. Based on the results, a training course was developed which is scheduled to take place in spring 2025 for employees in the human resources area in Germany. Additionally, we plan to offer e-learning courses to employees. The project is planned to extend over several years. In the pilot phase, we are focusing on the companies of Dürr AG, Dürr Systems AG, and Dürr Group Services GmbH in Germany. The planned activities involve our own employees, including management and leadership.

Metrics and targets

The metrics shown in → tables 2.106, 2.107 and 2.108 refer to employees as defined in Annex II of the ESRS. Employees of the Dürr Group are staff members with a direct employment contract with a Group company (Group employees). The data was collected in compliance with data protection regulations and includes numbers of people.

Diversity metrics

2.106 — GENDER DISTRIBUTION AT TOP MANAGEMENT LEVEL[1] BELOW THE BOARD OF MANAGEMENT (DEC. 31)

	2024		2023	
	absolute	%	absolute	%
Male	54	96.4	–	–
Female	2	3.6	–	–
Diverse	0	0	–	–
Not reported	0	0	–	–
Total	**56**	**100.0**	**–**	**–**

[1] The top management level includes Group executives who have been appointed by the Board of Management of Dürr AG as Dürr Group Executives (DGE).

2.107 — DISTRIBUTION OF EMPLOYEES BY AGE (DEC. 31)

	2024	2023
< 30 years	3,697	–
30 to 50 years	11,012	–
> 50 years	5,185	–
Total	**19,894**	**–**

Remuneration metrics

2.108 — GENDER PAY GAP AND ANNUAL TOTAL REMUNERATION RATIO

	2024	2023
Gender pay gap (%)	22.6	–
Annual total remuneration ratio (%)	52.2	–

The difference between the average gross hourly pay of female and male employees as a percentage of the average gross hourly pay of male employees is calculated in accordance with ESRS S1 AR 98 a and b. The gender pay gap is not adjusted for factors such as management level, job status, location, experience, or age. Therefore, no conclusions can be drawn as to whether comparable remuneration is paid for roles of equal value. A step-by-step introduction of a global grading system is planned to achieve comparability going forward. The first step is to implement the system in all Group companies in the EU by the end of 2025. Other regions are to follow in stages. An analysis of the gender pay gap at country level found no correlations regarding the size of the national company, geographic region, or the level of development. In Germany, the collective bargaining system and the associated remuneration framework agreement (ERA) ensure largely equal pay for work of equal value. Some Group companies abroad are also bound by collective bargaining agreements. We therefore assume that the gender pay gap is mainly due to the fact that more men work in management positions and better-paid functional areas.

The ratio of the annual total remuneration of the highest-paid individual to the median of annual total remuneration of all employees (excluding the highest-paid individual) is calculated in accordance with ESRS S1 AR 101 a, b, and c. The total remuneration ratio is determined by the regional distribution of employees and the functional distribution of activities in different areas such as R&D, engineering, sales, and manufacturing.

Discrimination including harassment

The disclosures in → table 2.109 relate (subject to relevant data protection regulations) to reported incidents of discrimination, for example on the grounds of gender, ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination. This includes incidents of harassment as a specific form of discrimination.

2.109 — INCIDENTS OF DISCRIMINATION

	2024	2023
Number of reported incidents of discrimination, including harassment	7	–
Significant associated financial expenses (fines and damage compensation payments) (€ million)	0.1	–

Damage compensation payments are included in the personnel expenses (→ table 4.22 in the notes to the consolidated financial statement).

Targets

We have set ourselves targets in the areas of corporate statement and employee satisfaction, diversity and inclusion, and equal treatment. We derived the diversity and inclusion targets from the results of the pilot survey described above. The other targets were set without the involvement of employees or their representatives. Various departments within the company are responsible for implementing the relevant actions and monitoring target achievement based on project progress: The One Vision project management is responsible for the target relating to the Values-Competencies Workshops; the People Development and Change department is responsible for the targets relating to the follow-up and pulse surveys; and the Diversity and Equal Opportunities Officer, together with the HR department, is responsible for the targets relating to diversity and inclusion. Corporate Human Resources is in charge of implementing a system to determine the adjusted gender pay gap. The tracking of targets and the identification of opportunities for improvement are closely coordinated with the Dürr Group Works Council.

2.110 — CORPORATE CULTURE AND DIVERSITY TARGETS

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Corporate statement and employee satisfaction		
Follow-up surveys in all teams with noticeably negative results in the 2023 employee survey	2024	■■■■
Random pulse survey on a focus topic relevant to the Group	2025	□□□□
Conducting Values-Competencies Workshops at HOMAG and the BBS Automation Group to embed the corporate statement, with a participation rate of at least 80% of employees	2025	□□□□
Diversity and inclusion		
Diversity and inclusion training for employees in the human resources area in Germany	2025	□□□□
Development of e-learning content on diversity and inclusion	2025	□□□□
Equal treatment		
Introduction of a system to determine the adjusted gender pay gap in all EU Group companies	2025	□□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

7.3.1.7 Decent work and human rights

This subchapter deals with the topics of working conditions and respect for human rights and includes the following matters:

- working conditions in terms of secure employment, working time, adequate wages, social dialogue, freedom of association, the existence of works councils, and the information, consultation and co-determination rights of workers, collective bargaining, work-life balance
- other work-related rights in terms of child labor, forced labor, and adequate housing

Information on equal treatment and equal opportunities can be found in subchapters 7.3.1.5 → page 162 and 7.3.1.6 → page 165. We address the matter of privacy in the context of data protection in chapter 7.4.2 → page 182.

Material impacts, risks, and opportunities

Our business requires timely order execution and customer-oriented service. Adherence to schedules when implementing customer projects can lead to short-term material negative impacts on the working conditions of the workforce associated with long working hours. Such impacts can arise, for example, in project business and during service assignments with tight schedules and unforeseen events on construction sites. Compliance with maximum permitted working hours, break regulations, and rest periods is therefore a challenge and is handled on a case-by-case basis. Long working hours are particularly common in project management and service as well as on customer construction sites during assembly, especially as the volatile plant engineering business is characterized by temporary peaks in workload. This assessment is based on analyses of our business operations, feedback discussions with employees and workers' representatives, feedback from the HR department, and the evaluation of working time accounts.

We need well-trained and highly qualified, skilled staff for our business processes. To meet this requirement, despite the competitive labor market, and to retain employees, we offer fair working conditions and additional employer benefits. With this in mind, we have identified short-term material positive impacts on our workforce. We predominantly offer permanent and standardized employment contracts, which in Germany are usually subject to collective bargaining agreements. In our Code of Conduct and our Policy Statement on the Respect of Human Rights, we commit to freedom of association, the right to collective bargaining, and the right to strike. Works councils, other workers' representations, and committees advocate for employees at multiple sites. Multi-site and site-specific works agreements, for example on flexible working hours and locations, improve the work-life balance. Employees at the German sites in particular benefit from collective bargaining agreements, for example on working hours and remuneration, and from works agreements.

The group of people affected by material impacts includes staff members with a direct employment contract with a Group company (Group employees). Non-Group employees provided by undertakings primarily engaged in employment activities and those contracted under service and contract agreements are not included.

No material risks and opportunities were identified in connection with working conditions or other employment-related rights in the company's own business area. There were no indications of incidents of child labor or forced labor within the company at the time of publication of this report.

2.111 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Own company: Tight project schedules lead to long working hours in some areas, which can potentially be associated with a reduction in quality of life, health issues, and decreased satisfaction among those concerned.
Positive impacts	Own company: The Group creates the basis for good working conditions through various labor law components.
Financial risks	No material financial risks identified
Financial opportunities	No material financial opportunities identified

Governance and concepts

Concepts

The Group is committed to promoting human rights and fair working conditions and aims to neither cause nor contribute to human rights violations. To this end, a due diligence process with an annual risk analysis has been implemented as a core element. The preventive and remedial actions outlined therein are reviewed for their appropriateness and effectiveness. We also incorporate insights from incoming complaints and whistleblowing tips into the continuous improvement of the process. The risk analysis is conducted at all Group companies and relates to issues such as human trafficking, forced labor, and child labor.

The overall responsibility for human rights due diligence lies with the Board of Management. Dürr AG's Human Rights Officer supports and monitors the processes for compliance with human rights within the Group and in the supply chain. The cross-functional Human Rights Advisory Group advises and supports specialist departments in complying with and implementing human rights due diligence.

Policies

Respect for internationally recognized human rights, as set out in the International Bill of Human Rights, and compliance with the ten core labor standards of the ILO are essential to us. In implementing our due diligence, we follow the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This means that we establish suitable processes to identify potential and actual negative human rights impacts and to take countermeasures. These include mechanisms to assess and monitor compliance with labor and human rights, to involve employees' interests, to take preventive and remedial action, and to address employees' complaints and concerns. The aim is to avoid, end, or, if necessary, remediate negative impacts on human and labor rights. Our approach to respecting human rights (including labor rights) includes specific actions to provide remedy for negative impacts on human rights or working conditions. Information on this can be found in the "Processes and actions" subsection in the subchapter 7.3.1.7 → page 170. The approach is described in the Policy Statement on the Respect for Human Rights, which applies in addition to the Code of Conduct. The statement forms the basis for fulfilling our social responsibility along the entire value chain. In this statement, we commit to rejecting all forms of child labor and forced labor, as well as to prohibiting human trafficking.

Processes and actions

Due to our project business, our business model is associated with negative impacts on our workforce as a result of long working hours. Whenever possible, we strive to limit these by implementing processes and taking action. We closely monitor employees' working hours and use ongoing actions for this purpose. In order to comply with legal requirements, many locations in Germany and abroad use systems and processes to record working hours. In the event of inadequate or excessively long working hours, employees and managers are encouraged to raise any issues at an early stage. Managers are made aware of working time regulations, especially in time-sensitive projects. In Germany, works agreements applicable across the locations regulate the handling of overtime and additional work. In certain cases, the HR department and the works council must be involved in matters concerning working hours, and individual action plans for reducing overtime must be presented. The effectiveness of such plans is ensured through reviewing the reduction in working time accounts. Additional work is usually subject to surcharges and must be authorized by management and coordinated with the works council to ensure that the workload in various areas is always transparent. Employees can comment on their workload in employee surveys and in performance and development reviews. If necessary, we take appropriate action, such as reviewing and adapting work processes or providing additional resources. These actions are implemented on an ongoing basis and are continuously monitored to ensure their effectiveness.

We advocate for secure employment relationships and compliance with labor laws and regulations, we provide adequate wages, and we respect freedom of association, the right to strike, and collective bargaining agreements. The Code of Conduct highlights that employees abroad are also free to participate in representative bodies in accordance with national laws. Most of the German Group companies are bound by collective bargaining agreements; this has been shown to contribute to better working conditions. Employees enjoy additional benefits from site-specific and multi-site works agreements, for example regarding flexible and mobile working, which promote work-life balance. We have validated the positive impacts associated with this through random surveys and interviews with employees. There are additional employer benefits provided by various Group companies relating to company pension, capital-forming benefits, paid sick leave, accident and foreign health insurance, and a voluntary profit-sharing bonus. We also offer sports, health, and stress prevention courses as well as cultural activities for work-life balance.

The allocation of financial resources, human resources, and training budgets as well as the attention of management are to ensure that material impacts regarding working conditions are managed appropriately.

Metrics and targets

The metrics shown in → tables 2.112 and 2.113 relate to employees as defined in Annex II of the ESRS. Employees of the Dürr Group are staff members with a direct employment contract with a Group company (Group employees). All reported metrics are subject to internal controls; however, no external validation is conducted.

In the EEA, we are bound by various collective bargaining agreements. As of December 31, 2024, 47.9% of the Group workforce were covered by collective bargaining agreements.

Collective bargaining coverage and social dialogue

2.112 — COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE (DEC. 31)

	Collective bargaining coverage	Social dialogue
Coverage rate	Employees - EEA[1] (for countries with > 50 employees representing > 10% total employees)	Workplace representation (EEA only[1]) (for countries with > 50 employees representing > 10% total employees)
0% to 19%	–	–
20% to 39%	–	–
40% to 59%	–	–
60% to 79%	Germany	–
80% to 100%	–	Germany

[1] European Economic Area (EEA)

Adequate remuneration

All employees receive adequate remuneration in line with applicable benchmarks. We have determined the level of adequate remuneration on the basis of local minimum wages and benchmarks.

Working conditions and human rights

2.113 — INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS

	2024	2023
Number of complaints in connection with working conditions and other work-related rights	20	–
Significant associated financial expenses (fines and damage compensation payments) (€ million)	0	–

→ Table 2.113 shows the number of complaints received via various channels in connection with aspects of working conditions and other work-related rights. The complaints were related to social misconduct, promotions, and working hours, among other things.

In 2024, the total amount of fines, sanctions, and damage compensation payments in connection with incidents of discrimination (→ table 2.109), including harassment, and related to working conditions and other employment-related rights (→ table 2.113), amounted to €0.1 million. These are included in the personnel expenses (→ table 4.22 in the notes to the consolidated financial statements).

In 2024, we did not identify any serious incidents relating to human rights, such as forced labor, human trafficking, or child labor, in our own business area.

Targets

We consider decent work and the respect for human rights as fundamental prerequisites for cooperation within the Group. We therefore pursue the overarching target of continuing to ensure fair working conditions, respecting human rights, and responding to the needs of employees. This involves cooperation with works councils, trade unions, other representative bodies, and employees. At the German locations, the Dürr Group Works Council monitors compliance with fair working conditions and negotiates key improvement measures with the Board of Management. The workers' representatives regularly consult with management to track targets and develop improvement measures at Group companies abroad.

To strengthen the rights of employees and promote uniform standards for the representation of employee interests in Germany, the target shown in → table 2.114 for the year 2025 was defined in consultation with the Group Works Council. We will provide information on progress toward achieving the target as part of our regular reporting.

2.114 — DECENT WORK AND HUMAN RIGHTS TARGETS

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Election and formation of a works council at the main German production site of the BBS Automation Group	2025	□□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

7.3.1.8 Characteristics of the company's workforce

All metrics contained in this subchapter were collected in compliance with data protection regulations and contain personnel numbers.

2.115 — NUMBER OF EMPLOYEES BY GENDER (DEC. 31)

	2024	2023
Male	16,222	–
Female	3,670	–
Diverse	1	–
Not reported	1	–
Total	**19,894**	**–**

The total number of employees is also specified in → table 4.93 in the notes to the consolidated financial statements.

2.116 — NUMBER OF EMPLOYEES BY COUNTRY (DEC. 31)

	2024	2023
Germany	9,216	–
China	3,124	–

The information is broken down by country for countries in which we have 50 or more employees, accounting for at least 10% of the total workforce of the Dürr Group.

2.117 — NUMBER OF EMPLOYEES BY EMPLOYMENT RELATIONSHIP AND GENDER (DEC. 31)

	2024					2023				
	Female	Male	Diverse	Not reported	Total	Female	Male	Diverse	Not reported	Total
Number of employees	3,670	16,222	1	1	**19,894**	–	–	–	–	**–**
Number of permanent employees	3,186	14,498	1	0	**17,685**	–	–	–	–	**–**
Number of temporary employees	471	1,673	0	1	**2,145**	–	–	–	–	**–**
Number of non-guaranteed hours employees	13	51	0	0	**64**	–	–	–	–	**–**

2.118 — DEPARTURES FROM THE COMPANY

	2024	2023
Number of employees who left the company	2,763	–
Employee turnover (%)	13.9	–

The disclosures for the 2024 fiscal year reflect the employee turnover within this fiscal year.

7.3.2 WORKERS IN THE VALUE CHAIN (S2)

Diverging from the requirements of ESRS 2, we report on the material impacts on workers at our sub-tier suppliers regarding health and safety in subchapter 7.3.1.4 → page 158. This chapter contains all further information on the following sustainability topics:

- working conditions in relation to secure employment, working time, adequate wages, social dialogue, freedom of association, the existence of works councils, collective bargaining, and work-life balance
- other labor-related rights in relation to child labor, forced labor, adequate housing, water and sanitation, and privacy

7.3.2.1 Material impacts, risks, and opportunities

Our business operations focus on the engineering of efficient production technology; therefore, they are associated with a low real net output ratio. We procure goods, raw materials, and services from almost 30,000 suppliers worldwide and are part of an extensive and complex supply chain. This can result in short-term material potential negative impacts on workers in the upstream value chain. These include, for example, inadequate occupational safety, low wages, and insecure working conditions.

In identifying and assessing material potential and actual impacts on workers in the value chain, we have focused on the workers of our direct suppliers (tier-1 suppliers). Here, negative impacts typically occur in the area of occupational health and safety. Specifically, these are occupational health and safety risks for workers of suppliers involved in the production or processing of upstream products. This assessment is based on analyses of our business operations, insights from supplier audits, as well as on-site inspections and safety audits on construction sites. Details on managing impacts, risks, and opportunities can be found in subchapter 7.3.1.4 → page 158.

We have taken initial steps and, for mechanical and plant engineering, also looked at the potential negative impacts on workers in the indirect upstream value chain (tier-N suppliers). The extraction of primary raw materials, such as iron, which is required for the production of metals and alloys, takes place under difficult conditions and is associated with short-term health and safety risks for workers in mines. There are short-term human rights risks in the upstream value chain for electronic subcomponents, for example in the form of excessive overtime, low wages, discrimination, and violations of freedom of association. Particularly serious human rights risks, such as child and forced labor, can occur mainly in the extraction of primary raw materials, such as rare earths and so-called conflict minerals (gold, tin, tantalum, tungsten), in the first stages of value creation in certain countries outside the EU.

We have no indications of incidents of child or forced labor that are specifically related to our business operations or our products. Incidents of child labor or forced labor cannot be ruled out in the raw material supply chains, such as those for metals or electronic components contained in our products.

Inadequate working conditions and safety standards in the supply chain can lead to material financial risks. Examples include delivery delays, quality issues, and reputational risks, which could have a negative impact on our financial position and financial performance and our cash flows. At the same time, increasing regulatory requirements for occupational safety result in higher financial expenses for compliance with regulations and obligations. Legal risks, such as claims for damages or liability for labor rights violations, are also financial risks in the context of decent work and human rights in the supply chain. They could negatively impact our financial position and financial performance and our cash flows. No material risks arising from any impacts in connection with certain groups of workers in the value chain were identified.

We address the negative impacts in our supply chain through a human rights due diligence process. In doing so, we ensure that we work with responsible suppliers and oblige them to comply with the social and human rights requirements of our Supplier Code of Conduct. We intend to expand this process going forward.

We consider our business model and strategy to be sufficiently resilient to manage material risks and negative impacts of our operations on value chain workers. We address potential supply chain disruptions due to inadequate working conditions and safety standards through a diversified supplier network. We ensure compliance with our due diligence obligations in the supply chain and reduce financial risks through Group-wide human rights risk management. The resilience of our strategy and business model regarding supply chain workers was analyzed in interviews with the procurement department as part of the materiality assessment. The key foundations for the assessment are decades of knowledge of our business processes and our supplier network and supplier structure.

2.119 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Upstream value chain: In our upstream value chain, workers can be impacted by inadequate occupational safety, low wages, and unsafe working conditions. We cannot rule out human rights violations, including child and forced labor, primarily in connection with the extraction of so-called conflict minerals in the upstream value chain.
Positive impacts	No material positive impacts identified
Financial risks	Own business area: Inadequate working conditions in the upstream value chain can lead to disruptions in the supply chains, have a negative impact on our financial situation, and result in losses in sales. Failure to comply with human rights due diligence obligations in the supply chain can result in financial losses.
Financial opportunities	No material financial opportunities identified

7.3.2.2 Engaging with value chain workers

Our human rights risk management in relation to value chain workers is designed, among other things, to consider the interests of those potentially concerned. As part of our preventive actions, we engage in dialogue with high-risk suppliers and carry out random checks on compliance with human rights and labor standards, including on site. The frequency of communication varies depending on the individual risk profile of the supplier, the commodity group, and the purchasing volume. The Supplier Code of Conduct sets out our expectations regarding ethical behavior and compliance with human rights standards. We promote and monitor the fulfillment of our requirements through supplier management, which is part of the procurement process. We are available for questions and feedback from suppliers. In the event of human rights violations, we seek appropriate solutions in consultation with the parties involved in accordance with the procedural principles of our whistleblowing policy. There is currently no standardized Group-wide process for incorporating the views of supplier employees on human rights issues and working conditions.

7.3.2.3 Remediating negative impacts: processes and reporting channels

Our process to provide remedy for human rights violations and the corresponding grievance mechanism are based on the United Nations Guiding Principles on Business and Human Rights, and on the OECD Due Diligence Guidance for Responsible Business Conduct. Value chain workers can report information on potential violations of labor standards, human rights, and ethical corporate principles through various channels. This option, along with the corresponding channels, is set out in the Supplier Code of Conduct. The rules of procedure available on the company website describe the complaints process. To ensure that the remedial actions do indeed contribute to an improvement or resolution, we regularly assess their effectiveness through feedback discussions and supplier audits.

The Dürr Group Integrity Line, which is the publicly accessible whistleblowing system established by the Dürr Group, allows supplier employees to submit concerns and reports, for example regarding labor and safety standards. Once the Corporate Compliance Officer has reviewed the reports, those involving potential human rights violations are assigned to the Human Rights Officer. Subsequently, both officers jointly initiate specific actions and monitor their progress. We guarantee the protection of whistleblowers in our corresponding rules of procedure and internal company directive, among other things. We regularly assess the effectiveness of the grievance mechanism based on the number of complaints and the analysis of complaint statistics.

7.3.2.4 Governance and concepts

Concepts

With regard to human rights, our corporate due diligence extends not only to our own employees but also to supply chain workers. To fulfill our due diligence obligations, we follow the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The scope of our due diligence covers direct suppliers worldwide and focuses on activities we require for manufacturing our products and delivering our services. We follow up on violations of human and labor rights among indirect suppliers, provided we obtain substantiated knowledge of such violations. In 2024, no incidents of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises were reported to us.

Overall responsibility for human rights due diligence lies with the Board of Management. On January 1, 2023, the company appointed a Human Rights Officer, who oversees the processes to ensure compliance with human rights within the Group and its supply chain. She maintains regular communication with the departments responsible for operational implementation and monitors the processes and progress. She informs the Board of Management and the Dürr Management Board about current human rights issues and any incidents at least once a year. The Human Rights Advisory Group is responsible for providing operational support for human rights due diligence processes. This cross-functional working group supports human rights activities within our own business area and in the supply chain, for instance in risk analyses, training, preventive and remedial actions, as well as for monitoring the effectiveness of these actions. The operational implementation of human rights due diligence in the supply chain is the responsibility of the local procurement departments and is centrally managed.

Policies

Our approach to human rights due diligence is set out in the Policy Statement on the Respect for Human Rights. It is publicly available to suppliers and other stakeholders on the company website. The policy statement describes the elements of our due diligence.

These include risk analysis, the implementation of preventive actions, the use of remedial actions in the event of human rights violations to address issues within our scope of influence, as well as the grievance mechanism and the expectations we have of our suppliers. The objective is to avoid, end, or, if necessary, remediate negative impacts on human and labor rights. Our approach to respecting human and labor rights includes specific actions to remediate negative impacts on human rights or working conditions. The policy statement is regularly updated based on current insights, such as supplier audits and complaints.

The design and implementation of human rights due diligence are governed by the Group-wide company directive entitled "Human rights and working conditions". The Supplier Code of Conduct forms the basis for cooperation with business partners and suppliers and is part of our supplier contracts. It calls for compliance with human rights and includes, among other things, the prohibition of human trafficking, forced labor, and child labor. Our regulations and prohibitions in this regard refer to Conventions 29, 105, 138, and 182 of the ILO and Article 32 of the United Nations Convention on the Rights of the Child. In 2024, we revised the Supplier Code of Conduct in light of increased regulatory requirements, customer demands, and insights from interactions with suppliers, and we adjusted our expectations accordingly. Among other things, we included international human rights standards and the ten core labor standards of the ILO; these also cover the core labor standards for occupational health and safety (ILO Conventions 155 and 187).

7.3.2.5 Processes and actions

In order to allocate resources appropriately, we conduct annual risk analyses of our direct suppliers and prioritize them. Analyses can also be carried out on an ad-hoc basis if prompted by substantiated knowledge of specific circumstances or a significant change in business activity. The last regular analysis took place in the second half of 2024 as part of our human rights risk management for direct suppliers. In order to assess identified potential high-risk suppliers in detail, we use self-assessment questionnaires to determine the actual risks. We ask suppliers from high-risk countries and industries to use the IntegrityNext platform to provide us with information on how they address human rights, labor standards, and other sustainability topics. Suppliers must state, for example, whether they have processes in place to comply with occupational safety regulations and fair working conditions. Based on this, a risk classification of suppliers is conducted using the traffic light colors.

We require high-risk suppliers to implement the following preventive actions as part of the annual due diligence process:

- They must sign the Supplier Code of Conduct and accept it as part of the contract. In doing so, they confirm our principles of responsible corporate governance, human rights due diligence, and environmental management, as well as their knowledge of the Dürr Group Integrity Line.
- An e-learning module informs high-risk suppliers about human rights, other sustainability topics, the Code of Conduct, and the Dürr Group Integrity Line.

If necessary, we hold feedback meetings with high-risk suppliers we have identified and prioritized, and we draw up individual action plans and timetables and monitor their implementation. Prioritization is based on criteria such as purchasing volume and commodity group. In the Woodworking division, we conduct on-site audits of suppliers on sustainability and quality aspects on an ongoing basis. The audit team assesses compliance with the ESG standards set out in the Supplier Code of Conduct. Shortcomings are frequently identified in connection with occupational safety standards. In the event of non-compliance with ESG standards, we issue recommendations and set deadlines for improvement. We review their implementation through re-audits. In addition, we have developed a bonus-malus system that includes criteria on labor standards and human rights, among other things, and is due to become part of the purchasing process going forward.

The aim of the actions listed is to mitigate negative impacts on direct supplier employees and reduce the associated financial risks. These include, for example, claims for damages due to inadequate safety standards or poor working conditions at direct suppliers.

Financial risks in connection with legal regulations on the implementation of human rights due diligence in the supply chain are taken into account in the Group-wide risk management. To prevent material negative impacts on value chain workers, management dedicates time and attention to this issue. In addition, we allocate financial resources. They are directed, for example, toward personnel resources, risk analyses, and preventive actions such as training and audits.

7.3.2.6 Metrics and targets

In 2024, there were no reports of serious issues or incidents related to human rights in the upstream and downstream value chain. To reduce negative impacts on workers of direct suppliers and minimize financial risks, we have set ourselves corresponding targets. In doing so, we used the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct as a guide. The setting of targets was not preceded by a dialogue with supply chain workers or their representative bodies. Insights from the actions implemented are reflected in the targets. The primary focus in defining the targets was to quantify the effectiveness of the due diligence process. To assess the effectiveness of our preventive actions, we pursue the ongoing target of ensuring that at least 90% of tier-1 high-risk suppliers have signed the Supplier Code of Conduct and completed a sustainability training course. This is to ensure that the majority of high-risk suppliers understand our expectations with regard to human rights standards and become more aware of the respect for human rights. The Human Rights Officer monitors the quantitative targets listed in → table 2.120, based on the metrics.

2.120 — TARGETS FOR WORKERS IN THE VALUE CHAIN

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Completion of the self-assessment questionnaire by at least 90% of high-risk suppliers	2024	■■■□
Signing of the Supplier Code of Conduct by at least 90% of high-risk suppliers	ongoing[1]	■■■□
Completion of the e-learning module on sustainability by at least 90% of high-risk suppliers	ongoing[1]	■■■□
Development and implementation of a financial incentive system for suppliers to increase transparency and sustainability in the supply chain	2024	■■□□
Conducting 15 feedback discussions with prioritized high-risk suppliers[2] to formulate development measures in the area of sustainability	2025	□□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

[1] The degree of target achievement is specified for 2024.
[2] The prioritization of high-risk suppliers depends, among other factors, on purchasing volume and commodity groups.

We did not fully achieve our targets in 2024. Delays in the risk analysis and insufficient involvement on the supplier side led to the targets for the self-assessment rate and participation rates in mandatory preventive actions (signing the Supplier Code of Conduct, completion of the e-learning module on sustainability) not being achieved. As a precaution, we have suspended our business relationships with high-risk suppliers who have not fully implemented the mandatory preventive actions. The development of a financial incentive system for suppliers to increase transparency and sustainability in the supply chain has been suspended, as the data available to us has not yet reached the level required.

7.4 Governance information

7.4.1 BUSINESS CONDUCT (G1)

This chapter deals with compliance-relevant aspects of our business conduct. Information on the social aspects of our business conduct can be found in subchapter 7.3.1.6 → page 165.

7.4.1.1 Material impacts, risks, and opportunities

Our business activities include legal transactions involving the delivery of products or services in return for payment. Sales and purchasing are involved in negotiations with customers and suppliers, while logistics and finance are also involved in processing the corresponding transactions. The conclusion and processing of legal transactions are generally supported by the legal department. Violations of the law and unethical business practices, such as corruption, bribery, unfair competition, or a lack of export controls, pose significant financial risks to business activities in the short to long term. They can result in significant penalties and loss of reputation. Consequently, the topic of business conduct was identified as a relevant risk area in the materiality analysis, which we address with Group-wide compliance structures. As legal transactions are an inherent part of business activities, we accept the corresponding risks and have taken measures to prevent them from occurring wherever possible. We support compliance with laws, ethical standards, and internal guidelines through behavioral guidelines, process manuals, as well as regular training and information measures. With our compliance and governance system, the responsibilities defined therein on a global and local level, and the staffing of the Group companies, we believe that we are well equipped to counteract the risks. The materiality analysis did not reveal any material impact on people and the environment, neither were any material financial opportunities identified.

2.121 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	No material negative impacts identified
Positive impacts	No material positive impacts identified
Financial risks	Own company: Violations of compliance requirements can lead to criminal prosecution, fines, and claims for damages. This can damage business and reputation and lead to financial losses. The Group is exposed to financial risks, particularly in connection with possible antitrust violations, money laundering, and inadequate export controls.
Financial opportunities	No material financial opportunities identified

7.4.1.2 Governance and concepts

Role of the administrative, management, and supervisory bodies

The Board of Management bears overall responsibility for compliance and shapes the compliance culture. The Chief Financial Officer is responsible for setting up the compliance organization. This includes, among other things, the establishment of an appropriately designed and effective compliance management system, the appointment of compliance officers, as well as the adoption and dissemination of regulations, in particular the Code of Conduct.

The central body of the compliance organization is the Corporate Compliance Board. Its members were commissioned by the Chief Financial Officer to define and further develop the compliance management system. The Board holds two ordinary meetings per year and also meets on an ad-hoc basis. The Corporate Compliance Officer coordinates operational compliance issues at Group level, is part of the legal department, and is the contact person in the event of potential compliance violations. He reports to the Chief Financial Officer, the Corporate Compliance Board, and the Audit Committee of the Supervisory Board. Local Group Company Compliance Managers in the Group companies support the employees in compliance issues.

The Supervisory Board is responsible for supervising the Board of Management and for monitoring adherence to regulatory requirements with regard to compliance. The process-independent review of the compliance management system is the task of Internal Audit.

Due to their many years of professional experience, the members of the Board of Management and the Supervisory Board have broad specialist knowledge and skills in the area of compliance. Once a year, the Board of Management receives training on the compliance management system, the compliance organization, as well as duties and liability issues.

Code of Conduct

The Code of Conduct forms the ethical foundation of relationships with internal and external stakeholders. It applies to all employees worldwide and contains the corporate principles as well as our commitment to compliance with laws and ethical standards. The Code addresses various compliance-relevant topics, such as fair business relationships and the rejection of corruption and bribery. The greatest risk of bribery and corruption lies in departments with direct supplier or customer contact, particularly sales and purchasing. The Board of Management has signed the Code of Conduct and is responsible for ensuring its compliance. Managers must ensure compliance at all levels and in all countries in which we operate. The Corporate Compliance department regularly checks that the Code is up to date and makes adjustments if the legal situation changes. The Code is in line with the principles of the UNGC, which the Dürr Group joined in 2020. It is available in ten languages and accessible on our company website and on the intranet. We use mandatory online compliance training courses and communication on the intranet to familiarize our employees with it.

Further compliance-relevant guidelines

In addition to the Code of Conduct, there are Group-wide organizational instructions on individual compliance-relevant topics. They apply to all employees, are available on the intranet, and have been signed by the Board of Management, which is responsible for ensuring compliance. The instructions are regularly reviewed by Corporate Compliance and updated in accordance with legal requirements.

The key organizational instructions include:

- Compliance: The instruction defines the main features of the compliance management system as well as responsibilities, communication channels, and measures in the area of compliance.
- Dürr Group Integrity Line whistleblowing system: The instruction explains the whistleblowing system, its use as well as procedural principles and responsibilities. Our company website contains publicly accessible rules of procedure for the whistleblowing system, which explain the process steps.
- Antitrust law: The instruction lays down binding minimum standards with regard to competition and antitrust law.
- Export control: The instruction contains binding minimum standards regarding export control for all Group companies whose business activities involve export-controlled transactions.
- Anti-corruption: We describe this organizational instruction in the subsection entitled "Prevention and detection of corruption and bribery" in subchapter 7.4.1.3 → page 180.

Further compliance-relevant organizational instructions regulate the selection and commissioning of business partners for sales-related services and the handling of donations. The organizational instruction on donations was under revision at the time of publication of this report..

7.4.1.3 Processes and actions

Mechanisms for identifying, reporting, and investigating concerns

Various compliance reporting channels are available to employees, business partners, and third parties who suspect that we are violating the law or the Code of Conduct. Employees can contact the managers responsible, compliance managers, or HR contact persons, as well as the legal department and the Corporate Compliance Officer. The first recipients of compliance reports receive regular training and are familiarized with our procedural principles. Employees are informed about the various reporting channels in the Code of Conduct and in mandatory online compliance training courses. Information on the compliance management system and the rules of procedure pursuant to Section 8 (2) of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) are available on our company website, as are a link to the Dürr Group Integrity Line and the contact details of the Compliance Officer. The intranet also contains a link to the Dürr Group Integrity Line and a list of all compliance managers in the group.

The Dürr Group Integrity Line whistleblowing system is open to all internal and external stakeholders. Information can be submitted – including anonymously – via an online form, which is available in ten languages. We treat all information confidentially and do not tolerate any discrimination or retaliation against whistleblowers. This also applies to reports which prove to be unfounded. Employees, suppliers, business partners, and third parties will face consequences should they subject whistleblowers to reprisals. Corresponding principles can be found in the rules of procedure, the Code of Conduct, and other guidelines as well as in the organizational instructions on the whistleblowing system. This provides users of the complaints procedure with the assurance that they will not suffer any retaliation. The protection of the identity and data of the whistleblower is guaranteed by the procedural principles and our privacy policy. Added to this are the security mechanisms of the software used and the certification of the software provider. In this way, we comply with the requirements of the Whistleblower Protection Act (HinSchG), which transposed the EU Whistleblowing Directive 2019/1937 into German law.

The Corporate Compliance Officer documents, checks, and verifies the plausibility of all incoming reports. In justified cases, he will take further action and, in consultation with the various departments, initiate appropriate measures. The Corporate Compliance Board monitors the investigation and ensures that the measures initiated are sufficient. Internal Audit is involved particularly in investigative measures, checks compliance with rules and, if necessary, investigates cases. In accordance with our procedural policies and principles, the rules of procedure, and the audit manual, compliance incidents are investigated promptly, independently, and objectively. There is also a rule that the investigators or the investigative committee are separate from the chain of management to which the case is assigned.

The Corporate Compliance Officer informs the Chief Financial Officer and the Audit Committee of the Supervisory Board of all tips and incidents. This is done on an ad-hoc and meeting-related basis, as well as in the form of an annual report. The Chief Financial Officer is also informed about the content of the regular meetings of the Corporate Compliance Board.

Training

Training courses are designed to substantially contribute to the avoidance of compliance violations. The organizational instruction on compliance states that the Corporate Compliance Officer, in coordination with Corporate Human Resources, proposes a training concept to the Corporate Compliance Board, which must be approved by the Chief Financial Officer. The training program includes introductory events and onboarding for new employees as well as basic and refresher training in online format. The training courses cover the following topics: compliance, compliance management system, whistleblowing system, consequences of violations, values, fair business dealings, Code of Conduct, and other compliance-relevant guidelines. The training content is regularly reviewed and adapted if necessary. The mandatory training courses are compulsory for the entire workforce and are refreshed every two years. In-depth training courses on antitrust law (fair competition) and anti-corruption are held for all managers and employees in sales and purchasing (high-risk functions).

Management of relationships with suppliers

Together with our numerous suppliers, we strive for a resilient and sustainable supply chain. This relates to qualitative, financial, ecological, and human rights aspects. We expect our suppliers to operate in an environmentally and climate-conscious manner, to respect human rights, and to provide fair working conditions.

Suppliers and business partners must sign our Supplier Code of Conduct and accept it as part of the contract. In doing so, they confirm our principles and guidelines on compliance and integrity, human rights due diligence, and ecological business practices, and assure us that they are aware of our whistleblowing system. The Code of Conduct published on our corporate website was signed by the Board of Management, which is responsible for compliance. A declaration of commitment requires suppliers and business partners to comply with the Code. We monitor compliance with the requirements as part of the supplier management and purchasing process. Purchasing regularly checks that the Code of Conduct is up to date (most recently in 2024) and makes any necessary adjustments in line with legal requirements.

When selecting new suppliers and when working with existing suppliers, we take social and ecological criteria into account. We use self-assessment questionnaires and audits for this purpose. For further information, please refer to subchapter 7.3.2.5 → page 177. Purchasing fulfills the legal requirements for auditing business partners by conducting business partner checks on an ad-hoc basis. In coordination with Corporate Compliance, sanctions lists, embargoes, ongoing proceedings, and international press databases are reviewed. If there are restrictions or negative reports on suppliers, we decide on a case-by-case basis and take individual remedial action.

Prevention and detection of corruption and bribery

The Dürr Group's compliance management system defines a framework for action with the aim of ensuring that all activities in business operations comply with the law and the guidelines. It is reviewed regularly and relates to all activities aimed at ensuring that employees in business operations behave in accordance with the rules and in an ethically correct manner. The system regulates responsibilities, communication channels, and measures in three integrated fields of action: prevention and early detection of compliance violations and the response to them. In this way, it helps employees to avoid infringements and the corresponding liability and penalty risks. The risk of corruption is addressed by additional regulations such as the separation of functions, approval procedures, and the four-eye principle. The compliance reporting channels described above and the mechanisms for identifying, reporting, and investigating concerns also apply to tips and incidents relating to corruption or bribery.

Our Code of Conduct prohibits corruption and bribery and describes our understanding of fair business relationships. A Group-wide anti-corruption organizational instruction addresses corruption and bribery in detail and contains rules of conduct and practical examples for dealings with business partners and in the event of conflicts of interest. The Supplier Code of Conduct also prohibits corruption and bribery and obliges the recipients to comply with the law.

The topics of corruption and bribery and the corresponding guidelines are covered in the mandatory basic compliance training courses and biennial compliance refresher training courses for employees. Employees facing special risks, including all managers and the particularly exposed functional areas of sales and purchasing (high-risk functions), must complete in-depth training on corruption and bribery every three years. These include the advanced modules "Protection against corruption" and "Fair competition". The "Fair competition" module relates to antitrust law and agreements between competitors or among suppliers. In 2024, 99.3% of employees in high-risk functions took part in training programs. The members of the Supervisory Board can also take part in the online compliance training to learn about processes and rules for avoiding corruption and bribery. In the 2024 fiscal year, all the members made use of this option.

2.122 — TRAINING ON ANTI-CORRUPTION AND ANTI-BRIBERY

	2024				2023			
	High-risk functions	Managers	Supervisory Board	Other own employees	High-risk functions	Managers	Supervisory Board	Other own employees
Total persons	1,503	2,313	12	10,228	–	–	–	–
Total persons trained	1,492	2,293	12	9,972	–	–	–	–

7.4.1.4 Metrics and targets

Metrics

The metrics contained in the following subsection are subject to internal review; no additional external audit takes place.

In 2024, no persons employed by the Dürr Group were convicted of violating anti-corruption and anti-bribery regulations. No fines were imposed on Group employees for violations of anti-corruption and anti-bribery laws. There were no confirmed cases of corruption or bribery. Information on employee training to combat corruption and bribery can be found in → table 2.122.

Targets

2.123 — TARGETS OF BUSINESS CONDUCT

	Target year	Degree of target achievement (as of: Dec. 31, 2024)
Creation of a guideline for the whistleblowing system to embed procedural standards and general process flows worldwide	2024	■■■■
Revision and communication of the directive on antitrust and competition law	2025	■■□□
Revision of the mandatory e-learning courses on antitrust and competition law	2025	■■■□
Full integration of the BBS Automation Group into the Group-wide compliance structures	2025	■■□□
Further development of Group-wide standards in connection with export control governance	2025	■□□□

■■■■ = fully met
■□□□ / ■■□□ / ■■■□ = in progress
□□□□ = in planning

7.4.2 CORPORATE SECURITY

This chapter deals with corporate security within the Dürr Group. It also includes the material impacts on the privacy of our workforce and the resulting financial risks.

7.4.2.1 Material impacts, risks, and opportunities

Our business model involves the development and marketing of technologically leading solutions. Protecting our R&D activities and results is therefore essential to safeguard our competitiveness. The potential loss of intangible assets resulting from innovations, for example as a result of cyber attacks, could weaken our competitive position and result in claims for damages. In addition, we process the personal data of employees and customers as part of our business model. The loss of personal data may result in substantial fines, thus also representing a material financial risk. The risk is particularly pronounced during the integration of acquired companies with inadequate data protection processes.

The aforementioned financial risks are limited to the company's own business activities. Beyond the financial risks, there are also potential negative impacts on our own workforce due to the possible disclosure of personal information, such as health data or financial information. This would violate the privacy of employees and undermine their trust. Since the electronic storage of information and the processing of personal data are inherent parts of business operations, we accept the corresponding risks and do not expect them to impact our business model and strategy. Instead, we use operational measures to minimize negative impacts and financial risks to the greatest extent possible. One example of this is the use of a Group-wide information security management system (ISMS).

A violation of employee privacy due to a lack of data protection can have a significant negative impact on employees' personal and professional development in the medium term. Possible violations of privacy are not inherent in the business model, but can arise due to a lack of data security and non-compliance with the relevant data protection regulations within the Dürr Group. In the area of corporate security, we have not identified any material positive impacts on people or the environment. There are also no material financial opportunities. We assess the short, medium, and long-term resilience of our business model and our strategy as high in terms of managing risks. This is supported by our information security and data protection processes, the corresponding responsibilities on a local and global level, and the staffing of the IT department and the Group companies.

In identifying the material impacts, risks, and opportunities, we have applied the methodology described in subchapter 7.1.4.1 → page 110. A workshop was held with the central Corporate Security function on the subject of information security, and the Group Data Protection Manager was also consulted with regard to data protection. The materiality of the financial risks was established as a derivative from the risk inventory of the Dürr Group's risk management system. For further information, please refer to the subsection 5.1.5.13 → page 86 of the Report on risks, opportunities, and expected future development.

2.124 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	Own company: A lack of data protection for personal data can lead to violations of employee privacy (company-specific information).
Positive impacts	No material positive impacts identified
Financial risks	Own company: Cyber attacks may lead to the loss of sensitive data and massive economic and financial damage if IT security precautions are inadequate. Violations of data protection laws may result in financial claims in the form of fines and damages. The risk is higher for acquired companies that may not yet have adequate data protection standards (company-specific information).
Financial opportunities	No material financial opportunities identified

7.4.2.2 Governance and concepts

The Board of Management is responsible for information security within the Group. It delegates this responsibility and the implementation of the ISMS to the Chief Information Security Officer (CISO) in the central Corporate Security function. The central function has the task of protecting employees, information, and assets against damage. The managing directors of the Group companies are responsible for information security in their areas of responsibility and appoint information security officers.

A Group-wide organizational instruction for information security describes the key processes and the organization of the information security management system. It aims to protect company-relevant information, such as technical data, in order to minimize the risk of data loss, for example through cyber attacks. As the Group's Information Security Officer (ISO), the CISO defines the annual information security targets together with the ISOs of the divisions and of Dürr Group Services GmbH (IT and personnel services), periodically updates the applicable organizational instructions, and reviews the effectiveness of the ISMS as part of audits. In addition to the audits by Corporate Security, additional internal and external effectiveness reviews are carried out. Internally, Corporate Internal Audit and the IT department audit partial aspects of information security. External audits as part of certifications provide additional evidence of the effectiveness of the ISMS. The information security policy applies to all employees, is available on the intranet, and has been signed by the Board of Management, which is responsible for its implementation. The central Corporate Security function regularly reviews the instruction and updates it in line with legal requirements.

The management of the individual Group companies is responsible for data protection and appoints data protection officers. The cross-functional Data Protection team supports compliance with data protection standards and promotes a corresponding professional exchange within the Group. The Group Data Protection Manager coordinates compliance with these standards at our locations worldwide.

The organizational instruction "Protection of personal data" (data protection directive) contains Group-wide standards for the handling of personal data based on globally accepted data protection principles. It aims to minimize the financial risks that can result from the loss of personal data. The directive also serves to fulfill the requirements of the EU General Data Protection Regulation. It is available on the intranet, covers the processing of personal data throughout the company, and applies to all employees. The Board of Management has signed the guideline and is responsible for its implementation. It is regularly reviewed by the legal department and updated in accordance with legal requirements.

7.4.2.3 Processes and actions

The most important measures in the area of information security are described below.

Management system for information security

The ISMS is a key instrument for ensuring long-term information security worldwide within the Dürr Group. It comprises guidelines, processes, procedures, and technologies to ensure the confidentiality, integrity, and availability of information and to protect against threats. The system is based on the most important standard for information security, ISO 27001, and takes national, international, and industry-specific regulations into account.

Certifications according to TISAX® and ISO 27001

We are successively certifying our sites according to the requirements of the "VDA Information Security Assessment" (TISAX® label), the standard for information security in the German automotive industry. This certification helps us to check the effectiveness of our ISMS and to promote an understanding of an effective, holistic ISMS at the location level. The selection of the locations is based on specific customer requirements and fundamental considerations. Dürr Group Services GmbH, which provides Group-wide services in the areas of IT and human resources, is audited and certified in accordance with ISO 27001. Further certifications are planned for 2025.

Implementation of awareness campaigns

In 2024, we conducted a Group-wide information security awareness campaign to increase employee awareness. The campaign included information on the intranet, training on the LinkedIn Learning platform, and phishing simulations.

Regular mandatory online training courses for all employees

Regular mandatory online training courses for all employees serve as a preventive measure against data protection breaches. Since 2024, one person per specialist department has been appointed and trained to coordinate the protection of personal data. These individuals are expected to identify any data protection-related changes affecting their department at an early stage and to coordinate with the Data Protection Officers as necessary.

7.4.2.4 Metrics and targets

Since 2022, information security targets have been defined for the Dürr Group and their achievement has been tracked. From 2022 to 2024, the focus was on the operational development of corporate security, for example through the establishment of crisis and emergency teams, the certification of individual locations according to TISAX®, or through security surveys at all locations. The strategic targets for 2025 are the internationalization of activities, the continuation of certification measures, and the implementation of upcoming national regulations (NIS 2 implementation). Quantitative targets have not yet been defined, as the focus has been on establishing security-related structures and standards. Metrics on information security are sensitive information that we refrain from publishing in order to avoid giving potential attackers any clues. Due to the processes established since 2022 and the regular certifications as well as the regular review of the effectiveness of our protection measures, we are of the opinion that our protection of sensitive information is good.

7.4.3 PRODUCT QUALITY AND SAFETY

7.4.3.1 Material impacts, risks, and opportunities

Our business model is based on differentiating ourselves from the competition through innovative, resource-conserving, and safe technologies and products. Therefore, product quality and safety are very important to us. We supply customers worldwide with products that meet high safety standards. This has positive short- and medium-term effects on operational safety and the customers' employees. Specifically, we are helping to ensure that our customers have fewer accidents involving personal injury. Safety and quality deficiencies, in contrast, can have far-reaching negative consequences in the short and medium term. Examples include personal injury and property damage in our customers' production facilities as well as adverse effects on end consumers. The financial risks of poor product quality are considerable. In addition to warranty and rework costs, there is a risk of losing reputation and market share. Particularly in safety-critical applications, quality defects can lead to high claims for damages. Product quality and safety are therefore relevant risk areas according to the materiality analysis.

As the delivery of machines and systems is an inherent part of our business activity, we accept the corresponding risks and have taken measures to prevent them from occurring wherever possible. We do not expect any impact on our business model and strategy. Instead, we have implemented operational measures to minimize the financial risks. Among other things, the safety features of our products go well beyond compliance with technical standards and legal regulations (e.g. Machinery Directive, ATEX, test markings). Additional measures in the area of product safety include failure mode and effects analysis (FMEA) in product development, reporting processes, and regular training. This ensures greater safety when operating the machines and systems manufactured by us.

We assess the resilience of our business model and our strategy as high in terms of managing the corresponding risks. This assessment is based on the measures and processes described below, their integration into product development, and the results achieved by this.

In identifying the material impacts, risks, and opportunities, we have applied the methodology described in subchapter 7.1.4.1 → page 110. A workshop was held with representatives from several divisions on the topic of product quality and safety. The materiality of the positive impacts we have determined is based on the global distribution of our machines and their above-average safety standards. The materiality of the financial risks was derived from the risk inventory as part of the risk management system.

2.125 — MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Type	Description
Negative impacts	No material negative impacts identified
Positive impacts	Downstream value chain: Material positive impacts on the downstream value chain result from the delivery of machines to numerous customers worldwide and our high product safety standards. This contributes significantly to the prevention of accidents and damage (company-specific information).
Financial risks	Own company: Accidents at customers' premises due to inadequate safety devices on machines and systems can lead to high claims for damages (company-specific information).
Financial opportunities	No material financial opportunities identified

7.4.3.2 Governance and concepts

A Group-wide organizational instruction on product safety defines minimum standards and specifies legal principles, procedural steps, responsibilities, and communication channels. The aim of the instruction is to ensure the safe use of our products at least in accordance with the legal requirements and thus reduce the risk of property damage and personal injury at the customers' premises. Monitoring is conducted using the conformity assessment process described in subchapter 7.4.3.3 → page 185. The organizational instruction available on the intranet applies to all employees and was signed by the Board of Management, which is responsible for its implementation. The Management Systems department regularly reviews the organizational instruction and updates it in line with legal requirements. The Group companies have additional process instructions and local responsibilities in place, as required, that go beyond the Group-wide framework requirements.

Overall responsibility for product quality lies with the division management teams or the managing directors of the Group companies. All divisions and Group companies have product quality managers as well as their own guidelines.

Our machines and systems meet the applicable legal and regulatory requirements. Examples of EU directives by which our actions are guided are the Machinery Directive, the ATEX Directive, and the Pressure Equipment Directive. In addition, our products comply with the relevant technical standards, such as ISO 12100 and DIN EN 60204-1, and have all the necessary test markings. We also implement the requirements of the ISO 9001 standard for quality management systems. In our business with the automotive industry, we comply with the quality requirements of the VDA ISA 6.4 standard.

7.4.3.3 Processes and actions

The most important ongoing measures in the area of product safety are described below.

Conformity assessment process

A conformity assessment process ensures that our machines and systems meet the applicable requirements before they go on sale. In the EU, this is the CE conformity assessment process. It comprises various steps, including the identification of the relevant legal specifications and requirements, the performance of risk assessments, tests and inspections, the documentation of measured values, the issuing of a CE declaration of conformity, and a corresponding CE marking of the product. This contributes to ensuring the safety of our customers and preventing accidents.

Failure mode and effects analysis (FMEA) and finite element method (FEM)

Product safety begins in the development phase. Here, we use recognized risk assessment methods such as FMEA or FEM to identify risks at an early stage. The analysis of the hazard as well as the selection and documentation of the safety elements are supported by tools. Noise emissions are reduced as much as possible as early as in product development. We measure, analyze, and document the noise emissions of machines in the test field according to standardized procedures. Depending on the design, noise-reduced components or soundproofing devices are installed. This ensures that the noise protection requirements are met during plant operation.

Training courses, operating instructions, safety data sheets

All the employees in production receive training to guarantee the safety of the products they manufacture. We also instruct customers on the safe and proper operation at the time of handover. On this basis, customers are able to implement the safety specifications in their daily work. All machines and components are delivered with detailed operating instructions and – if necessary – safety data sheets on hazardous substances.

Product monitoring process

By means of a product monitoring process, we ensure the safe operation of the machines and systems we sell during their utilization phase at the customers' premises. In the event of safety risks or accidents occurring at customers' sites, there is a defined reporting process in place in each division. Our service and sales departments are in constant contact with customers, receiving safety-related feedback. We carefully analyze all safety-related incidents and take corrective action as required.

7.4.3.4 Metrics and targets

We have not yet defined any metrics or quantitative targets for the topic of product quality and safety. The focus so far has been on compliance with legal requirements and additional safety measures in order to differentiate ourselves from the competition. The implementation and effectiveness measurement of the concepts and measures is based on the conformity assessment process and the aforementioned certifications. Generally, our aim is to ensure that our machines and systems comply with the relevant quality standards. The processes described in development and product monitoring as well as corresponding training courses serve this aim. We use the results of the effectiveness measurements to check whether we are achieving our ambitions.

7.5 Annex

7.5.1 LIST OF FULFILLED DISCLOSURE REQUIREMENTS

→ **Table 2.126** includes all ESRS disclosure requirements that are material for the Dürr Group and were used as the basis for preparing our Sustainability Statement. In addition, we disclose company-specific information on the topics of corporate security as well as product quality and safety. The table shows where this information can be found in the Sustainability Statement. The topic-related standards of Biodiversity (E4), Affected communities (S3) and Consumers and end-users (S4) are not material for us and are therefore not listed in this table.

2.126 — FULFILLED DISCLOSURE REQUIREMENTS

ESRS standard	Disclosure requirements	Description	Page
ESRS 2	**General disclosures**		
	BP–1	General basis for preparation of sustainability statements	100
	BP–2	Disclosures in relation to specific circumstances	100
	GOV–1	The role of the administrative, management and supervisory bodies	101
	GOV–2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	104
	GOV–3	Integration of sustainability-related performance in incentive schemes	105
	GOV–4	Statement on due diligence	106
	GOV–5	Risk management and internal controls over sustainability reporting	106
	SBM–1	Strategy, business model, and value chain	106

2.126 — FULFILLED DISCLOSURE REQUIREMENTS

ESRS standard	Disclosure requirements	Description	Page
	SBM–2	Interests and views of stakeholders	108
	SBM–3	Material impacts, risks, and opportunities and their interaction with strategy and business model	110, 123, 134, 135, 136, 156, 158, 162, 165, 170, 174, 178, 182, 184
	IRO–1	Description of the process for identifying and assessing the material impacts, risks, and opportunities	110
	IRO–2	Disclosure requirements covered by the company's sustainability statement in ESRS	186
ESRS E1	**Climate change**		
	ESRS 2 GOV–3	Integration of sustainability-related performance in incentive schemes	126
	E1–1	Transition plan for climate change mitigation	125
	E1–2	Policies related to climate change mitigation and adaptation	125
	E1–3	Actions and resources in relation to climate change policies	127
	E1–4	Targets related to climate change mitigation and adaptation	129
	E1–5	Energy consumption and mix	131
	E1–6	Gross Scope 1, 2, 3 and total GHG emissions	132
ESRS E2	**Pollution**		
	E2–1	Policies related to pollution	135
	E2–2	Actions and resources related to pollution	135
	E2–3	Targets related to pollution	135
ESRS E3	**Water and marine resources**		
	E3–1	Policies related to water and marine resources	136
	E3–2	Actions and resources related to water and marine resources	136
	E3–3	Targets related to water and marine resources	136
ESRS E5	**Resource use and circular economy**		
	E5–1	Policies related to resource use and circular economy	137, 138
	E5–2	Actions and resources related to resource use and circular economy	137, 139
	E5–3	Targets related to resource use and circular economy	138, 139
	E5–4	Resource inflows	138
	E5–5	Resource outflows	139
ESRS S1	**Own workforce**		
	S1–1	Policies related to own workforce	159, 163, 166, 171
	S1–2	Processes for engaging with own workers and workers' representatives about impacts	157, 159, 167
	S1–3	Processes to remediate negative impacts and channels for own workforce to raise concerns	158
	S1–4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	160, 164, 167, 171
	S1–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	161, 165, 168, 172
	S1–6	Characteristics of the undertaking's employees	173
	S1–8	Collective bargaining coverage and social dialogue	172
	S1–9	Diversity indicators	168
	S1–10	Adequate wages	172

2.126 — FULFILLED DISCLOSURE REQUIREMENTS

ESRS standard	Disclosure requirements	Description	Page
	S1–14	Health and safety indicators	161
	S1–16	Compensation indicators (pay gap and total compensation)	169
	S1–17	Incidents, complaints and severe human rights impacts and incidents	173
ESRS S2	**Workers in the value chain**		
	S2–1	Policies related to value chain workers	176
	S2–2	Processes for engaging with value chain workers about impacts	176
	S2–3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	176
	S2–4	Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	177
	S2–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	178
ESRS G1	**Business conduct**		
	ESRS 2 GOV–1	The role of the administrative, management, and supervisory bodies	179
	G1–1	Corporate culture and business conduct policies	179, 166
	G1–2	Management of relationships with suppliers	181
	G1–3	Prevention and detection of corruption and bribery	181
	G1–4	Confirmed incidents of corruption or bribery	182
	Company-specific disclosures	Corporate security	182
	Company-specific disclosures	Product quality and safety	184

Bietigheim-Bissingen, March 26, 2025

Dürr Aktiengesellschaft
The Board of Management

Dr. Jochen Weyrauch

Dietmar Heinrich

REMUNERATION REPORT

Content of the remuneration report

The remuneration report has been prepared in accordance with the provisions of Section 162 of the German Stock Corporation Act (AktG) and is based in particular on the statutory requirements of that Act. It is a separate report, describing the basic principles that underly the remuneration systems for the Board of Management and the Supervisory Board of Dürr AG as well as the amount and structure of the remuneration.

Due to rounding effects, it is possible that individual figures presented in this report may not exactly add up to the specified total and that the percentages shown do not exactly match the absolute figures.

The report on the individual remuneration granted and owed to the members of the Board of Management and the Supervisory Board in 2023 was approved at the annual general meeting on May 17, 2024, by a majority of 88.05% in accordance with Section 120a (4) of the German Stock Corporation Act. This represents a significant improvement over the 64.43% approval rate recorded at the annual general meeting in 2023. Despite this positive development, we are continuing our efforts to enhance the transparency and comprehensibility of the remuneration report.

Remuneration system for the members of the Board of Management

PRINCIPLES OF THE REMUNERATION SYSTEM

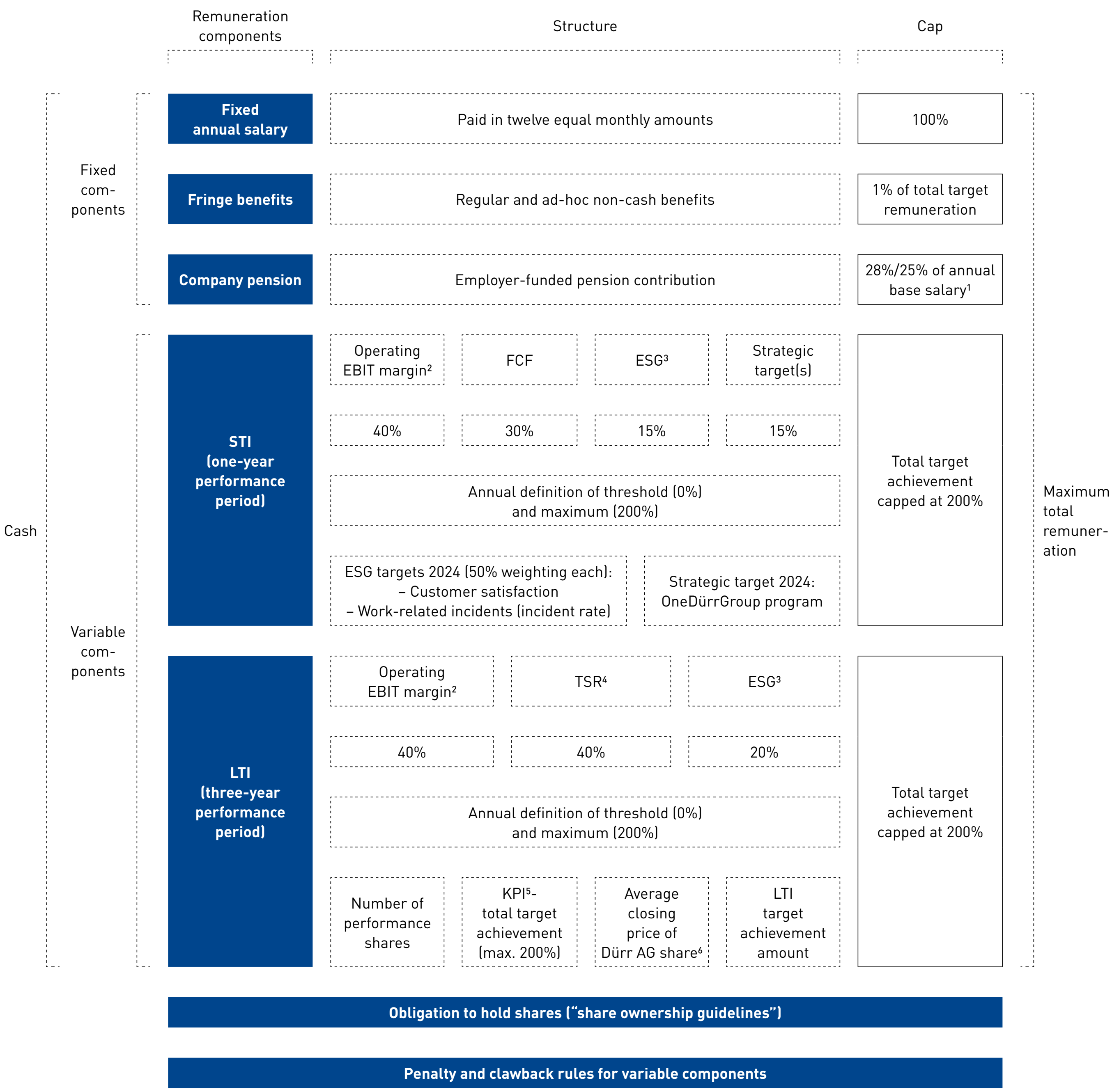
The current remuneration system for the Board of Management of Dürr AG, in the version approved by a majority of 87.33% at the annual general meeting on May 12, 2023, has been in force since January 1, 2023, and applies to all service contracts entered into with the members of the Board of Management since that date. It also applies in principle to all previously signed service contracts of the members of the Board of Management. The remuneration system implements the applicable provisions of the German Stock Corporation Act (Sections 87 and 87a) resulting from the Act on the Transposition of the Second Shareholder Rights Directive (ARUG II) and has been approved and adopted by the Supervisory Board in accordance with these requirements.

In addition to ensuring appropriate remuneration that takes into account both performance and customary market practices in the light of the company's size, complexity and economic situation, the focus is also on the consistency of the remuneration system of the Board of Management with respect to the remuneration system of the "senior management". The latter ensures that all decision-makers pursue uniform objectives, taking into account both financial and non-financial aspects, in particular sustainability-related factors, in order to further the company's sustainable and long-term development.

The remuneration system for the members of the Board of Management is structured clearly and comprehensibly. It promotes Dürr AG's business strategy and long-term interests and thus contributes to the company's long-term development. The focus is on strengthening profitable and sustainable growth, and this forms the basis for structuring the remuneration system. This is to be achieved by defining targets for profitability (operating EBIT margin), enterprise value and corporate development (free cash flow (FCF), total shareholder return (TSR), share price, and strategic targets) as well as environmental and social sustainability (ESG targets). The financial and non-financial parameters used cover different, frequently multi-year periods in order to sustainably support the company's strategic success. Special attention is paid to ensuring that the interests and expectations of the shareholders and proxy advisors match the structure of the remuneration of the Board of Management as closely as possible.

The remuneration system meets the requirements of the German Corporate Governance Codex (DCGK) in its most recent version dated April 28, 2022, with the exception of the duration of the Long-Term Incentive which, in line with international practice, is three years instead of the four years stipulated by the DCKG. In addition, it takes account of the guidelines for sustainable Management Board remuneration developed by the Working Group on "Guidelines for Sustainable Management Remuneration" (AlfenV) in the latest version of September 2021. These were drawn up by supervisory board chairs, corporate governance experts as well as investor representatives and academics. Among other things, the system includes variable performance criteria to measure the Group's sustainable development, a clawback clause, a target bonus system, and provisions concerning termination benefits. Other constituent elements are, for example, the distinction between short-term and long-term incentives (one-year and multi-year variable remuneration), caps on the variable remuneration components, clearly defined maximum remuneration amounts, and a deductible on D&O insurance.

3.1 — REMUNERATION SYSTEM AND COMPONENTS OF THE REMUNERATION FOR THE BOARD OF MANAGEMENT AT A GLANCE



[1] Dr. Weyrauch's company pension is 28% and Mr. Heinrich's 25% of their annual base salary.
[2] Calculated from EBIT before extraordinary effects divided by sales before extraordinary effects (both adjusted for extraordinary events or developments).
[3] ESG targets are targets that relate to environmental, social, and governance topics. Before the beginning of the fiscal year, the Supervisory Board defines the ESG performance criteria and methods for measuring the performance of the Board of Management or of each individual member of the Board of Management, as the case may be.
[4] TSR stands for Total Shareholder Return. The relative TSR reflects the performance of Dürr AG's share price during three fiscal years, including dividend payments, compared to a defined peer group consisting of ten German and Austrian listed companies of a size, structure, and industry sector comparable to those of Dürr AG.
[5] KPI stands for Key Performance Indicator and summarizes the LTI performance parameters (operating EBIT margin, TSR, and ESG).
[6] Average closing price of the Dürr share in Deutsche Börse AG's XETRA trading system over the last 60 trading days before the annual general meeting of Dürr AG.

COMPONENTS OF THE REMUNERATION SYSTEM

The remuneration system for the members of the Board of Management consists of fixed and variable remuneration components. The fixed remuneration, which is not tied to performance, comprises the fixed annual salary, a company pension, and fringe benefits. The variable performance-related remuneration comprises the short-term incentive (STI) and the long-term incentive (LTI) (→ figure 3.1).

FIXED, NON-PERFORMANCE-RELATED REMUNERATION COMPONENTS

The fixed, non-performance-related remuneration is made up of the fixed annual salary, the company pension scheme, and fringe benefits.

Fixed annual salary
The fixed annual salary is paid in twelve equal monthly amounts. Its level is based on the tasks and strategic and operational responsibility of the individual members of the Board of Management.

Company pension
Under the Dürr Group's pension scheme ("Dürr pension plan"), the members of the Board of Management receive an employer-funded pension contribution of 28% (CEO) and 25% (CFO) of their fixed annual salary.

Fringe benefits
A company car is made available to the members of the Board of Management. In addition, Dürr AG takes out D&O insurance with an appropriate amount of coverage and the deductible prescribed by law for the benefit of the members of the Board of Management. In addition, the costs of annual health care for the members of the Board of Management are covered.

VARIABLE, PERFORMANCE-RELATED REMUNERATION COMPONENTS

The variable, performance-related remuneration is made up of a short-term (STI) and a long-term (LTI) component, resulting in an appropriate incentive system for the implementation of the corporate strategy and for the sustained creation of, and growth in added value. The remuneration model provides a high degree of transparency by linking the performance parameters with clearly defined indicators of earnings, added value, and sustainable development. Dürr AG's sustainable business orientation and its social and ecological responsibility are also reflected in its ESG targets.

The variable remuneration is measured on the basis of the tasks and strategic and operational responsibility of the members of the Board of Management as well as the Dürr Group's short- and long-term results. The proportion of variable remuneration components exceeds the proportion of fixed remuneration components in both target total remuneration and maximum remuneration. At the same time, the LTI accounts for a greater proportion of the total remuneration than the STI. The financial and non-financial performance criteria contribute to the furtherance of Dürr AG's business strategy and long-term development. The method for measuring target achievement is described below.

The Supervisory Board may temporarily make appropriate adjustments, within reasonable limits, to the planning conditions and other parameters of the variable remuneration components only in the case of exceptional events or developments, such as the acquisition of a company or the sale of a business, in order to take into account the effects of such exceptional events or developments. The same applies if changes in the accounting rules applicable to the company have a material impact on the parameters relevant for the calculation of the STI and LTI variable remuneration components or in the event that a fiscal year comprises less than twelve months (short fiscal year). Unfavorable general market conditions do not constitute exceptional events or developments. If exceptional events or developments lead to changes in the payment of the variable remuneration, the reasons for this are described in detail and in a readily understandable manner. No use may be made of any discretionary adjustment options. No special bonuses are paid.

The Supervisory Board may temporarily depart from the remuneration system and its individual components or introduce new remuneration components if this is necessary to safeguard the company's long-term wellbeing. It reserves the right to make such modifications in exceptional circumstances, such as an economic or corporate crisis and, in doing so, takes account of the proportionality of the remuneration relative to other measures taken in these circumstances and the interests of the shareholders.

Short-term incentive (short-term remuneration component)

The short-term, variable remuneration is a performance-related bonus based on financial and non-financial results for the fiscal year in question. In 2024, it broke down into 40% operating EBIT margin, 30% free cash flow (FCF), 15% ESG targets, and 15% strategic targets (→ figure 3.2). The Supervisory Board is able to vary the number of applicable ESG and strategic targets in the STI. The ESG and the strategic targets can be set for the Board of Management in its entirety or separately for each individual member. With respect to the STI, the ESG and strategic targets also reflect the focus of the remuneration system on the implementation of the corporate strategy as well as on sustainable value development and growth.

The basis for calculating the operating EBIT margin is earnings before interest, income taxes, and income from investments (EBIT). EBIT is adjusted for extraordinary effects such as acquisitions, restructuring, and other significant exceptional factors and expressed as a ratio of the likewise adjusted sales of the Dürr Group. The extraordinary effects are disclosed in the management report. By applying the Dürr Group's operating EBIT margin, the company's profitability is duly taken into account in the remuneration of the Board of Management, thus supporting one of the main strategic objectives.

Free cash flow is the freely available cash flow and shows what funds remain for a dividend payout, making acquisitions and, where applicable, reducing debt. It is calculated by deducting the investments, the balance of interest paid and received, and the repayment of lease liabilities from the cash flow from operating activities.

ESG goals are defined as environmental, social, and responsible corporate governance goals. Before the beginning of the fiscal year, the Supervisory Board determines the ESG performance criteria and the methods for measuring performance for the Board of Management or for each individual member of the Board of Management, as the case may be. Possible performance criteria may include, for example, customer satisfaction, employee satisfaction, occupational health and safety, or other ESG criteria. Total ESG target achievement is calculated on the basis of the weighted average target achievement for the individual performance criteria.

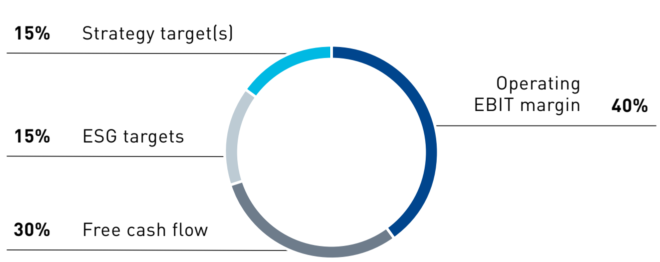
The strategic targets are the priority targets defined for the year in question. Before the beginning of the fiscal year, the Supervisory Board determines, in the same way as it does for the ESG targets, the number of targets, the performance criteria, and the methods for measuring performance for the Board of Management or for each member of the Board of Management, as the case may be. Here also, total strategic target achievement is calculated on the basis of the weighted average target achievement for the individual performance criteria.

Before the beginning of a fiscal year, the Supervisory Board determines the individual targets as well as the minimum and maximum target achievement ("threshold" and "maximum"). The target achievement is deemed to be 0% below or upon achievement of the threshold, 200% above or upon achievement of the maximum, and 100% for achievement of the target. It is interpolated on a straight-line basis between the threshold and target as well as between the target and maximum.

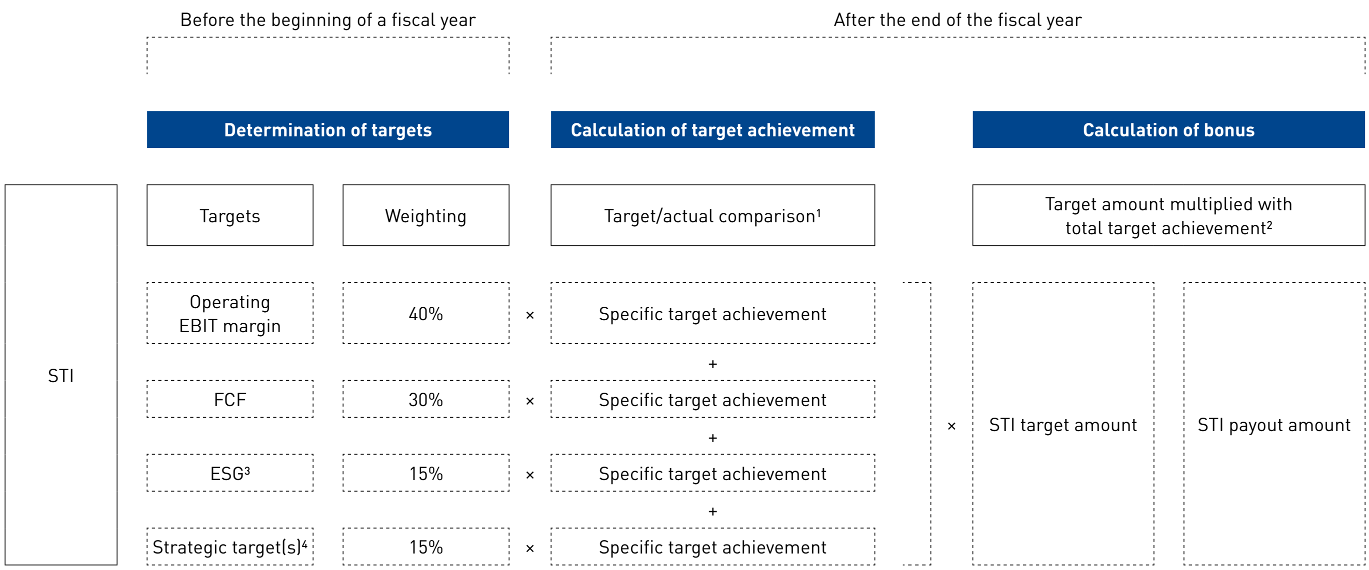
Target achievement is determined by the Supervisory Board after the end of the corresponding fiscal year. STI target achievement is determined on the basis of the respective achievement of the operating EBIT margin, free cash flow, the ESG targets, and the strategic targets as well as the defined weighting of these targets. The final STI amount equals the STI target amount multiplied by STI target achievement (→ figure 3.3). The target achievement amount accrued under the STI is paid out in May and capped at 200% of the target (payout cap).

If the service contract begins or ends during a given fiscal year, the target achievement amount is reduced on a time-proportionate basis in relation to the fiscal year. Any claims under the STI arising in a given fiscal year lapse without any compensation or remuneration if the service contract with the member of the Board of Management ends as a result of extraordinary termination by the company for good cause in accordance with Section 626 of the German Civil Code (BGB).

3.2 — SHORT-TERM INCENTIVE – TARGET WEIGHTING



3.3 — SHORT-TERM INCENTIVE: CALCULATION OF TARGET ACHIEVEMENT AND STI AMOUNT



[1] Comparison of the targets set before the beginning of the fiscal year with the values achieved in the fiscal year.
[2] The individual target amount for 100% target achievement is determined in accordance with the applicable remuneration structure for the individual members of the Board of Management. Total target achievement is the sum total of all weighted target achievement.
[3] The ESG subtargets are revised annually and are composed of environment, social, and governance targets.
[4] The strategic targets are priority objectives/topics for the respective fiscal year, which are revised annually.

Long-term incentive (long-term remuneration component)

The long-term, variable remuneration for the members of the Board of Management takes the form of a performance share plan that is aligned to the company's sustainable growth. The relevant performance indicators for calculating the amount accruing under the LTI are:

a) the performance of the Dürr share between the award and the payment of the LTI,
b) the average operating EBIT margin for the three fiscal years starting with the year of award,
c) the total shareholder return relative to a defined peer group,
d) the achievement of the defined ESG targets during the three fiscal years.

The operating EBIT margin is defined as the ratio of operating EBIT to the sales of the Dürr Group (see section on "Short-term incentive"). An appropriate EBIT margin supports the company's long-term profitability and thus reinforces the long-term implementation of its corporate strategy.

The relative TSR reflects the performance of Dürr AG's share during the three fiscal years, including dividend payments, compared to a defined peer group consisting of ten listed German and Austrian companies of a size, structure, and industry comparable to Dürr AG. The inclusion of the share price and the TSR emphasizes the focus on the long-term and sustainable creation of added value by the company.

The Supervisory Board may vary the number of applicable ESG targets in the LTI. The ESG targets promote the alignment of the company's business with sustainability criteria and the social and ecological responsibility of the Dürr Group.

At the date at which the annual LTI tranches are granted, the target amount for the LTI per member of the Board of Management is converted into virtual shares in the company (performance shares) on the basis of the initial reference price of the Dürr share. These are then allocated to the respective members of the Board of Management as a calculation variable. The initial reference price is determined on the basis of the average calculated closing price of the Dürr share for the last 60 trading days before December 31 of the previous year.

The LTI is paid out in cash after the expiry of the three-year period and the subsequent annual general meeting at which Dürr AG's consolidated financial statements for the previous fiscal year are presented. To calculate the LTI total target achievement amount, the number of performance shares is multiplied by the KPI total target achievement (weighted target achievement of the three target variables) and the average calculated closing price of the Dürr share over the 60 trading days before the annual general meeting (→ **figure 3.5**).

Before the beginning of a tranche, the Supervisory Board determines the target for the average operating EBIT margin and the ESG targets as well as the minimum and maximum target achievement ("threshold" and "maximum"). Target achievement is deemed to be 0% below or upon achievement of the threshold, 200% above or upon achievement of the maximum, and 100% for achievement of the target. It is interpolated on a straight-line basis between the threshold and the target as well as between target and maximum.

The targets shown in → **figure 3.4** have been defined for the 2024 to 2026 LTI tranche.

Achievement of the TSR target is subject to fixed corridors. Target achievement is deemed to be 0% in the event of a deviation of minus 25 percentage points or more from the TSR of the defined peer group. It is deemed to be 100% if the peer-group TSR is achieved. If the peer-group TSR is exceeded by 25 percentage points or more, the maximum target achievement of 200% applies. It is interpolated on a straight-line basis between the threshold and the target as well as between target and maximum. The ISS ESG Corporate Rating was selected as the ESG target for the 2024 to 2026 LTI tranche. This benchmarks a company's ESG performance against cross-sectoral and sector-specific indicators.

KPI total target achievement is deemed to be 0% below or upon achievement of the threshold, 200% above or upon achievement of the maximum, and 100% for achievement of the target. It is capped at 200%. The amount accrued under the LTI is capped at 200% of the LTI target (payout cap). Further information can be seen in → **figure 3.5**.

All rights accrued under the LTI expire without compensation if: the service contract with the member of the Board of Management is validly terminated without notice for good cause prior to payment of the LTI; the member's appointment to the Board of Management is validly revoked for good cause prior to payment of the LTI due to gross breach of duty as defined in Section 84 (4) Sentence 2 of the German Stock Corporation Act; or the appointment is not renewed upon expiry for good cause prior to payment of the LTI in accordance with Section 626 (1) of the German Civil Code for reasons for which the member of the Board of Management is responsible. This also applies if the member of the Board of Management resigns or gives notice of termination of the service contract before payment of the LTI, unless he or she has a justified reason for resigning and/or giving notice of termination of the service contract.

3.4 — TARGETS FOR THE 2024 TO 2026 LTI TRANCHE

Target	Operating EBIT margin	TSR	ESG
Weighting in %	40%	40%	20%
Definition	Average achievement of the operating EBIT margin target for the three fiscal years	Total shareholder return (TSR) of Dürr AG relative to the TSR of a defined peer group	ISS ESG corporate rating Assessment of ESG performance • based on sector-specific and cross-sector indicators • based on a 12-point system

Determination of target achievement	Average operating EBIT margin	Target achievement	Difference	Target achievement	Performance score	Target achievement
	≤ 2.5%	0%	≤ –25%-points	0%	48.80	0%
	5.7%	100%	0%-points	100%	54.86	100%
	≥ 8.0%	200%	≥ 25%-points	200%	59.43	200%

3.5 — LONG-TERM INCENTIVE – CALCULATION OF THE TARGET ACHIEVEMENT AMOUNT

LTI (three-year performance period)

Operating EBIT margin	TSR	ESG
40%	40%	20%

Annual definition of threshold (0%) and maximum (200%)

Number of performance shares × KPI total target achievement (max. 200%) × Average closing price of Dürr AG share = LTI total target achievement amount

Total target achievement capped at 200%

Previous long-term incentive (long-term remuneration component)

As the long-term variable remuneration was paid out in 2024 under the remuneration system applicable until December 31, 2022, it is described below (→ figure 3.6).

Under the remuneration system applicable until December 31, 2022, the LTI remuneration was based on the performance of Dürr's share price and the Group's average operating EBIT margin over a three-year period (LTI period). At the date on which the annual LTI tranches were awarded, the target amount for the LTI per member of the Board of Management was converted into virtual shares in the company (performance shares) on the basis of the initial reference price of the Dürr share. These were then allocated to the respective members of the Board of Management as a calculation variable. The initial reference price was determined on the basis of the average calculated closing price of the Dürr share for the last 30 trading days before December 31 of a fiscal year.

The amount accrued at the end of the three-year LTI period was calculated by multiplying the number of performance shares with an EBIT multiple and a share price multiplier. The share price multiplier corresponded to the average closing price of the Dürr share in euros on the last 30 trading days prior to the first annual general meeting after the three-year LTI period. The EBIT multiple was calculated on the basis of the average operating EBIT margin achieved by the Group during the term of the LTI tranche. The EBIT multiplier equaled 0% if target achievement was below the threshold, 200% if target achievement was above the maximum, and 100% if the target was reached. Target achievement and the EBIT multiplier were interpolated on a straight-line basis between the threshold and the target as well as between the target and the maximum. The EBIT multiplier was capped at 200%. The target achievement amount for the LTI was capped at 150% of the LTI target (payment cap).

3.6 — PREVIOUS LONG-TERM INCENTIVE – CALCULATION OF THE TARGET ACHIEVEMENT AMOUNT FOR 2024

Number of performance shares	×	EBIT multiplier (0–200%)	×	Average closing price of Dürr AG share	=	Long-term incentive target achievement amount (capped at 150%)

PENALTY AND CLAWBACK RULES

The company may, at its own due discretion, adjust and recover the payments made under the variable remuneration if the audited consolidated financial statements and/or the basis for determining other targets, upon which the variable remuneration is based, must be subsequently corrected because they prove to be objectively erroneous, and the error has led to a miscalculation of the variable remuneration. The recovery claim equals the difference between the amounts actually paid by the company and the amounts which would have had to be paid according to the rules on variable remuneration as per the corrected calculation bases.

In the event of any grossly negligent or intentional breach by a member of the Board of Management of any of his or her material duties of care under Section 93 of the German Stock Corporation Act or any material principles in any internal guidelines issued by the company and, resulting from this, a threat to the business success or reputation of Dürr AG or any of its companies, the Supervisory Board may reduce the variable remuneration components in part or in full (down to zero).

If the correction to the bases for calculating variable remuneration or the breach of the duties of care or of material principles affect several variable remuneration components that have already been paid, the payments may be reclaimed for all variable remuneration components. Any claim for recovery will lapse three years after payment of the variable remuneration component concerned.

In the 2024 fiscal year, the Supervisory Board made no use of either penalty or clawback rules. The Supervisory Board did not identify any facts that would have given rise to this.

MAXIMUM REMUNERATION

The total remuneration for each member of the Board of Management for a fiscal year is capped at an absolute amount ("maximum remuneration"). The maximum remuneration relates to the fixed annual salary paid in the year in question, the fringe benefits paid in the year in question, including costs for the company pension, the STI earned in the year in question, and the tranche of the LTI commencing in the year in question. It is capped at €5,500,000 for the CEO (2023: €5,500,000) and at €2,900,000 (2023: €2,900,000) for the CFO.

3.7 — MAXIMUM AMOUNTS OF VARIABLE REMUNERATION COMPONENTS

	Maximum amount under the short-term incentive (€)		Maximum amount under the long-term incentive (€)	
Position	2023	2024	2023	2024
CEO	1,666,667	1,920,000	1,800,000	2,200,000
CFO	858,333[1]	960,000	900,000	971,667[2]

[1] The disclosure of the maximum amount of variable remuneration components payable under the STI to CFO Dietmar Heinrich for 2023 relates to the time-proportionate calculation for the period up to July 31, 2023 of €800,000 and for the period from August 1, 2023 of €940,000.
[2] Time-proportionate amount due to LTI tranche from January 1, 2024 to September 30, 2026.

If the total compensation calculated for a fiscal year exceeds the maximum remuneration, the amount accruing under the LTI is reduced by the surplus amount. If necessary, the Supervisory Board may, at its own due discretion, reduce other remuneration components. Irrespective of the maximum remuneration defined, the amount of the individual variable remuneration components is also capped as shown in → table 3.7.

OBLIGATION TO HOLD SHARES ("SHARE OWNERSHIP GUIDELINES")

In accordance with customary market practices, the members of the Board of Management are subject to a contractual obligation to permanently hold a fixed number of shares in Dürr AG during the term of their office, after the end of a three-year accrual period. The CEO and the CFO must each hold 12,500 shares. Alongside the LTI, the obligation to hold shares in the company entails an additional share-based component that provides an incentive to work toward increasing the company's enterprise value in the long term beyond the term of the LTI. It was necessary for the first time to demonstrate compliance with this obligation after a three-year accrual period as of December 31, 2023, after which it must be demonstrated annually. The number of shares held as of December 31, 2024 is shown in → table 3.8.

3.8 — NUMBER OF SHARES HELD BY THE MEMBERS OF THE BOARD OF MANAGEMENT ACTIVE AS OF DECEMBER 31, 2024

Member of the Board of Management	Requisite number	End of the accumulation phase	Number of shares as of December 31, 2024
Dr. Jochen Weyrauch	12,500	Dec. 31, 2023	31,000
Dietmar Heinrich	12,500	Dec. 31, 2023	18,750

BENEFITS GRANTED AT CONTRACT TERMINATION

Benefits granted in the event of ordinary expiry of the appointment

In the event of the ordinary expiry of the appointment, no entitlement to severance payments, special pension contributions, or any other additional payments are made.

Benefits granted in the event of the resignation of a member of the Board of Management

If the service contract is terminated without good cause, a possible severance payment including fringe benefits for the member of the Board of Management concerned is capped at the maximum of two annual remuneration amounts and may not exceed the contractual remuneration for the remaining term if the service contract has a remaining term of less than two years (severance cap). The calculation of the severance cap is based on the total compensation received in the previous fiscal year and, if applicable, also the expected total remuneration for the current fiscal year. No severance payment will be made if the service contract is terminated by the member of the Board of Management himself/herself or for good cause, for reasons for which that member is responsible.

Post-contractual non-compete agreement

If a post-contractual non-compete clause is agreed upon, any severance payment counts toward the remuneration paid for the acceptance of such non-compete obligation.

Benefits granted in connection with a change of control

There are no deviating compensation commitments in the event of the termination of the service contract due to a change of control.

Compliance with the remuneration system and determination of target achievement

FURTHERANCE OF THE COMPANY'S SUSTAINABLE DEVELOPMENT

The remuneration system promotes the furtherance of Dürr AG's business strategy and its long-term interests, thus contributing to its long-term development. The focus is on strengthening the company's profitable and sustainable growth and forms the basis for structuring the remuneration system. The sustainable success of the business strategy is supported by variable, performance-based remuneration components. To this end, different targets aligned with profitability, enterprise value (including TSR), strategic matters of relevance in the applicable year, and environmental and social sustainability are applied. The financial and non-financial parameters cover different, frequently multi-year periods in order to sustainably support the company's strategic success.

COMPLIANCE WITH THE REMUNERATION SYSTEM

The remuneration system applicable to the members of the Board of Management was applied without any modifications in 2024. The members of the Board of Management receive no loans or advance payments from Dürr AG.

TARGET ACHIEVEMENT UNDER THE SHORT-TERM INCENTIVE

Performance criteria for 2024

The target weighting of the STI for 2024 was: 40% for the operating EBIT margin target, 30% for the free cash flow target, 15% for the ESG targets, and 15% for a strategic target (→ table 3.9).

Operating EBIT came to €259.1 million in 2024. It is calculated based on EBIT before extraordinary effects of €257.9 million, adjusted for extraordinary items of €1.2 million. Sales of the Dürr Group, adjusted for extraordinary items of €9.3 million, amounted to €4,707.4 million (before adjustment: €4,698.1 million). Extraordinary items relate to the sale of the Agramkow Group during the year and the first-time consolidation of the Ingecal Group. The Agramkow Group was initially budgeted for the full year 2024, but was disposed of as of July 1, 2024. The annual budget of the Agramkow Group was therefore added to the EBIT before extraordinary effects and sales of the Dürr Group on a pro rata basis for a period of six months. As the consolidation of the Ingecal Group, effective January 1, 2024, was not included in the 2024 budget, we reduced both the EBIT before extraordinary effects and sales of the Dürr Group accordingly. The operating EBIT margin for 2024 was thus 5.5%. Free cash flow amounted to €163.6 million in 2024. The ESG target for 2024 consisted of two subtargets, each of which had a weighting of 50%. One of the two subtargets was oriented toward customer satisfaction. For this purpose, customer surveys were conducted to determine the Dürr promoter score (DPS). A DPS of 8.37 points translated into a target achievement of 142%. The target achievement for the DPS was calculated by linear interpolation between the minimum target value of 6.00 (0%), the target value of 7.68 (100%), and a fixed value of 8.35 (140%), as well as by linear interpolation between the fixed value of 8.35 (140%) and the maximum target value of 9.00 (200%). The resulting target achievement is more conservative than in the case of linear interpolation between the target value and the maximum, thus underpinning ambitious target setting. The second ESG subtarget related to occupational health and safety. Here, the Group-wide incident rate (number of work-related incidents per 1,000,000 work hours per year) was determined in 2024. A measured incident rate of 4.4 translated into a target achievement of 200%. Accordingly, the total achievement of the two ESG subtargets came to 171% in 2024. The strategic target relating to the OneDürrGroup program was completed in 2024 with a target achievement of 184% (–0.69 months). OneDürrGroup is an improvement program aimed at defining shared business processes for the entire Group and mapping them in appropriate, uniform IT systems. With this target, the time required for completion and qualitative implementation were compared with the key milestones for target achievement defined for 2024 in the applicable project plans.

3.9 — SHORT-TERM INCENTIVE – DETERMINATION OF TARGET ACHIEVEMENT IN 2024

Name	Description of the performance criterion	Relative weighting of the performance criterion	
	Operating EBIT margin	40%	
	Free cash flow (FCF)	30%	
	ESG targets	15%	
	ESG target 1 customer satisfaction[1]	7.5%	
	ESG target 2 (work-related incidents – incident rate[4])	7.5%	
Dr. Jochen Weyrauch CEO	Strategic target OneDürrGroup program[5]	15%	
	Operating EBIT margin	40%	
	Free cash flow (FCF)	30%	
	ESG targets	15%	
	ESG target 1 (customer satisfaction)[1]	7.5%	
	ESG target 2 (work-related incidents – incident rate[4])	7.5%	
Dietmar Heinrich CFO	Strategic target OneDürrGroup program[5]	15%	

[1] The basis for the assessment is the Dürr promoter score (DPS), which is derived from the results of representative surveys of customers. For this purpose, customers are asked about their touchpoints with Dürr. This refers to the various contacts that customers have with Dürr in projects or in service activities. For the calculation of the DPS, assessments of at least 60% of the touchpoints should be obtained from the customer. To this end, a questionnaire containing a total of 300 specific questions stored in the Salesforce software is used.
[2] The target achievement for the DPS was calculated by linear interpolation between the minimum target value of 6.00 (0%), the target value of 7.68 (100%), and a fixed value of 8.35 (140%), as well as by linear interpolation between the fixed value of 8.35 (140%) and the maximum target value of 9.00 (200%). The resulting target achievement is more conservative than in the case of linear interpolation between the target value and the maximum, thus underpinning ambitious target setting.
[3] Dürr Promoter Score
[4] Incident rate (frequency rate), measured on the basis of the number of work-related incidents per 1,000,000 work hours recorded in the HFM consolidation tool. The targets are interpolated on a straight-line basis within the bandwidths.
[5] The OneDürrGroup program is an improvement program aimed at defining shared business processes for the entire Group and mapping them in appropriate, uniform IT systems. Definition of target achievement: successful implementation, in terms of time and quality of the key milestones, defined in the respective project plans for 2024. 200% target achievement = achievement earlier than the project plan deadline by 1 month; 150% target achievement = achievement according to the project plan deadline; 100% target achievement = achievement later than the project plan deadline by 1 month; 50% target achievement = achievement later than the project plan deadline by 2 months; 0% target achievement = achievement later than the project plan deadline by at least 3 months.

Information on performance criteria			Target achievement	Remuneration
a) Minimum target b) Minimum target remuneration	a) Target for 100% target achievement b) Target remuneration for 100% target achievement	a) Maximum target b) Maximum target remuneration	Actual figure for current year	a) Target achievement b) Amount of remuneration for this target
a) 2.9%	a) 4.9%	a) 5.9%		a) 160.0%
b) €0	b) €384,000	b) €768,000	5.5%	b) €614,400
a) €–200,000,000	a) €0	a) €100,000,000		a) 200.0%
b) €0	b) €288,000	b) €576,000	€163,581,000	b) €576,000
				a) 170.9%
				b) €246,110
a) DPS score[3] = 6.00 points	a) DPS score = 7.68 points	a) DPS score = 9.00 points		a) 141.8%[2]
b) €0	b) €72,000	b) €144,000	8.37 points	b) €102,110
a) ≥ 20 work-related incidents per 1,000,000 h in 2024	a) 11 work-related incidents per 1,000,000 h in 2024	a) ≤ 5 work-related incidents per 1,000,000 h in 2024	4.4 work-related incidents per 1,000,000 h	a) 200.0%
b) €0	b) €72,000	b) €144,000		b) €144,000
a) + 3 months	a) + 1 month	a) –1 month		a) 184.3%
b) €0	b) €144,000	b) €288,000	–0.69 months	b) €265,320
a) 2.9%	a) 4.9%	a) 5.9%		a) 160.0%
b) €0	b) €192,000	b) €384,000	5.5%	b) €307,200
a) €–200,000,000	a) €0	a) €100,000,000		a) 200.0%
b) €0	b) €144,000	b) €288,000	€163,581,000	b) €288,000
				a) 170.9%
				b €123,055
a) DPS score[3] = 6.00 points	a) DPS score = 7.68 points	a) DPS score = 9.00 points		a) 141.8%[2]
b) €0	b) €36,000	b) €72,000	8.37 points	b) €51,055
a) ≥ 20 work-related incidents per 1,000,000 h in 2024	a) 11 work-related incidents per 1,000,000 h in 2024	a) ≤ 5 work-related incidents per 1,000,000 h in 2024	4.4 work-related incidents per 1,000,000 h	a) 200.0%
b) €0	b) €36,000	b) €72,000		b) €72,000
a) +3 months	a) +1 month	a) –1 month		a) 184.3%
b) €0	b) €72,000	b) €144,000	–0.69 months	b) €132,660

Target achievement under the long-term incentive

→ Table 3.10 shows the target achievement for the 2022 to 2024 LTI tranche, which will be paid after the 2025 annual general meeting. Reportable target achievement under the LTI relates to the EBIT multiplier. The payment is derived from the EBIT multiplier and the share price multiplier (see subsection entitled "Previous long-term incentive (long-term remuneration component)" for more information on the system).

The EBIT multiplier was calculated on the basis of the average operating EBIT margin achieved by the Group during the term of the 2022 to 2024 LTI tranche. Average operating EBIT for the years 2022 to 2024 amounted to €225.3 million. It is calculated from the average EBIT of €201.1 million, adjusted for unplanned items averaging €24.2 million per year (2022: €1.6 million; 2023: €63.3 million; 2024: €7.7 million). The adjustments relate to non-operating items, including in connection with acquisitions, company disposals or restructuring. The Dürr Group's average sales for the years 2022 to 2024, also adjusted accordingly, amounted to €4,513.9 million. The average operating EBIT margin for the LTI tranche 2022 to 2024 thus amounted to 5.0%.

3.10 — LONG-TERM INCENTIVE – DETERMINATION OF TARGET ACHIEVEMENT IN 2024

			Information on performance criteria								Target achievement		Share price multiplier	
			a)	Minimum target	a)	Target for 100% target achievement	a)	Maximum target	a)	EBIT margin achieved	a)	Share price multiplier[1]
Name	Number of perfor-mance shares	Description of the performance criterion	b)	Minimum target for EBIT multiplier	b)	Target for 100% target achievement of EBIT multiplier	b)	Maximum target for EBIT multiplier	b)	EBIT multiplier	b)	Remuneration
		Average margin on earnings before interest	a)	≤ 2.5%	a)	6.4%	a)	≥ 8.0%	a)	4.99%	a)	22.16
Dr. Jochen Weyrauch CEO	23,597	and taxes (EBIT) in 2022 – 2024	b)	0%	b)	100%	b)	200%	b)	63.85%	b)	€333,878
		Average margin on earnings before interest	a)	≤ 2.5%	a)	6.4%	a)	≥ 8.0%	a)	4.99%	a)	22.16
Dietmar Heinrich CFO	11,799	and taxes (EBIT) in 2022 – 2024	b)	0%	b)	100%	b)	200%	b)	63.85%	b)	€166,946

[1] The average price over the last 30 trading days prior to the 2025 annual general meeting is applied to calculate the final amount. As this information was not yet available when the annual financial statements were prepared, the average price over the last 30 days of the 2024 calendar year is used here.

Remuneration in 2024

REMUNERATION GRANTED AND OWED AS DEFINED IN SECTION 162 OF THE GERMAN STOCK CORPORATION ACT

Under Section 162 (1), Sentence 1, Sentence 2, No. 1 of the German Stock Corporation Act, all fixed and variable remuneration components that were "granted and owed" to the individual members of the Board of Management in the 2023 and 2024 fiscal years must be disclosed. The figures reported match those reported in the past in accordance with the "remuneration received" model table of the German Corporate Governance Code in the version dated February 7, 2017. This ensures a consistently transparent and comparable presentation of the remuneration of the individual members of Dürr AG's Board of Management.

The STI granted as one-year variable remuneration for 2023 and 2024 counts as "remuneration owed" as the underlying performance arose before the respective reporting date (December 31). Accordingly, the bonus payment amounts for the reporting year are disclosed notwithstanding the fact that payment is not made until after the end of the respective reporting year. This affords transparent and understandable reporting and preserves the link between performance and remuneration during the reporting period.

The tranches under the LTI due for payment in the respective fiscal year are structured as multi-year variable remuneration and therefore count as "remuneration granted". This ensures that all conditions precedent or subsequent under the long-term variable remuneration are satisfied and the actual amount of the remuneration instruments can be reported in accordance with the actual benefits received. The amounts of the pension contributions subject to contractual commitments under the company pension scheme for members of the Board of Management in 2024 are shown as supplementary information below → **table 3.11** "Remuneration granted and owed" in 2023 and 2024. However, the pension contributions do not represent an actual remuneration received by the members of the Board of Management and are not defined as remuneration granted and owed within the meaning of Section 162 of the German Stock Corporation Act.

The sum total of the "remuneration granted and owed" in 2024 comprises

- the fixed annual salary in 2024,
- the taxable non-cash benefits and other ancillary benefits in 2024,
- the STI determined for 2024 and payable in 2025, and
- the LTI due in 2024 and payable in 2025 (LTI tranche 2022–2024).

→ **Table 3.11** also shows the pension expense for 2023 and 2024.

3.11 — "REMUNERATION GRANTED AND OWED" IN 2023 AND 2024

			DR. JOCHEN WEYRAUCH CEO Date of entry: January 1, 2017				DIETMAR HEINRICH CFO Date of entry: August 1, 2020			
€			2023	2023 (in %)	2024	2024 (in %)	2023	2023 (in %)	2024	2024 (in %)
Non-performance-related components	Basic remuneration (fixed remuneration)		1,000,000	37	1,150,000	36	616,667[1]	39	650,000	39
	Fringe benefits (benefits in kind, advances toward insurance, etc.)		30,653	1	30,000	1	15,996	1	15,600	1
	Total		**1,030,653**	**38**	**1,180,000**	**37**	**632,663**	**40**	**665,600**	**40**
Performance-related components	One-year variable remuneration (STI)		1,250,333	47	1,701,830	53	643,922	41	850,915	51
	Multi-year variable remuneration (LTI)	LTI 2021–2023	399,455	15	0	0	287,603	18	0	0
		LTI 2022–2024	0	0	333,878	10	0	0	166,946	10
	Other variable remuneration		0	0	0	0	0	0	0	0
	Total		**1,649,788**	**62**	**2,035,708**	**63**	**931,525**	**60**	**1,017,861**	**60**
Miscellaneous										
Amounts reclaimed under Section 162 (1) Sentence 2 No. 4 of the German Stock Corporation Act			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total remuneration granted and owed as defined in Section 162 of the German Stock Corporation Act			**2,680,441**	**100**	**3,215,708**	**100**	**1,564,187**	**100**	**1,683,461**	**100**
Pension expense[2]			250,000		322,000		154,167		162,500	
Total remuneration			**2,930,441**		**3,537,708**		**1,718,354**		**1,845,961**	
Ratio of fixed to variable remuneration			**78%**		**74%**		**84%**		**81%**	

[1] The disclosures on the basic remuneration for CFO Dietmar Heinrich for 2023 are based on the time-proportionate calculation of €600,000 for the period up until July 31, 2023 and €640,000 for the period from August 1, 2023.

[2] Additional information. Not classified as remuneration granted or owed as defined in Section 162 of the German Stock Corporation Act.

REMUNERATION GRANTED IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE IN THE VERSION DATED FEBRUARY 7, 2017

In the interests of maximum transparency, Dürr AG voluntarily publishes the table regarding remuneration as defined in the annex (Table 1) to point 4.2.5 of the German Corporate Governance Code in the version dated February 7, 2017, in addition to the information disclosed in the section entitled "Remuneration granted and owed as defined in Section 162 of the German Stock Corporation Act". The table "Remuneration granted" as defined in the version of the German Corporate Governance Code dated February 7, 2017, shows the amounts allocated to the individual remuneration elements in 2024, i.e. the total target remuneration comprises fixed remuneration and the targets for the variable remuneration components for 2024 and their relative shares (→ table 3.12).

Mr. Heinrich has been appointed until September 2026, when he reaches the age limit of 63 years defined by the Supervisory Board for members of the Board of Management. The LTI tranche granted with a maturity period from January 1, 2024 to December 31, 2026, has been shortened accordingly.

3.12 — REMUNERATION GRANTED IN 2023 AND 2024 IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE IN THE VERSION DATED FEBRUARY 7, 2017

			DR. JOCHEN WEYRAUCH CEO Date of entry: January 1, 2017				DIETMAR HEINRICH CFO Date of entry: August 1, 2020			
€			2023	2023 (in %)	2024	2024 (in %)	2023	2023 (in %)	2024	2024 (in %)
Non-performance-related components	Basic remuneration (fixed remuneration)		1,000,000	33	1,150,000	32	616,667[1]	37	650,000	36
	Fringe benefits (benefits in kind, advances toward insurance, etc.)		30,653	1	30,000	1	15,996	1	15,000	1
	Total		**1,030,653**	**34**	**1,180,000**	**33**	**632,663**	**38**	**665,000**	**37**
Performance-related components	One-year variable remuneration (STI)		833,333	28	960,000	27	429,167[2]	26	480,000	27
	Multi-year variable remuneration (LTI)	LTI 2023–2025	900,000	30	0	0	450,000	27	0	0
		LTI 2024–2026	0	0	1,100,000	31	0	0	485,833[3]	27
	Other variable remuneration		0	0	0	0	0	0	0	0
	Total		**1,733,333**	**58**	**2,060,000**	**58**	**879,167**	**53**	**965,833**	**54**
Total			**2,763,986**	**92**	**3,240,000**	**91**	**1,511,830**	**91**	**1,630,833**	**91**
Pension expense			250,000	8	322,000	9	154,167	9	162,500	9
Total remuneration			**3,013,986**		**3,562,000**		**1,665,996**		**1,793,333**	
Ratio of fixed to variable remuneration			**74%**		**73%**		**89%**		**86%**	

[1] The disclosures on the basic remuneration for CFO Dietmar Heinrich for 2023 are based on the time-proportionate calculation of €600,000 for the period up until July 31, 2023 and €640,000 for the period from August 1, 2023.
[2] The disclosures on the one-year variable remuneration (STI) for CFO Dietmar Heinrich for 2023 are based on a time-proportionate calculation of €400,000 for the period up until July 31, 2023 and €470,000 for the period from August 1, 2023.
[3] Time-proportionate amount due to LTI tranche from January 1, 2024 to September 30, 2026.

DEFINED BENEFIT OBLIGATIONS AND ASSET VALUES

The defined benefit obligations granted to the members of the Board of Management are presented in individualized form below. These relate solely to allocations to pension provisions in accordance with IFRS. → Table 3.13 shows the defined benefit obligations for the pension entitlement acquired, in addition, the asset values of the pension commitment.

3.13 — DEFINED BENEFIT OBLIGATIONS[1] AND ASSET VALUES AS OF DECEMBER 31, 2023, AND DECEMBER 31, 2024, IN ACCORDANCE WITH IFRS

	Defined benefit obligations		Asset values	
€	2023	2024	2023	2024
Dr. Jochen Weyrauch	1,834,601	1,923,333	844,355	1,151,822
Dietmar Heinrich	375,654	398,120	316,897	474,414
Total	**2,210,255**	**2,321,453**	**1,161,252**	**1,626,236**

[1] Present values of the pension entitlements acquired up to and including the respective year.

Pension payments of €490,766 were granted to former members of the Board of Management in 2024 (€586,109 in the 2023 fiscal year) and capital payments of €6,004,961 were granted to former members of the Board of Management in 2024.

PERCENTAGE DISTRIBUTION OF REMUNERATION COMPONENTS

The Supervisory Board determines the target total remuneration for the individual members of the Board of Management. This equals the sum total of all the remuneration components relevant for total remuneration. In the case of the STI and LTI, the target amounts for 100% target achievement ("target amounts of the variable remuneration components") are decisive. The Supervisory Board also determines the target amounts for the variable remuneration components for each fiscal year. To this end, the Supervisory Board adopts resolutions on the basis of the earnings determined for earlier years as part of budgeting activities for the following year and strategic planning for the years thereafter to define the targets which are to be achieved by the company and the Board of Management in terms of performance criteria.

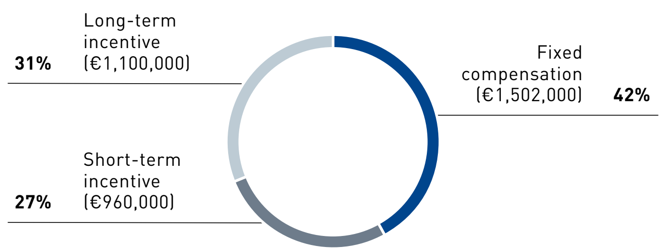
In the case of the CEO, the share of fixed remuneration (fixed annual salary, pension expenses, and fringe benefits) equaled approximately 42% of the total target remuneration and the share of variable target remuneration approximately 58% for 2024. In the case of the CFO, the share of fixed remuneration was approximately 46% of the total target remuneration and the share of variable target remuneration was approximately 54%.

With regard to the remuneration granted and owed for 2024 as defined in Section 162 of the German Stock Corporation Act, the share of fixed remuneration (fixed annual salary plus fringe benefits) was approximately 37% of the total remuneration and the share of variable remuneration approximately 63% of the total remuneration for the CEO. In the case of the CFO, the share of fixed remuneration was approximately 40% of the total remuneration and the share of variable remuneration approximately 60%.

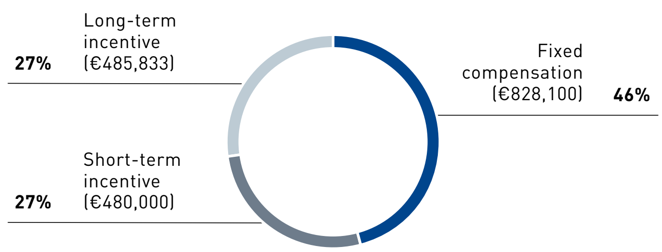
The breakdown of fixed remuneration, the STI (target amount) and the LTI (target amount) within the target total remuneration for 2024 is shown in → **figure 3.14**. In the case of the CEO, the share of the STI (target amount) in the variable target total remuneration stood at approximately 47% and the share of the LTI (target amount) at approximately 53% of the variable target total remuneration. In the case of the CFO, the share of the STI (target amount) in the variable target total remuneration stood at approximately 50% and the share of the LTI (target amount), which was reduced proportionately as the age limit set by the Supervisory Board was reached, stood at approximately 50% of the variable target total remuneration.

3.14 — PERCENTAGE SHARES OF THE REMUNERATION COMPONENTS (TARGET REMUNERATION)

SHARES OF REMUNERATION COMPONENTS – CEO



SHARES OF REMUNERATION COMPONENTS – CFO



COMPARISON OF ANNUAL CHANGES IN THE REMUNERATION OF THE BOARD OF MANAGEMENT

In structuring the remuneration system and determining the remuneration for the members of the Board of Management, the Supervisory Board has also taken into account the remuneration and employment conditions applicable to the employee groups defined within the Group as "senior managers" and "the workforce", particularly with regard to any changes over the last few years. To this end, the Supervisory Board has defined "senior managers" and "the workforce" consistently with the previous years in accordance with the recommendations of the German Corporate Governance Code. In comparing the remuneration of the members of the Board of Management with that of senior managers and the workforce, it also conducted a detailed analysis to ensure that the average long-term remuneration of the members of the Board of Management does not increase more quickly than the remuneration paid to senior managers and the workforce. It should be noted that the remuneration of the members of the Board of Management is not adjusted annually. In order to ensure a development that is still in line with the market and adequate in comparison with senior managers and the workforce, higher increases than in the case of annual adjustments may be necessary in the years in which the remuneration of the members of the Board of Management is increased. Moreover, a review is performed regularly to ensure consistency between the remuneration and fringe benefit systems for the members of the Board of Management on the one hand, and senior managers and the workforce on the other, in order to support the strategic orientation and management of Dürr AG and its companies.

→ Table 3.15 shows a comparison of the percentage change in the remuneration of the members of the Board of Management with the Dürr Group's earnings performance and changes in the average salaries of the employees compared with the previous year. In addition, the average personnel expenses are disclosed by reference to the ratio of the Dürr Group's total personnel expenses to the number of employees worldwide. The remuneration of the members of the Board of Management included in the table shows the remuneration granted and owed within the meaning of Section 162 (1), Sentence 1 of the German Stock Corporation Act in the respective fiscal year. Where members of the Board of Management were only remunerated on a time-proportionate basis in individual fiscal years, e.g. because their appointment commenced during the year, the remuneration for that fiscal year was extrapolated on the basis of a full year in the interests of comparability.

3.15 — COMPARISON OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE BOARD OF MANAGEMENT WITH EARNINGS AND EMPLOYEE SALARIES OVER TIME

Annual change	Percentage change in 2024 over 2023	Percentage change in 2023 over 2022	Percentage change in 2022 over 2021	Percentage change in 2021 over 2020
REMUNERATION OF THE BOARD OF MANAGEMENT				
Dr. Jochen Weyrauch CEO (from January 1, 2022) date of entry: January 1, 2017)	+20.7%	+24.0%	+32.2%[1]	+51.1%
Dietmar Heinrich (CFO from August 1, 2020)	+4.7%	+33.6%	–5.9%	+53.4%
Ralf W. Dieter (Date of entry: January 1, 2005; date of exit: December 31, 2021)	–	–	–	+14.9%
BUSINESS PERFORMANCE OF THE DÜRR GROUP				
EBIT (IFRS financial statements)[2]	+8%	–7%	+17%	+1,480%
Net profit for Dürr AG (annual financial statements of Dürr AG under German GAAP)	–26%	–76%	–23%	+478%
AVERAGE SALARIES OF EMPLOYEES OVER TIME				
Salaries of all employees (global) over time	–0.2%	+6.2%	+8.1%	+0.7%
Average personnel expenses (global) in € thousand[3]	2024: 75	2023: 75	2022: 71	2021: 66

[1] The increase in remuneration in 2022 is largely due to the fact that Dr. Weyrauch was appointed CEO of Dürr AG on January 1, 2022.
[2] Underlying EBIT includes the EBIT of both continued operations and the discontinued operation.
[3] Average personnel expenses of the Dürr Group, adjusted for acquisition-related extraordinary effects (2018 and 2019: acquisition of Megtec/Universal; 2020: acquisition of HOMAG China Golden Field and System TM A/S; 2023: acquisition of BBS Automation Group and Amalis Group SAS; 2024: sale of Agramkow) and personnel expenses of the Board of Management of Dürr AG.

Earnings are presented on the basis of the Dürr Group's EBIT (earnings before interest and taxes). They are also presented on the basis of Dürr AG's net profit for the year for formal reasons. However, the annual financial statements of Dürr AG are of only secondary importance for the management of the Group.

REVIEW OF THE APPROPRIATENESS OF THE REMUNERATION OF THE BOARD OF MANAGEMENT

The Supervisory Board reviews the amount and structure of the remuneration of the Board of Management and post-retirement benefits at least every two years to satisfy itself of their appropriateness within the meaning of Section 87 (1) of the German Stock Corporation Act (AktG) and also regularly relies on external consulting. Particular attention is paid here to the independence of the external remuneration experts. On the one hand, the amount and structure of the remuneration of the Board of Management relative to the remuneration of senior managers and the workforce as a whole are assessed from an external perspective (vertical comparison). In addition to an analysis of the status quo, the vertical comparison also takes into account changes in remuneration ratios over time. On the other hand, the amount and structure of the remuneration are assessed on the basis of Dürr AG's positioning within a peer group (horizontal comparison). This peer group is made up of German and Austrian companies (primarily mechanical and plant engineering companies as well as automotive components suppliers and engineering service providers). Moreover, a further comparison is made with companies listed in the MDAX (excluding the financial sector). In addition to fixed remuneration, the horizontal comparison includes the short- and long-term remuneration components as well as the amount of fringe benefits and payments toward private pension benefits. The peer group was carefully selected by the Supervisory Board in order to avoid any automatic upward change in remuneration.

The last review of the appropriateness of the remuneration of the Board of Management and the post-retirement benefits was performed in 2023. The Supervisory Board came to the conclusion that an adjustment within the range determined by customary market practice was reasonable, justifiable, and appropriate within the meaning of Section 87 (1) of the German Stock Corporation Act. The adjustment was approved at the annual general meeting on May 12, 2023, and the remuneration of the CEO and the CFO was adjusted with effect from January 1, 2024.

SERVICE CONTRACTS

The contracts with the members of the Board of Management are entered into for a period of three years when they join the Board of Management. When the contracts are due for renewal, they are usually extended by a total of five years, which is the maximum permitted by law. Following his appointment as the new CEO, Dr. Weyrauch received a service contract with a term from January 1, 2022, until December 31, 2026. Dürr AG's Supervisory Board renewed until September 30, 2026, the service contract with CFO Dietmar Heinrich, which had originally been due to expire on July 31, 2023. Following the renewal of three years and two months, Mr. Heinrich's appointment will terminate when he reaches the age limit of 63 years in accordance with the rules adopted by the Supervisory Board for members of the Board of Management. If the appointment of a member of the Board of Management is revoked for good cause in accordance with Section 84 (4) of the German Stock Corporation Act and this also constitutes good cause for the immediate dismissal of the member of the Board of Management in accordance with Section 626 of the German Civil Code, the service contract will automatically terminate. Please also note the information provided in section 2.2. "Disclosures pursuant to Sections 289a and 315a of the German Commercial Code" in the combined management report.

Outlook for the remuneration system in 2025

Dürr AG's Supervisory Board established the criteria and targets for the performance-related variable remuneration components prior to the beginning of the fiscal year (→ **tables 3.16 and 3.17**).

3.16 — 2025 TARGETS FOR SHORT-TERM INCENTIVE (SHORT-TERM REMUNERATION COMPONENT)

Target	Operating EBIT margin	Free cash flow (FCF)	ESG target(s)	Strategic target(s)
Weighting in %	40%	30%	15%	15%
Definition	Operating EBIT margin defined as the ratio of operating EBIT to Dürr Group's adjusted sales	Free cash flow is the freely available cash flow and shows the funds remaining to pay a dividend or make acquisitions.	ESG targets (each with a weighting of 50%): ▪ Customer satisfaction: Dürr promoter score (DPS) – customer survey ▪ Work-related incidents (incident rate) per 1,000,000 working hours	OneDürrGroup program: successful, timely implementation of the key milestones for 2025 defined in the relevant project plans for 2025

Calculation of target achievement

Operating EBIT margin	Target achievement
≤ 3.4%	0%
5.4%	100%
≥ 6.9%	200%

Free cash flow	Target achievement
€–244,000 thousand	0%
€–44,000 thousand	100%
€56,000 thousand	200%

Customer satisfaction	Target achievement[1]
DPS = 6.00 points	0%
DPS = 8.00 points	100%
DPS = 9.00 points	200%

Work-related incidents	Target achievement
≥ 20 incidents	0%
8 incidents	100%
≤ 3 incidents	200%

OneDürrGroup program	Target achievement
+3 months	0%
+1 month	100%
–1 month	200%

[1] The target achievement for the DPS is calculated by linear interpolation between the minimum target value of 6.00 (0%), the target value of 8.00 (100%), and a fixed value of 8.80 (140%), as well as by linear interpolation between the fixed value of 8.80 (140%) and the maximum target value of 9.00 (200%). The resulting target achievement is more conservative than in the case of linear interpolation between the target value and the maximum, thus underpinning ambitious target setting.

Two ESG targets will be set for the STI for 2025. The first one is customer satisfaction, as measured by the Dürr promoter score (DPS), and the second one is the number of work-related incidents. The 2025 remuneration report will also set out target achievement transparently and present in detail the specific method for the calculation of the amount accruing under the STI.

Two targets from the Environment target cluster will be set as ESG targets for the 2025 to 2027 LTI tranche. With a target weighting of 70%, an incentive will be created for a reduction of Scope 1 and Scope 2 emissions, while the target weighting of 30% will encourage a reduction in the intensity of Scope 3.11 emissions.

3.17 — TARGETS FOR LONG-TERM INCENTIVE, 2025 TO 2027 TRANCHE (LONG-TERM REMUNERATION COMPONENT)

Target	Operating EBIT margin		TSR		ESG	
Weighting in %	40%		40%		20%	
Definition	Average achievement of the operating EBIT margin target for the three fiscal years		Total shareholder return (TSR) of Dürr AG relative to the TSR of a defined peer group		Carbon emissions of the Dürr Group ▪ 70% Scope 1 and 2 emissions (absolute reduction of emissions by 2027 compared to the 2024 base year)[1] ▪ 30% intensity of Scope 3.11 emissions (CO_2e intensity (t CO_2e/EUR sales) as an average over the years 2025 – 2027)[2]	
Calculation of target achievement	Average operating EBIT margin	Target achievement	Difference	Target achievement	Scope 1 and 2 emissions (in t CO_{2_e})	Target achievement
	≤ 2.5%	0%	≤ 25 pp	0%	–1,817	0%
	6.1%	100%	0 pp	100%	–2,854	100%
	≥ 8.0%	200%	≥ 25 pp	200%	–3,891	200%
					Intensity of Scope 3.11 emissions (in t CO_2e/sales)	Target achievement
					1.44	0%
					1.11	100%
					0.78	200%

[1] Scope 1 emissions are direct CO_2e emissions from the company's own business activities per year (e.g. gas, heating oil, petrol, diesel) and Scope 2 emissions are indirect CO_2e emissions from the purchase of energy per year (e.g. electricity, district heating)
[2] Scope 3.11 emissions are indirect CO_2e emissions from downstream activities (e.g. use of the machinery and equipment by the customers of the Dürr Group)

Remuneration of the Supervisory Board

REMUNERATION SYSTEM FOR THE SUPERVISORY BOARD IN 2024

The remuneration system for the Supervisory Board is approved by the annual general meeting on the basis of a proposal submitted by the Supervisory Board and the Board of Management. The rules governing remuneration are laid down in Dürr AG's Articles of Incorporation. In regular intervals of no more than four years, the Supervisory Board checks whether the amount and structure of the remuneration are still consistent with market standards and aptly reflect the tasks of the Supervisory Board as well as the company's position. For this purpose, the Supervisory Board performs a horizontal market comparison. In doing so, it may seek the advice of external independent experts. The market appropriateness of the remuneration system was reviewed and confirmed in 2022.

The activities performed by the Supervisory Board continue to grow in importance; at the same time, the Supervisory Board is increasingly required to accumulate particularly in-depth expertise in individual areas. To ensure the effective performance of its duties, the Supervisory Board has therefore created the opportunity to appoint experts from among its own members to deal more closely and in greater detail with particularly important or complex matters and contribute their expertise to the Supervisory Board's activities. The first topic, for which Dr. Anja Schuler was appointed as an expert as of January 1, 2023, is sustainability/ESG (environmental, social, governance).

Due to the additional time requirements, the Board of Management and the Supervisory Board considered it appropriate to offer such experts within the Supervisory Board additional remuneration. Although there are no other changes as such to the remuneration system for the Supervisory Board, which was adopted at the annual general meeting on May 13, 2022, this system was supplemented in 2023 with the inclusion of separate expert remuneration, and Article 15 of the Articles of Incorporation was amended to reflect this. In this connection, it was also clarified that the members of the Supervisory Board can be included in the financial loss liability insurance taken out in the interests of the company for members of the Board of Management and certain employees. The Articles of Incorporation were also amended to reflect this point.

The revised remuneration system for the Supervisory Board was approved with a majority of 99.89% of the votes cast at the annual general meeting on May 12, 2023 in accordance with Section 113 (3) of the German Stock Corporation Act.

COMPONENTS OF THE SUPERVISORY BOARD REMUNERATION

The members of the Supervisory Board receive fixed remuneration, attendance fees, fringe benefits (consisting of the reimbursement of expenses and insurance cover) and, if they exercise any activities on committees of the Supervisory Board, remuneration for such activities. If an expert topic is assigned, additional expert remuneration is paid (→ table 3.18).

Remuneration for activities on the Supervisory Board

Each member of the Supervisory Board receives fixed remuneration of €56,000 per year. The Chairman of the Supervisory Board receives three times the aforementioned amount of fixed remuneration paid to an ordinary member of the Supervisory Board, and the Deputy Chairman and the other Deputy Chairman one-and-a-half times that amount.

Remuneration for activities on a committee of the Supervisory Board and on an expert topic

The remuneration paid to the members of the Audit Committee is €9,000 per year, while the members of the Personnel Committee receive €5,000 per year. The Chairs of these two committees receive three times and deputy chairs one-and-a-half times that amount. However, it should be noted that the Personnel Committee and the Audit Committee currently do not have any Deputy Chairs. The members of the Nominating Committee do not receive any fixed remuneration but remuneration of €2,500 per meeting; the Chair receives one-and-a-half times that amount. Experts elected by the Supervisory Board from among its members receive additional remuneration of €11,000 per year.

Due date and time-proportionate payment

The entire remuneration, including attendance fees, is due for payment once a year after the date of the annual general meeting of the following fiscal year. If a person is only temporarily a member of the Supervisory Board or a committee during a given year, the remuneration is reduced on a time-proportionate basis rounded to full months.

3.18 — COMPONENTS OF THE SUPERVISORY BOARD REMUNERATION

Current remuneration system					
Fixed remuneration (per year)					
Member €56,000		Deputy Chair €84,000		Chair €168,000	
Committee remuneration					
Audit Committee (per year)		Personnel Committee (per year)		Nominating Committee (per session)	
Member €9,000	Chair €27,000	Member €5,000	Chair €15,000	Member €2,500	Chair €3,750
Expert remuneration (per year)					
€11,000					
Attendance fee (except Nominating Committee)					
Member €2,000			Chair €3,000		

Attendance fee
Members receive an attendance fee of €2,000 per meeting for meetings of the Supervisory Board, the Audit Committee, and the Personnel Committee as well as any other committees of the Supervisory Board (with the exception of the Nominating Committee), including any ad-hoc committees. The Chair receives an attendance fee of €3,000.

Fringe benefits
In addition, the members of the Supervisory Board are reimbursed for any expenses arising from the performance of their duties, which may include any value added tax payable by them by law. The existing D&O insurance for managers, which is valid throughout the Group, also covers the members of the Supervisory Board. The premium for the entire policy is borne by the company.

3.19 — "REMUNERATION GRANTED AND OWED" IN ACCORDANCE WITH SECTION 162 (1), SENTENCE 1 OF THE GERMAN STOCK CORPORATION ACT

€	Year	Fixed remuneration	Remuneration for committee activities	Remuneration for expert matters	Attendance fee	Total
Gerhard Federer[1] Chair Personnel Committee/Executive Committee (Chair) Audit Committee Mediation Committee (Chair) Nominating Committee (Chair)	**2024**	**198,000**	**37,500**	**0**	**74,000**	**309,500**
	2023	198,000	43,500	0	89,000	330,500
Hayo Raich[1,3] Deputy Chair Personnel Committee/Executive Committee Mediation Committee (Deputy Chair)	**2024**	**87,000**	**5,000**	**0**	**20,900**	**112,900**
	2023	87,000	5,000	0	28,600	120,600
Arnd Zinnhardt[2] Additional Deputy Chair of the Supervisory Board from May 12, 2023 Audit Committee (Chair)	**2024**	**84,000**	**27,000**	**0**	**26,000**	**137,000**
	2023	74,667	27,000	0	36,000	137,667
Richard Bauer (until May 12, 2023) (Additional Deputy Chair) Personnel Committee/Executive Committee Mediation Committee Nominating Committee	**2024**	**0**	**0**	**0**	**0**	**0**
	2023	35,000	2,083	0	8,000	45,083
Mirko Becker[3] Audit Committee	**2024**	**56,000**	**9,000**	**0**	**18,000**	**83,000**
	2023	56,000	9,000	0	32,000	97,000
Dr. Rolf Breidenbach Personnel Committee (from May 12, 2023)	**2024**	**56,000**	**5,000**	**0**	**20,000**	**81,000**
	2023	56,000	3,333	0	28,000	87,333
Prof. Dr. Dr. Alexandra Dürr Audit Committee Nominating Committee	**2024**	**56,000**	**14,000**	**0**	**22,000**	**92,000**
	2023	56,000	14,000	0	28,000	98,000
Carmen Hettich-Günther[1,3] Mediation Committee	**2024**	**76,000**	**10,500**	**0**	**34,000**	**120,500**
	2023	76,000	13,500	0	37,000	126,500
Thomas Hohmann Audit Committee	**2024**	**56,000**	**9,000**	**0**	**22,000**	**87,000**
	2023	56,000	9,000	0	32,000	97,000
Dr. Markus Kerber (from May 12, 2023) Mediation Committee Nominating Committee	**2024**	**56,000**	**5,000**	**0**	**14,000**	**75,000**
	2023	37,333	0	0	12,000	49,333
Maximilian Locher (from September 18, 2024) Audit Committee	**2024**	**18,667**	**2,250**	**0**	**8,000**	**28,917**
	2023	0	0	0	0	0
Dr. Anja Schuler[1] Sustainability expert (from January 1, 2023)	**2024**	**66,000**	**3,000**	**11,000**	**26,000**	**106,000**
	2023	66,000	4,500	11,000	36,000	117,500
Dr. Martin Schwarz-Kocher (until August 31, 2024)[3] Audit Committee	**2024**	**37,333**	**6,000**	**0**	**12,000**	**55,333**
	2023	56,000	9,000	0	32,000	97,000
Dr. Astrid Ziegler[3] Personnel Committee/Executive Committee	**2024**	**56,000**	**5,000**	**0**	**20,000**	**81,000**
	2023	56,000	5,000	0	30,000	91,000
Total	**2024**	**903,000**	**138,250**	**11,000**	**316,900**	**1,369,150**
	2023	910,000	144,917	11,000	428,600	1,494,517

[1] Also a member of the Supervisory Board of at least one of these companies: Dürr Systems AG, HOMAG Group AG, HOMAG GmbH. Corresponding remuneration components are included in the amounts stated.
[2] In addition, remuneration of €24,000 was paid in 2023 for assistance provided to iTAC Software AG under a consulting agreement.
[3] These employee representatives have undertaken to relinquish their remuneration to the Hans Böckler Foundation in accordance with the guidelines of the German Trade Union Confederation (Deutscher Gewerkschaftsbund).

3.20 — COMPARISON OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE SUPERVISORY BOARD WITH EARNINGS AND EMPLOYEE SALARIES OVER TIME

Percentage change	2024 over 2023	2023 over 2022	2022 over 2021	2021 over 2020	2020 over 2019	2019 over 2018
CHANGE IN SUPERVISORY BOARD REMUNERATION						
Gerhard Federer[1,2] Chairman of the Supervisory Board from May 28, 2020 Audit Committee: Chair from May 4, 2016 to May 28, 2020 Audit Committee: Member from September 29, 2021 Personnel Committee: Chair from May 28, 2020 Nominating Committee: Chair from May 28, 2020	–6%	+7%	+6%	+62%	+20%	+15%
Karl-Heinz Streibich Chairman of the Supervisory Board from January 1, 2018 to May 28, 2020 Personnel Committee: Chair from January 1, 2018 to May 28, 2020 (previously member) Nominating Committee: Chair from January 1, 2018 to May 28, 2020 (previously member)	–	–	–	–	–16%	0%
Hayo Raich[1] Deputy Chair of the Supervisory Board Personnel Committee: Member	–6%	+2%	+12%	+28%	–17%	–2%
Arnd Zinnhardt (from May 28, 2020) Additional Deputy Chair of the Supervisory Board from May 12, 2023 Audit Committee: Chair from May 28, 2020	0%	+27%	+7%	+19%	–	–
Richard Bauer Additional Deputy Chair of the Supervisory Board until May 12, 2023 Personnel Committee: Member until May 12, 2023 Nominating Committee: Member until May 12, 2023	–	–2%	+12%	+23%	–8%	–4%
Mirko Becker Audit Committee: Member	–14%	+11%	+7%	+27%	–14%	–1%
Dr. Rolf Breidenbach Personnel Committee: Member from May 12, 2023	–7%	+21%	+11%	+33%	–18%	–4%
Prof. Dr. Dr. Alexandra Dürr Audit Committee: Member Nominating Committee: Member	–6%	+15%	+4%	+21%	–7%	–2%
Carmen Hettich-Günther[1,3]	–5%	+6%	–2%	+16%	–21%	+3%
Thomas Hohmann Audit Committee: Member from September 29, 2021	–10%	+11%	+25%	+45%	–19%	–4%
Dr. Markus Kerber (from May 12, 2023) Nominating Committee: Member from May 12, 2023	–10%	–	–	–	–	–
Maximilian Locher (from September 18, 2024) Audit Committee: Member from October 2, 2024	–	–	–	–	–	–
Dr. Anja Schuler[1] Sustainability expert from January 1, 2023	–10%	+26%	–2%	+18%	–9%	+2%
Dr. Martin Schwarz-Kocher (until August 31, 2024) Audit Committee: Member until August 31, 2024	–10%	+11%	+7%	+31%	–17%	–1%
Dr. Astrid Ziegler Personnel Committee: Member	–11%	+2%	+22%	+24%	–15%	–1%
BUSINESS PERFORMANCE OF THE DÜRR GROUP						
EBIT (IFRS financial statements)[4]	+8%	–7%	+17%	+1,480%	–94%	–16%
Net profit for Dürr AG (annual financial statements of Dürr AG under German GAAP)	–26%	–76%	–23%	+478%	–171%	–60%
AVERAGE SALARIES OF EMPLOYEES OVER TIME						
Salaries of all employees (global) over time	–0.2%	+6.2%	+8.1%	+0.7%	–4.9%	+2.9%
	2024	**2023**	**2022**	**2021**	**2020**	**2019**
Average personnel expenses (global) in € thousand[5]	75	75	71	66	65	68

[1] Also a member of the Supervisory Board of at least one of these companies: Dürr Systems AG, HOMAG Group AG, HOMAG GmbH.
[2] Chairman of the Supervisory Board of HOMAG Group AG from January 1, 2021, previously Additional Deputy Chairman of the Supervisory Board of HOMAG Group AG from May 15, 2018.
[3] Deputy Chairman of the Supervisory Board of HOMAG Group AG from September 28, 2017.
[4] Underlying EBIT includes the EBIT of both continued operations and the discontinued operation.
[5] Average personnel expenses of the Dürr Group, adjusted for acquisition-related extraordinary effects (2018 and 2019: acquisition of Megtec/Universal; 2020: acquisition of HOMAG China Golden Field and System TM A/S; 2023: acquisition of BBS Automation Group and Amalis Group SAS, 2024: disposal of Agramkow) and personnel expenses of the Board of Management of Dürr AG.

COMPARISON OF ANNUAL CHANGES IN THE REMUNERATION OF THE SUPERVISORY BOARD

→ Table 3.20 shows a comparison of the percentage change in the remuneration of the members of the Supervisory Board with the Dürr Group's earnings performance and the change in the average salaries of employees compared with the previous year. In addition, average personnel expenses, expressed as the ratio of the Dürr Group's total personnel expenses to the number of employees worldwide, are indicated. The remuneration granted and owed in the respective fiscal year was used as the basis for identifying the change in the remuneration of the members of the Supervisory Board. Where members of the Supervisory Board were only remunerated on a time-proportionate basis in individual fiscal years, e.g. because their appointment commenced during the year, the remuneration for that fiscal year was extrapolated on the basis of a full year in the interests of comparability. → Table 3.21 additionally shows the distribution of the remuneration of the Supervisory Board by mandate and the changes in the index for the remuneration of the Supervisory Board compared to the collective bargaining index. The decline in the remuneration of the Supervisory Board compared with the previous year reflects the number of Supervisory Board meetings.

Earnings are mainly presented on the basis of the Dürr Group's EBIT (earnings before interest and taxes). They are also presented on the basis of Dürr AG's net profit for the year for formal reasons. However, the individual financial statement of Dürr AG is of only secondary importance for the management of the Group.

3.21 — COMPARISON OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE SUPERVISORY BOARD WITH THE COLLECTIVE BARGAINING INDEX IN GERMANY OVER TIME

	2024	2023	2022	2021	2020	2019	2018
Total remuneration for Supervisory Board activities in domestic group companies (€ thousand)	1,369	1,495	1,373	1,271	1,002	1,161	1,150
Remuneration of the Supervisory Board of Dürr AG (€ thousand)	1,218	1,336	1,233	1,097	854	1,000	1,010
Dürr AG Supervisory Board remuneration index (2016 base year)[1]	111.2	122.0	112.6	100.2	78.0	91.3	92.2
Collective bargaining index (2016 base year)[2]	122.5	117.8	114.2	112.0	110.7	108.6	105.5

[1] In addition, Supervisory Board remuneration may also vary due to the different number of annual meetings.
[2] Total economy, collective bargaining index - monthly earnings with special payments, Federal Statistical Office (Destatis), 2025.

OUTLOOK FOR SUPERVISORY BOARD REMUNERATION IN 2025

No changes to the remuneration system for the Supervisory Board are planned for 2025.

Bietigheim-Bissingen, March 27, 2025

The Board of Management

For the Supervisory Board

Dr. Jochen Weyrauch
CEO of Dürr AG

Dietmar Heinrich
CFO of Dürr AG

Gerhard Federer
Chair of the Supervisory Board of Dürr AG

CONSOLIDATED FINANCIAL STATEMENTS

4.1 — Consolidated statement of profit or loss

of Dürr Aktiengesellschaft, Stuttgart, Germany, January 1 to December 31, 2024

€ thousand	Note	2024	2023[1]
Sales revenue	(8)	4,290,936	4,196,029
Cost of sales	(9)	–3,387,909	–3,294,777
Gross profit on sales		**903,027**	**901,252**
Selling expenses	(10)	–374,227	–378,511
General administrative expenses	(11)	–259,188	–233,048
Research and development costs	(12)	–136,555	–148,098
Other operating income	(14)	103,060	51,092
Other operating expenses	(14)	–83,736	–52,869
Earnings before investment result, interest and income taxes		**152,381**	**139,818**
Investment result	(16)	786	4,602
Interest and similar income	(17)	35,321	32,033
Interest and similar expenses	(17)	–76,135	–57,577
Earnings before income taxes		**112,353**	**118,876**
Income taxes	(18)	–49,952	–47,865
Profit from continuing operations		**62,401**	**71,011**
thereof attributable to non-controlling interests		611	–1,765
thereof attributable to shareholders of Dürr Aktiengesellschaft		61,790	72,776
Profit from discontinued operation	(5)	**39,734**	**39,205**
thereof attributable to non-controlling interests		–	–
thereof attributable to shareholders of Dürr Aktiengesellschaft		39,734	39,205
Profit of the Dürr Group		**102,135**	**110,216**
thereof attributable to non-controlling interests		611	–1,765
thereof attributable to shareholders of Dürr Aktiengesellschaft		101,524	111,981
Number of issued shares in thousand		69,202	69,202
Earnings per share in € (basic)	(28)		
Continuing operations		0.89	1.05
Discontinued operation		0.58	0.57
Dürr Group		1.47	1.62
Earnings per share in € (diluted)	(28)		
Continuing operations		0.87	1.02
Discontinued operation		0.54	0.53
Dürr Group		1.41	1.55

[1] The presentation of the consolidated statement of profit or loss for the 2023 reporting period was retrospectively adjusted in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations".

4.2 — Consolidated statement of comprehensive income

of Dürr Aktiengesellschaft, Stuttgart, Germany, January 1 to December 31, 2024

€ thousand	Note	2024	2023
Profit of the Dürr Group		**102,135**	**110,216**
Items directly recognized in equity that are not reclassified to profit or loss			
Remeasurement of defined benefit plans and similar obligations	(29)	1,611	−4,445
attributable deferred taxes	(18)	−404	983
Changes in the fair value of equity instruments measured at fair value through other comprehensive income	(20)	–	–
attributable deferred taxes	(18)	–	–
Items directly recognized in equity that are likely to be reclassified to profit or loss			
Change in fair value of financial instruments used for hedging purposes directly recognized in equity	(42)	−28,381	5,694
attributable deferred taxes	(18)	7,922	−1,453
Effects of currency translation		18,129	−14,148
Items of comprehensive income directly recognized in equity after income taxes		**−1,123**	**−13,369**
Comprehensive income after income taxes		**101,012**	**96,847**
thereof attributable to			
Non-controlling interests		556	−1,811
Shareholders of Dürr Aktiengesellschaft		**100,456**	**98,658**

4.3 — Consolidated statement of financial position

of Dürr Aktiengesellschaft, Stuttgart, Germany, as of December 31, 2024

€ thousand	Note	Dec. 31, 2024	Dec. 31, 2023
ASSETS			
Goodwill	(19, 44)	653,156	730,005
Other intangible assets	(19, 44)	323,493	358,769
Property, plant and equipment	(19, 44)	679,591	655,161
Investment property	(19, 44)	15,380	16,375
Investments in entities accounted for using the equity method	(20, 44)	18,608	18,694
Other financial assets	(20, 44)	12,618	10,460
Trade receivables	(23)	29,998	33,888
Sundry financial assets	(24)	16,210	9,891
Deferred tax assets	(18)	84,352	79,768
Other non-current assets	(26)	4,872	3,243
Non-current assets		**1,838,278**	**1,916,254**
Inventories and prepayments	(21)	627,516	781,426
Contract assets	(22)	618,634	674,134
Trade receivables	(23)	528,078	598,650
Sundry financial assets	(24)	150,552	39,123
Cash and cash equivalents	(25)	831,585	1,037,137
Income tax receivables	(18)	27,217	39,007
Other current assets	(26)	77,236	68,795
Assets held for sale	(5, 27)	279,279	1,459
Current assets		**3,140,097**	**3,239,731**
Total assets of the Dürr Group		**4,978,375**	**5,155,985**

€ thousand	Note	Dec. 31, 2024	Dec. 31, 2023
EQUITY AND LIABILITIES			
Subscribed capital	(28)	177,157	177,157
Capital reserves	(28)	74,428	74,428
Retained earnings	(28)	1,005,287	955,036
Other comprehensive income		–37,816	–36,726
Total equity attributable to the shareholders of Dürr Aktiengesellschaft		**1,219,056**	**1,169,895**
Non-controlling interests		4,665	7,071
Total equity		**1,223,721**	**1,176,966**
Provisions for post-employment benefit obligations	(29)	33,048	40,387
Other provisions	(30)	26,007	20,496
Contract liabilities	(31)	7,554	16,469
Trade payables	(32)	5,199	4,664
Convertible bond and Schuldschein loans	(33)	1,138,118	953,183
Other financial liabilities	(33)	75,777	113,847
Sundry financial liabilities	(34)	12,568	5,914
Deferred tax liabilities	(18)	44,836	69,836
Other non-current liabilities	(35)	535	507
Non-current liabilities		**1,343,642**	**1,225,303**
Other provisions	(30)	171,288	188,451
Contract liabilities	(31)	944,499	922,708
Trade payables	(32)	425,632	598,988
Convertible bond and Schuldschein loans	(33)	54,951	104,852
Other financial liabilities	(33)	79,657	382,080
Sundry financial liabilities	(34)	382,115	370,089
Income tax liabilities	(18)	64,344	61,040
Other current liabilities	(35)	110,800	125,508
Liabilities held for sale	(5)	177,726	–
Current liabilities		**2,411,012**	**2,753,716**
Total equity and liabilities of the Dürr Group		**4,978,375**	**5,155,985**

4.4 — Consolidated statement of cash flows

of Dürr Aktiengesellschaft, Stuttgart, Germany, January 1 to December 31, 2024

Note (38)

€ thousand	2024	2023
Earnings before income taxes	165,985	171,271
Income taxes paid	–77,227	–83,619
Net interest	40,797	24,787
Earnings from entities accounted for using the equity method	–824	–2,556
Dividends from entities accounted for using the equity method	237	138
Amortization, depreciation and impairment of non-current assets	162,321	130,801
Earnings from the disposal of non-current assets	32	123
Earnings from assets classified as assets held for sale	–13,375	816
Other non-cash income	–3,263	–10,003
Changes in operating assets and liabilities		
Inventories	128,359	102,684
Contract assets	14,277	38,725
Trade receivables	–455	17,660
Sundry financial assets and other assets	–5,056	21,062
Provisions	–762	32,358
Contract liabilities	89,225	–108,279
Trade payables	–118,171	–59,959
Sundry financial liabilities and other liabilities (not related to financing activities)	2,165	11,485
Cash flow from operating activities	**384,265**	**287,494**
thereof from continuing operations	352,010	210,895
thereof from discontinued operation	32,255	76,599
Cash payments to acquire intangible assets	–38,421	–38,176
Cash payments to acquire property, plant and equipment[1]	–115,432	–78,584
Cash payments to acquire entities accounted for using the equity method	–	–645
Cash payments to acquire other financial assets	–	–71
Cash payments for business acquisitions, net of cash acquired	–1,020	–322,568
Cash receipts from the disposal of non-current assets	3,136	3,470
Cash payments for/receipts from investments in time deposits and current securities	–119,410	150,000
Cash receipts from the sale of assets classified as held for sale	26,080	–
Interest received	30,170	29,989
Cash flow from investing activities	**–214,897**	**–256,585**
thereof from continuing operations	–209,829	–253,051
thereof from discontinued operation	–5,068	–3,534

[1] The item "Cash payments to acquire property, plant and equipment" does not contain cash outflows for additions of right-of-use lease assets, since there are no cash outflows at the time of addition of the right-of-use assets (except for: acquisition-related costs paid and prepayments).

Note (38)

€ thousand	2024	2023
Net movement of current financial liabilities	–334,618	321,471
New borrowings of non-current financial liabilities	349,401	299,411
Repayment of non-current financial liabilities	–220,505	–168,771
Repayment of lease liabilities	–40,051	–34,688
Payments for transactions with the owners of non-controlling interests	–9,137	–21,914
Dividends paid to shareholders of Dürr Aktiengesellschaft	–48,441	–48,441
Dividends paid to owners of non-controlling interests	–623	–639
Tendering of shares as part of the settlement offer to the shareholders of HOMAG Group AG	–8,243	–7,959
Interest paid	–63,585	–36,783
Cash flow from financing activities	**–375,802**	**301,687**
thereof from continuing operations	–367,286	340,908
thereof from discontinued operation	–8,516	–39,221
Effect of changes in foreign exchange rates	2,024	–11,808
Change in cash and cash equivalents due to changes in the consolidated group	–1,971	–
Change in cash and cash equivalents	–206,381	320,788
Cash and cash equivalents		
At the beginning of the period	1,038,963	718,175
At the end of the period	842,358	1,038,963
Net of loss allowance pursuant to IFRS 9	–997	–1,826
Net of cash and cash equivalents from assets held for sale	–9,776	–
Cash and cash equivalents as of the end of the period (consolidated statement of financial position)	**831,585**	**1,037,137**

4.5 — Consolidated statement of changes in equity

of Dürr Aktiengesellschaft, Stuttgart, Germany, January 1 to December 31, 2024

€ thousand	Subscribed capital Note (28)	Capital reserves Note (28)	Retained earnings Note (28)
January 1, 2023	**177,157**	**74,428**	**890,491**
Profit	–	–	111,981
Other comprehensive income	–	–	–
Comprehensive income after income taxes	**–**	**–**	**111,981**
Dividends	–	–	–48,441
Options of owners of non-controlling interests	–	–	14,788
Other changes	–	–	–13,783
December 31, 2023	**177,157**	**74,428**	**955,036**
Profit	–	–	101,524
Other comprehensive income	–	–	–
Comprehensive income after income taxes	**–**	**–**	**101,524**
Dividends	–	–	–48,441
Options of owners of non-controlling interests	–	–	5,971
Other changes	–	–	–8,803
December 31, 2024	**177,157**	**74,428**	**1,005,287**

Other comprehensive income								
Items that are not reclassified to profit or loss		Items that are likely to be reclassified to profit or loss						
Remeasurement of defined benefit plans	Remeasurement of equity instruments	Unrealized gain on/loss from cash flow hedges	Changes in the consolidated group/ reclassifications	Foreign currency translation	Other comprehensive income	Total equity of the shareholders of Dürr Aktiengesellschaft	Non-controlling interests	**Total equity**
–24,130	**–4,586**	**–119**	**526**	**4,885**	**–23,424**	**1,118,652**	**5,521**	**1,124,173**
–	–	–	–	–	–	111,981	–1,765	110,216
–3,449	–	4,241	–	–14,115	–13,323	–13,323	–46	–13,369
–3,449	**–**	**4,241**	**–**	**–14,115**	**–13,323**	**98,658**	**–1,811**	**96,847**
–	–	–	–	–	–	–48,441	–639	–49,080
–	–	–	–	–	–	14,788	–318	14,470
43	–	–	–22	–	21	–13,762	4,318	–9,444
–27,536	**–4,586**	**4,122**	**504**	**–9,230**	**–36,726**	**1,169,895**	**7,071**	**1,176,966**
–	–	–	–	–	–	101,524	611	102,135
1,205	–	–20,459	–	18,186	–1,068	–1,068	–55	–1,123
1,205	**–**	**–20,459**	**–**	**18,186**	**–1,068**	**100,456**	**556**	**101,012**
–	–	–	–	–	–	–48,441	–623	–49,064
–	–	–	–	–	–	5,971	–948	5,023
–	–	–	–22	–	–22	–8,825	–1,391	–10,216
–26,331	**–4,586**	**–16,337**	**482**	**8,956**	**–37,816**	**1,219,056**	**4,665**	**1,223,721**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2024 REPORTING PERIOD

Basis of presentation

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company
Dürr Aktiengesellschaft ("Dürr AG" or "the Company") has its registered offices in Stuttgart, Germany, and is entered in the Commercial Register of the Stuttgart District Court under No. HRB 13677. Its business address is Carl-Benz-Straße 34 in 74321 Bietigheim-Bissingen, Germany. The Dürr Group, which consists of Dürr AG and its subsidiaries, is a mechanical and plant engineering company with distinct competence in automation, sustainable production processes and digitalization. The Group is one of the global market leaders in almost all of its fields of business. The two major customer groups are the automotive and woodworking industries. In addition, it acts as supplier of production technology for other industries, e.g., the mechanical engineering, chemical, pharmaceutical and battery production industries as well as manufacturers of medical technical products. In the 2024 reporting period, the Dürr Group was organized in five divisions operating worldwide. As of January 1, 2025, this structure was adjusted, with four divisions remaining since then. The previous structure with five divisions was decisive for the 2024 consolidated financial statements, which are presented below. Paint and Final Assembly Systems was responsible for the paint finishing and assembly technology as well as testing and filling technology for the automotive industry. Application Technology specialized in products and systems for automated paint applications as well as sealing and gluing technology. Clean Technology Systems offered systems for purifying exhaust gases, for coating battery electrodes and for noise abatement. Industrial Automation Systems encompassed the automation systems business and the balancing and tooling technology. Woodworking Machinery and Systems combined the business of machinery and systems used for wood processing in the production of furniture and kitchens and of building components for climate-friendly timber houses. Detailed information on the new group structure in effect since January 1, 2025 can be found in the section 1.1 **"The Group at a glance" → page 23** in the combined management report.

Accounting policies
The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) at the end of the reporting period and the additional requirements of the German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code].

The accounting policies used generally correspond to the policies applied in the prior period. In addition, the Group has applied the new and/or revised standards and the interpretations issued by the International Financial Reporting Standards Committee (IFRIC) that became mandatory for the first time in the 2024 reporting period.

4.6 — CHANGES IN ACCOUNTING POLICIES FROM THE ADOPTION OF REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

	First-time application[1]	Adopted by the EU Commission	Impact on the Dürr Group
AMENDED STANDARDS/INTERPRETATIONS			
IAS 1 "Presentation of Financial Statements" – Classification of Liabilities as Current or Non-current (issued on January 23, 2020 and postponement of the effective date (issued on July 15, 2020))	January 1, 2024	Yes	None
IAS 1 "Presentation of Financial Statements" – Classification of Debt with Covenants (issued on October 31, 2022)	January 1, 2024	Yes	None
IAS 1 "Presentation of Financial Statements" – Classification of Liabilities as Current or Non-current (issued on July 15, 2020)	January 1, 2024	Yes	None
IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial instruments: disclosures" – Supplier Finance Arrangements (issued on May 25, 2023)	January 1, 2024	Yes	None
IFRS 16 "Leases" – Lease Liability in a Sale and Leaseback (issued on September 22, 2022)	January 1, 2024	Yes	None

[1] The standards/amendments are effective for reporting periods beginning on or after the specified date.

4.7 — ACCOUNTING STANDARDS AND INTERPRETATIONS THAT HAVE BEEN PUBLISHED BUT NOT YET ADOPTED IN THE REPORTING PERIOD

	First-time application[1]	Adopted by the EU Commission	Impact on the Dürr Group
NEW STANDARDS			
IFRS 18 "Presentation of Financial Statements" – Presentation and Disclosure in Financial Statements (issued on April 9, 2024)	January 1, 2027	No	Currently under review
IFRS 19 "Disclosures" – Subsidiaries without Public Accountability (issued on May 9, 2024)	January 1, 2027	No	None
AMENDED STANDARDS/INTERPRETATIONS			
IAS 21 "The effects of changes in foreign exchange rates" – Lack of Exchangeability (issued on August 15, 2023)	January 1, 2025	No	None
IFRS 9 "Financial Instruments" and IFRS 7 "Financial instruments: disclosures" – Classification and Measurement of Financial Instruments (issued on May 30, 2024)	January 1, 2026	No	Immaterial
Annual improvements to IFRS Accounting Standards – Volume 11	January 1, 2026	No	None

[1] The standards/amendments are effective for reporting periods beginning on or after the specified date.

The Group elected not to adopt early standards and IFRIC interpretations which have already been issued but have not yet become effective. Generally speaking, the Dürr Group intends to adopt all standards when they become effective. The requirements of the standards applied have been satisfied in full. The financial statements thus give a true and fair view of the assets, liabilities, financial position, financial performance and cash flows of the Group.

The Dürr Group's reporting period is the calendar year. The consolidated financial statements are prepared in euro; all amounts are presented in € thousand, unless stated otherwise.

All assets and liabilities are measured at historical or amortized cost. Exceptions to this rule are derivative financial instruments measured at fair value, other financial assets as well as financial assets measured at fair value through profit or loss or through other comprehensive income. Put options, liabilities from purchase price installments and obligations from share-based compensation are also measured at fair value. A further exception to that is the non-monetary assets and liabilities of the Turkish subsidiary, which are subject to a hyperinflation measurement at a current price index.

Assets and liabilities are treated as current if they are realized or settled within twelve months of the end of the reporting period. Within the statement of financial position, assets and liabilities with a remaining term of more than twelve months are presented as non-current. By contrast, deferred tax assets and deferred tax liabilities within the statement of financial position are always reported as non-current. Besides this, liabilities with a remaining term of between one and five years are presented in the notes to the consolidated financial statements as medium-term and those with a remaining term of more than five years as long-term.

2. BASIS OF CONSOLIDATION

The consolidated financial statements of the Dürr Group are based on the IFRS financial statements of Dürr AG and of its consolidated entities and entities accounted for using the equity method as of December 31, 2024, prepared in accordance with uniform policies.

Intragroup sales revenue, other income and expenses, all intragroup receivables, liabilities, provisions as well as cash and cash equivalents received and paid are eliminated. Intragroup profits which are not realized by sale to third parties are eliminated. As part of the acquisition accounting according to IFRS 10 "Consolidated Financial Statements", the acquisition cost of the acquired shares of the parent companies is offset against the acquired portion of equity of the subsidiaries.

Business combinations

A business combination exists when the Dürr Group obtains control of another entity. Subsidiaries included in the consolidated financial statements for the first time are accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations". The identifiable assets acquired, liabilities assumed and contingent liabilities are measured in full at their fair values, irrespective of the amount of the Dürr Group's investment. They are recognized at the values applicable at the time the Dürr Group obtained control of the subsidiary. Differences may arise from the distribution of acquisition cost between the acquired assets, assumed liabilities and contingent liabilities. Any remaining positive difference is shown as goodwill. Negative differences are recognized directly in profit or loss. For business combinations in which less than 100% of the shares are purchased IFRS 3 provides for a choice between the partial goodwill method and the full goodwill method. This option can be exercised for every business combination. The Dürr Group determines the method to be used to recognize the goodwill for each business combination. For information on exercising the option for individual business combinations, please refer to → note 19. Changes in ownership interests in subsidiaries that cause the Group's interest to increase or decrease without loss of control are treated as transactions between equity owners that do not affect profit or loss.

For business combinations in which less than 100% of the shares are purchased the proportionate share of equity attributable to the owners of non-controlling interests is generally recognized under equity. If there are obligations to acquire non-controlling interests in subsidiaries through put options, a liability is recognized for the put options. The liability is measured at the present value of the exercise amount. It must also be assessed whether the Group currently has access to the economic benefits linked to the shares subject to the put options. If this is the case, no non-controlling interests are reported under group equity. Instead, these shares are accounted for as already acquired by the Group by exercising the put options. If the Group does not currently have access to the economic benefits, the share of equity relating to the non-controlling interests is derecognized on every reporting date. Any difference between the non-controlling interests in equity and the liability is offset against the retained earnings of the Dürr Group.

Entities accounted for using the equity method

Entities over which Dürr AG exercises significant influence (associates) are accounted for using the equity method. Significant influence means the power to participate in the financial and operating policy of the investee. Interests in entities accounted for using the equity method are initially recognized at cost. Costs exceeding the share in the net assets of the entity accounted for using the equity method, after taking into account hidden reserves or encumbrances, are recognized as goodwill. Goodwill resulting from the acquisition of an associate is included in the carrying amount of the entity accounted for using the equity method and is not amortized, but tested instead for impairment as part of the overall carrying amount of the entity accounted for using the equity method.

For subsequent measurement, the Dürr Group's share of the profit or loss of the entity accounted for using the equity method is recorded under investment result in the consolidated statement of profit or loss. The share of other comprehensive income is recognized directly in group equity. The cumulative changes after the acquisition date increase or decrease the carrying amount of the entity accounted for using the equity method. Dividends received are deducted from the carrying amount. If the losses of an entity accounted for using the equity method attributable to the Group correspond to or exceed the value of the interest in this entity, no further losses are recognized unless the Group has entered into obligations or has made payments for the entity accounted for using the equity method.

Profits from the sale of goods by consolidated entities to entities accounted for using the equity method (intragroup profits), which are not realized by sale to third parties, are eliminated in the profit from entities accounted for using the equity method in proportion of the ownership interest.

3. CONSOLIDATED GROUP

Besides Dürr AG, the consolidated financial statements as of December 31, 2024, contain all entities in Germany and other countries which Dürr AG can control directly or indirectly. Under IFRS 10 "Consolidated Financial Statements", control exists if an entity is exposed to or has rights to positive or negative returns from its involvement with another entity. It must also have the ability to affect these variable returns through its power over the investee. Control can exist due to voting rights or prevailing circumstances as a result of contractual arrangements, among other things.

The entities are included in the consolidated financial statements of Dürr AG from the date on which the possibility of control was obtained. For most of the Group companies, control is based on holding the majority of voting rights. For four companies the Dürr Group has the power to exercise control on account of contractual arrangements, even though in each case the Group only holds 50% of the shares or 50% or less of the voting rights in the company. At two of the entities, the Group can enforce a decision in case of parity of votes; at the other two entities, the Dürr Group manages the operations. Consolidation of an entity included in the consolidated financial statements ceases when the Dürr Group loses control over the entity.

Structured entities

A structured entity is often characterized by restricted activities and a narrow and precisely defined purpose. A key characteristic is that voting rights do not have any significant effect on the returns from this entity. The possibility of control does not result from the majority interest in capital or from voting rights, but rather from contractual arrangements.

In the 2024 reporting period, the consolidated group contained four (prior period: five) structured entities. These are lease property companies with properties at the Freiberg a. N., Germany, site. The structured entities were founded to finance the acquisition of these properties and the Group is the lessee of these properties. The Group holds a share of the capital in two of the four (prior period: five) entities, but not the majority of voting rights.

By means of the lease agreements, the Dürr Group makes decisions on the relevant activity for the residual value realization of the properties based on contractual extension options as well as the purchase options at the residual carrying value for tax purposes. The usage of cash and cash equivalents is also specified in the contractual arrangements. The Dürr Group is thus able to use its control over the properties through the rights from the lease agreements and to influence the amount of the variable returns. Based on the underlying contractual terms and conditions, four (prior period: five) entities are therefore included in the consolidated financial statements as structured entities in accordance with IFRS 10 "Consolidated Financial Statements" and IFRS 12 "Disclosure of Interests in Other Entities". There are no obligations to provide financial support.

Entities accounted for using the equity method

Entities over which the Dürr Group exercises significant influence pursuant to IAS 28 "Investments in Associates and Joint Ventures" (associates) as well as joint ventures as defined by IFRS 11 "Joint Arrangements" are accounted for using the equity method. Significant influence is presumed with a share of voting rights ranging from 20% to 50%. Associates are included in the consolidated financial statements using the equity method from the date on which the possibility of significant influence exists. For shares of voting rights below 20%, interests in entities are generally recognized under other financial assets.

4.8 — NUMBER OF ENTITIES

	Dec. 31, 2024	Dec. 31, 2023
CONSOLIDATED ENTITIES		
Germany	33	36
Other countries	91	101
Total	**124**	**137**
ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD		
Germany	1	1
Other countries	1	1
Total	**2**	**2**
OTHER FINANCIAL ASSETS		
Germany	1	1
Other countries	2	2
Total	**3**	**3**

The consolidated financial statements contain 10 (prior period: 13) entities which have non-controlling interests. There are two companies that are only included in the consolidated financial statements at cost on grounds of immateriality. Their contributions to sales revenue, earnings (before taxes) and group equity are less than 0.09% each. The Dürr Group is not exposed to any risks from these entities due to their size, contribution to sales revenue, complexity and minor activities.

4. CHANGES IN THE CONSOLIDATED GROUP

4.9 — ADDITIONS OF FULLY CONSOLIDATED ENTITIES

Entity	Equity interest	Effective as of	Interest acquired by
Dürr Systems Arabia for Contracting LLC, Jeddah/Saudi Arabia	100%	June 27, 2024	Foundation

Further information on additions of consolidated entities can be found in → **note 19**.

4.10 — DECONSOLIDATIONS/MERGERS

Entity	Effective as of	Note
Amalis Group S.A.S., Lyon/France	January 1, 2024	Merger with Ingecal S.A.S., Lyon/France
Dürr Inc., Southfield (Michigan)/USA	January 1, 2024	Merger with Dürr Systems Inc., Southfield (Michigan)/USA
Evotech S.A.S., Lyon/France	January 1, 2024	Merger with Ingecal S.A.S., Lyon/France
Ingecal R&D S.A.S., Lyon/France	January 1, 2024	Merger with Ingecal S.A.S., Lyon/France
Nixie SARL, Lyon/France	January 1, 2024	Merger with Ingecal S.A.S., Lyon/France
Novalia S.A.S., Lyon/France	January 1, 2024	Merger with Ingecal S.A.S., Lyon/France
Rome HoldCo GmbH, Munich/Germany	January 1, 2024	Merger with BBS Automation GmbH, Munich/Germany
teamtechnik Automation GmbH, Ludwigsburg/Germany	January 1, 2024	Merger with teamtechnik Maschinen und Anlagen GmbH, Freiberg a. N./Germany
AGRAMKOW Asia Pacific Pte. Ltd., Singapore/Singapore	July 1, 2024	Sale
AGRAMKOW do Brasil Ltda., Indaiatuba/Brazil	July 1, 2024	Sale
AGRAMKOW Fluid Systems A/S, Sønderborg/Denmark	July 1, 2024	Sale
Elke Grundstücksverwaltungsgesellschaft mbH, Pullach im Isartal/Germany	July 1, 2024	Loss of control
ReaLead Intelligent Technology (Kunshan) Co. Ltd., Kunshan/PR China	September 10, 2024	Closure
Carl Schenck Machines en Installaties B.V., Rotterdam/Netherlands	December 30, 2024	Merger with Schenck RoTec GmbH, Darmstadt/Germany

5. DISCONTINUED OPERATION

At its regular meeting on December 11, 2024, the Supervisory Board approved the plan of the Board of Management to sell the Environmental Technology business of the Clean Technology Systems division (Air Pollution Control Technology and Noise Abatement Systems business units excluding the Battery Production Technology business unit) subject to certain conditions. The planned sale is in line with the Group's long-term strategy of concentrating its activities on the Dürr Group's core competence, production automation. The sale of the Environmental Technology business is planned for 2025. Due to the concrete plan for disposal, the approval by the relevant committees and the fact that a sale within one year is most likely, the Clean Technology Systems division is presented as discontinued operation in the consolidated financial statements for the 2024 reporting period.

Accordingly, as of December 11, 2024, the assets and liabilities of the disposal group are shown as held for sale in the consolidated statement of financial position → **table 4.3**. The proceeds from the sale are expected to exceed the carrying amount of the net assets concerned, so that no impairment was recognized for the assets classified as held for sale. In the consolidated statement of profit or loss, the profit or loss from the discontinued operation is presented separately from the continuing operations → table 4.1. In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", the presentation of the prior period's figures in the consolidated statement of profit or loss is adjusted retrospectively accordingly. It is not required to adjust the prior period's figures in the consolidated statement of financial position. The cash flows from the discontinued operation are also shown separately in the consolidated statement of cash flows → table 4.4.

The elimination of intragroup transactions between the continuing operations and the discontinued operation is not explicitly regulated by IFRS 5. The Dürr Group opts for eliminations in line with the usual consolidation rules, i.e., intercompany receivables and income are eliminated at the performing business unit and the related liabilities and expenses are eliminated at the receiving business unit. Accordingly, these transactions are completely eliminated from the consolidated statement of financial position and from the consolidated statement of profit or loss. Total assets and liabilities and the profit from the continuing and discontinued operations each do not include any balances from transactions between the continuing and the discontinued operations.

The profit or loss and cash flows of the discontinued operation as well as the assets and liabilities classified as held for sale are presented in → table 4.11 and can be analyzed as follows.

4.11 — DISCONTINUED OPERATION

€ thousand	2024	2023
PROFIT/LOSS FOR THE PERIOD		
Sales revenue	407,187	431,305
Expenses and income	–353,555	–378,910
Earnings before income taxes from discontinued operation	**53,632**	**52,395**
Income tax expense	–13,898	–13,190
Profit after tax from discontinued operation	**39,734**	**39,205**
CASH FLOWS		
Cash flow from operating activities	32,255	76,599
Cash flow from investing activities	–5,068	–3,534
Cash flow from financing activities	–8,516	–39,221

4.11 — DISCONTINUED OPERATION

€ thousand	Dec. 31, 2024	Dec. 31, 2023
ASSETS		
Goodwill	72,489	–
Other intangible assets	2,838	–
Property, plant and equipment	23,393	–
Deferred tax assets	12,238	–
Inventories and prepayments	28,238	–
Contract assets	50,650	–
Trade receivables	73,584	–
Cash and cash equivalents	9,776	–
Income tax receivables	12	–
Sundry financial assets	1,242	–
Other assets	2,540	–
Total assets held for sale from discontinued operation	**277,000**	**–**
EQUITY AND LIABILITIES		
Amounts recognized in other comprehensive income related to assets held for sale from discontinued operation	**5,624**	**–**
Provisions for post-employment benefit obligations	4,587	–
Other provisions	13,589	–
Contract liabilities	80,590	–
Trade payables	56,909	–
Deferred tax liabilities	2,112	–
Financial liabilities	2,978	–
Sundry financial liabilities	11,426	–
Other liabilities	5,535	–
Total liabilities held for sale from discontinued operation	**177,726**	**–**

The profit/loss for the period, other comprehensive income and net assets of the discontinued operation are to be fully attributed to the owners of Dürr Aktiengesellschaft.

6. CURRENCY TRANSLATION

Financial statements denominated in the foreign currency of the subsidiaries included in the consolidation are translated into euro on the basis of the functional currency concept pursuant to IAS 21 "The Effects of Changes in Foreign Exchange Rates". For the foreign subsidiaries in the Group, the functional currency is the local currency since these entities operate independently from a financial, economic and organizational viewpoint. According to this concept, assets and liabilities are thus translated at closing rates at the Group's reporting date, while income and expenses are generally translated at average rates. Any currency translation differences are recorded without effect on profit or loss in other comprehensive income.

In the separate financial statements of Dürr AG and its subsidiaries, receivables and liabilities in a currency other than the euro are measured at the historical rate; current transactions are translated at the current exchange rate. Any exchange rate gains and losses at the end of the reporting period are included in the statement of profit or loss. For actual figures of the exchange rate gains and losses recognized through profit or loss, please refer to → **notes 9 and 14**.

4.12 — SIGNIFICANT EXCHANGE RATES

in relation to one euro	Closing rate		Average rate	
	Dec. 31, 2024	Dec. 31, 2023	**2024**	2023
Pound sterling (GBP)	0.8303	0.8691	0.8449	0.8688
Chinese renminbi (CNY)	7.5006	7.8372	7.6927	7.6447
Danish krone (DKK)	7.4579	7.4529	7.4581	7.4512
Hong Kong dollar (HKD)	8.0851	8.6532	8.4307	8.4839
Indian rupee (INR)	89.1240	92.1420	90.4781	89.4801
Korean won (KRW)	1,531.9500	1,430.1870	1,476.0686	1,418.5580
Mexican peso (MXN)	21.5950	18.7711	20.0089	19.0718
Polish złoty (PLN)	4.2710	4.3420	4.3017	4.5261
US dollar (USD)	1.0411	1.1077	1.0808	1.0834

In the separate financial statements of the foreign subsidiaries, goodwill is translated at the rate prevailing at the end of the Group's reporting period. The hidden reserves identified in acquisitions are accounted for using the functional currency of the acquired entity.

7. RECOGNITION AND MEASUREMENT POLICIES

Revenue recognition pursuant to IFRS 15 "Revenue from Contracts with Customers"

The Dürr Group generates most of its sales revenue from the production and delivery of customer-specific plant and machinery. For these contracts, the sales revenue and planned gross margin is realized in accordance with the percentage of completion method (PoC method) in line with the percentage of completion of a contract over the performance period. The criteria of IFRS 15 for this are: the generated asset does not have any other alternative use and, at the same time, the Group has an enforceable right to payment for work already performed. The progress toward satisfaction of a performance obligation is calculated on the basis of the costs incurred in relation to the total estimated costs (cost-to-cost method). This ensures that both sales revenue and the associated costs are systematically recorded and therefore the profit or loss from the contract is recognized in the period incurred over which the control of the goods or services is transferred. Customer payments are contractually agreed and based on the progress of projects and on milestones set. This keeps the time that elapses between customer payments and progress toward satisfaction of a performance obligation to a minimum. The Group came to the conclusion that the input-based method is best suited for determining the percentage of completion as the Group uses IT-supported calculation methods and, with the help of division-specific project controlling, is able to reliably estimate planned costs and monitor total costs.

Where it is not possible to give a reliable estimation of the progress toward complete satisfaction of a performance obligation based on output factors or input factors, the zero-profit method (ZP method) is applied as long as it can be assumed that the Dürr Group can recover the costs incurred from satisfying the performance obligation. With the ZP method sales revenue and the associated costs are realized in equal amounts until it is possible to reliably estimate the progress toward complete satisfaction of a performance obligation. Thus the gross margin is at least partially recognized through profit or loss at a later stage of the contract.

The other portion of sales revenue from contracts with customers is generated from both the sale of standard machines, spare parts and other goods as well as the rendering of services. This sales revenue is recognized at the date on which the customer obtains control of the promised asset. This is usually the point in time when the machine is delivered to the customer, at which point the customer obtains legal title to the machine or has accepted it. Services provided are recognized at the time rendered as sales revenue recognized over time. For standard machines and spare parts, the customer makes the payment upon receiving the invoice, which is done following delivery or acceptance, depending on the contractual arrangements. Progress payments are also demanded from the customer.

Performance obligations

The Group divides its contracts with customers into performance obligations, separating them based on contractual terms into performance obligations that are either satisfied at a point in time or over time. The customer contracts are analyzed for separable performance obligations. In addition to the performance obligation to produce a machine or plant for the customer, separable performance obligations in the Paint and Final Assembly Systems, Application Technology and Clean Technology Systems divisions as well as in the Production Automation Systems business within the Industrial Automation Systems division mainly include spare parts packages and partial modifications. In the Woodworking Machinery and Systems division and the Measuring and Process Systems business within the Industrial Automation Systems division, it is primarily the assembly and commissioning activities that need to be defined as independently identifiable performance obligations.

Intangible assets

Intangible assets comprise goodwill, franchises, brand names, industrial rights and similar rights, internally generated software, capitalized development costs as well as acquired customer relationships, orders and technological know-how. Purchased and internally generated intangible assets are recognized pursuant to IAS 38 "Intangible Assets". In addition to other criteria, it is probable that a future economic benefit will flow to the entity from the use of the asset, and the cost of the asset can be reliably determined.

Intangible assets are recognized at cost. Intangible assets with a finite useful life are amortized over their useful life using the straight-line method, unless they are impaired. Goodwill and other intangible assets with indefinite useful lives are not amortized. Other intangible assets are tested once annually to determine whether events and circumstances still justify the assumption that they have an indefinite useful life. If this is not the case, the estimated useful life is changed on a prospective basis from indefinite to finite in accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Assets whose useful life changed from indefinite to definite are reviewed for impairment in the same reporting period. Also once a year, or if there is any evidence that an intangible asset with an indefinite useful life or an intangible asset that is not yet ready for use may be impaired, an impairment test is performed. In addition to goodwill, the Dürr Group recognizes brand names as further intangible assets with mostly indefinite useful lives. If a brand name is used in the entire cash-generating unit to which a goodwill is allocated, the brand name is also tested for impairment at the level of the corresponding cash-generating unit as part of the impairment test of goodwill. The recoverability of the HOMAG China and iTAC brand names is tested separately for impairment each year as these brand names are used at the level of different, smaller cash-generating units.

In the Group, development costs are only recognized as internally generated intangible assets if the conditions set forth in IAS 38 are satisfied. These include the following criteria:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale
- The probability of a future economic benefit arising from the use of the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Cost is the sum of all directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria. Development costs which do not meet these criteria, as well as research costs, are recognized immediately as an expense. Amortization of capitalized development costs is disclosed under cost of sales in the statement of profit or loss.

4.13 — USEFUL LIVES OF INTANGIBLE ASSETS (ESTIMATED)

	Years
Brand names with a definite useful life (Teamtechnik, Kahle, DUALIS)	4 to 13
Capitalized development costs	3 to 9
Franchises, industrial rights and similar rights	2 to 20
Customer relationships	4 to 10
Technological know-how	5 to 15
Other brand names	indefinite

More information on the brand names is provided in → note 19.

Investment property

Properties are allocated to investment property if a change in use has occurred, which is substantiated by their being occupied by another party after the end of owner-occupation or the inception of an operating lease with another party.

Investment property is recognized initially at (amortized) cost, including transaction costs. The carrying amount contains the costs for investments to replace an existing investment property at the time these costs are incurred, provided the recognition criteria are satisfied, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are measured at amortized cost.

Investment property is derecognized when it is sold or retired from active use and no future economic benefit is expected upon its disposal. Gains or losses arising from the retirement or disposal of investment property are recognized in the year of retirement or disposal.

Property, plant and equipment

Property, plant and equipment are accounted for at cost less straight-line depreciation over their useful life. Cost comprises all production costs that are directly attributable to the production process.

4.14 — USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT (ESTIMATED)

	Years
IT hardware	2 to 5
Machines and equipment	2 to 40
Furniture and fixtures	2 to 25
Buildings, hereditary building rights and leasehold improvements	3 to 50
Land	indefinite

The cost of property, plant and equipment includes expenditures for replacements which extend useful lives or increase capacity. The historical cost of assets that are either sold or scrapped is derecognized, as is the accumulated depreciation. Any gains or losses from derecognition are determined as the difference between the net disposal proceeds and the carrying amount and recognized through profit or loss as other operating income or expenses in the period in which the item is derecognized. Costs of minor repairs and maintenance are expensed as incurred.

Government grants

In accordance with IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance", government grants are only recorded if it is reasonably certain that the conditions attached to the grants will be fulfilled and the grants actually awarded. Grants that relate to an investment are deducted from the carrying amount of the subsidized asset. Grants related to income are recognized as deferred income and released in the correct period.

Leases

Several entities in the Dürr Group lease land, buildings, technical equipment and machines as well as office and operating equipment, mainly vehicles. Three entities rent out properties to external lessees.

A lease is a contract that transfers the right to use an asset (the leased asset) for a period of time in exchange for consideration. For these leases, the Dürr Group as lessee generally accounts for right-of-use assets and the corresponding payment obligations over the lease term as lease liabilities from the commencement date. The right-of-use assets are recognized under property, plant and equipment or investment property, while the lease liabilities are recognized as part of financial liabilities **(→ notes 19, 33, 38, 41 and 42)**. Lease liabilities correspond to the present value of the lease payments made over the lease term. These comprise the fixed payments, variable payments (if linked to an index or interest rate) and the exercise price of a purchase option if it is reasonably certain that the option will be exercised. In order to ensure that the terms are flexible, some leases for land and buildings in particular contain options to extend or terminate the lease. Depending on whether it is reasonably certain that the option will be exercised or will not be exercised, the optional periods are taken into account accordingly when determining the lease term. For discounting, the interest rate implicit in the lease is used if it can be determined. Otherwise, the incremental borrowing rate is used. Right-of-use assets are measured at cost and comprise the lease liabilities, restoration obligations and rent prepayments.

Lease liabilities and right-of-use assets are subsequently measured at amortized cost. The lease liability is measured using the effective interest method, i.e., the lease payments are apportioned between finance charges and redemption of the remaining lease liability. This is done so as to achieve a constant rate of interest over the period on the remaining balance of the lease liability. **→ Notes 17 and 38** contain disclosures on interest expenses and interest payments from leases.

The lease liability is remeasured if the lease agreement is modified or changes are made to the lease payments, lease term or estimates regarding the exercise of purchase options. The right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and their estimated useful lives and adjusted for any remeasurements of the lease liability.

4.15 — USEFUL LIVES OF RIGHT-OF-USE-ASSETS (ESTIMATED)

	Years
Vehicles	1 to 7
IT hardware	1 to 10
Machines and equipment	1 to 25
Land, buildings, hereditary building rights, office space	1 to 90

The Dürr Group makes use of the following exemptions and practical expedients:

- For short-term leases and leases of low-value assets, the lease payment is recognized through profit or loss.
- IFRS 16 "Leases" is not applied to intangible assets.
- Lessees do not separate lease and non-lease components.

Furthermore, intragroup leases are recognized through profit or loss in the segment reporting pursuant to IFRS 8 "Operating Segments" and not in the statement of financial position.

Leases in which the Dürr Group is the lessor relate to investment property. For these leases, the opportunities and risks remain within the Group. The lease payments are recognized by the lessor separately from non-lease components on a straight-line basis as sales revenue from lease agreements.

Impairment testing for intangible assets and property, plant and equipment including right-of-use assets

All intangible assets with an indefinite useful life, intangible assets which are not yet ready for use and goodwill are tested for impairment at the end of each reporting period. Other intangible assets and property, plant and equipment including right-of-use assets are reviewed for impairment whenever events or changes in circumstances indicate that an asset may be impaired, i.e., that the carrying amount of an asset may not be recoverable. Investment property that is largely rented to third parties is also subjected to an impairment test at least once a year.

An impairment loss is recognized through profit or loss if the recoverable amount of the asset falls short of its carrying amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the value in use. The fair value less costs to sell is the amount recoverable from the disposal of an asset carried out at arm's length less costs to sell. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The recoverable amount is determined for each asset individually or, if that is not possible, for the cash-generating unit to which the asset belongs. Goodwill acquired from business combinations is allocated to the cash-generating units or groups of cash-generating units. Due to the internal management and reporting structures, these correspond to the Dürr Group's divisions or business activities within its divisions. To determine the estimated cash flows of each group of cash-generating units, basic assumptions have to be made. These include assumptions regarding financial planning and the interest rates used for discounting.

Impairment losses recognized in prior periods are reversed against profit or loss if they cease to exist or have decreased. The reversal of an impairment loss or the reduction of an impairment loss of an asset is, however, only recognized to the extent that it does not exceed the carrying amount that would have applied if the amortization or depreciation had been recorded and no impairment losses had been recognized. Impairments on goodwill may not be reversed.

Further explanations on intangible assets, property, plant and equipment and right-of-use assets can be found in → note 19.

Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. Pursuant to IFRS 9 "Financial Instruments", financial instruments are classified in the following categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income
- Investments in equity instruments measured at fair value through other comprehensive income
- Financial assets measured at fair value through profit or loss
- Investments in equity instruments measured at fair value through profit or loss
- Financial liabilities measured at amortized cost
- Financial liabilities measured at fair value through profit or loss.

Purchases and sales of financial assets are recognized using trade date accounting. The Dürr Group does not perform any offsetting for financial instruments.

Financial assets

Financial assets are classified in accordance with IFRS 9 based on the business model used to manage financial assets and on the basis of the characteristics of the contractual cash flows of the financial assets. The objective of the Dürr Group's business model is to hold financial assets in order to collect contractual cash flows. With regard to the characteristics of the contractual cash flows, it is examined whether the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets in the portfolio are measured at amortized cost provided that the business model is complied with and the contractual cash flows fulfill the condition above.

The business model for financial assets measured at fair value through other comprehensive income (debt instruments) includes both the holding and sale of financial assets. The contractual terms that have to be met give rise solely to payments of principal and interest on the principal amount outstanding on specific dates.

Equity instruments are generally classified as measured at fair value through profit or loss at initial recognition. However, upon initial recognition an irrevocable option may be exercised to classify equity instruments as measured at fair value through other comprehensive income. This option may only be exercised if the equity instruments are not held for trading and if they do not represent contingent consideration in a business combination. The Dürr Group generally holds its equity interests for strategic reasons as a way of expanding the Group's business operations. These strategic reasons do not focus on the intention of achieving significant short-term gains. Any fluctuations in the measurement of investments are therefore not expected to have any impact on the statement of profit or loss. Accordingly, equity instruments are classified as measured at fair value through other comprehensive income. Gains or losses of equity instruments in this category recognized through other comprehensive income are never reclassified to profit or loss. At Parker Engineering Co., Ltd. and Teamtechnik Production Technology Sp. z o.o., a put option accounted for through profit or loss is held in addition to the investment. In order to keep the economic effect on the statement of profit or loss to a minimum here too, both the investments and the related options are classified at fair value through profit or loss. Parker Engineering Co., Ltd. and Teamtechnik Production Technology Sp. z o.o. are recognized in the statement of financial position under other financial assets while the options are recognized under sundry financial liabilities and sundry financial assets respectively.

Financial assets that do not satisfy the conditions for being classified as measured at amortized cost/at fair value through other comprehensive income are to be classified as measured at fair value through profit or loss. The Dürr Group does not currently make use of the option to measure financial assets at fair value through profit or loss at initial recognition.

Loss allowances and impairment of financial assets

The Dürr Group uses an impairment model based on the expected credit loss model, which is applicable for all financial assets (debt instruments) that are measured at amortized cost or at fair value through other comprehensive income. The expected credit loss model distinguishes between the general approach and the simplified approach. The general approach allocates the financial assets to three risk stages and is mainly applicable for cash and cash equivalents as well as sundry financial assets. For contract assets, trade receivables and lease receivables, the simplified model is applied and thus the first of the three risk stages is not considered.

Under the general model, the Dürr Group allocates the financial assets to the individual risk stages. The allocation is based on past due criteria and historically proven, qualitative internal and external risk assessments of the individual debtors. These assessments are applicable for all classes of financial assets. Provided that the non-derivative financial assets were not already impaired upon acquisition, the assets are allocated to stage 1. In general, a financial instrument is also allocated to stage 1 if it is deemed to be investment grade by external rating agencies.

If there has been a significant increase in the credit risk since initial recognition, the assets are allocated to stage 2. A number of qualitative and quantitative criteria are used to assess whether the credit risk has increased significantly since a financial asset was recognized for the first time. This involves, for example, examining whether the total comprehensive income of the debtor has deteriorated significantly or whether it is expected to do so. Financial assets are allocated to stage 2 at the latest when contractual payment is more than 30 days past due.

Financial assets are allocated to stage 3 or their default is assumed if circumstances occur that could impair the ability of a certain debtor to meet their financial obligations. For all financial assets, this means observing the criteria of being 90 days past due as well as using qualitative credit ratings for debtors. For example, the likelihood of insolvency or any other financial reorganization of the debtor results in the financial assets being allocated to stage 3.

In deviation from the past due criteria mentioned above, trade receivables and contract assets which are measured in accordance with the simplified approach are allocated to stage 3 when they are more than twelve months past due. This appropriately reflects the industry-specific experience and payment patterns for long-term projects in the plant and machinery construction sector.

Financial assets are derecognized as soon as reasonable information is available that indicates that they are uncollectable, such as insolvency proceedings coming to an end or following a court decision. Further explanations on the loss allowance and impairment of financial assets can be found in → note 42.

Financial liabilities

Financial liabilities generally give rise to the obligation to deliver settlement in cash or another financial asset. They particularly include, for example, trade payables, liabilities to banks, convertible bonds, Schuldschein loans, obligations from options, derivative financial liabilities and other financial liabilities.

After initial measurement, financial liabilities carried at amortized cost are subsequently measured at amortized cost using the effective interest method. Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and contingent consideration recognized in a business combination to which IFRS 3 applies. Derivatives are deemed to be held for trading unless they have been designated as effective hedging instruments. Gains or losses on financial liabilities held for trading are recognized through profit or loss.

The Dürr Group has not yet made use of the option to designate financial liabilities upon initial recognition as financial liabilities at fair value through profit or loss.

Derivative financial instruments and hedge accounting

The Dürr Group uses derivative financial instruments such as forward exchange contracts in order to hedge against currency risks. To account for hedges, the Dürr Group continues to apply the regulations of IAS 39 “Financial Instruments: Recognition and Measurement”.

Derivative financial instruments are measured at fair value on initial recognition and in subsequent periods. Recognition of these changes – whether through profit or loss or in equity (hedge reserve) – depends on whether the derivative financial instrument is part of an effective hedge in accordance with IAS 39. Changes in fair value are recognized through profit or loss unless the special criteria of IAS 39 for hedge accounting are satisfied.

Depending on the nature of the hedged item, hedging instruments are classified as follows:

- Fair value hedges, when hedging the exposure to changes in the fair value of a recognized asset, liability, unrecognized firm commitment or an identifiable part of such assets, liabilities or firm commitments that could affect profit or loss;
- Cash flow hedges, if they hedge exposure to variability in cash flows that is attributable to a recognized asset or liability or a forecast transaction and could affect profit or loss; or
- Hedges of a net investment in a foreign operation. They are treated in the same manner as cash flow hedges.

Fair value hedge accounting

In the case of fair value hedges, the carrying amount of a hedged item is adjusted through profit or loss by the profit or loss that is attributable to the hedged exposure. In addition, the derivative financial instrument is remeasured at its fair value. Gains or losses arising as a result are likewise recognized through profit or loss. In a perfect hedge, the fluctuation in fair value recognized through profit or loss for the hedged item practically offsets that of the hedging instrument. For fair value hedges that relate to hedged items carried at amortized cost, the adjustments of the carrying amount are released to profit or loss over their term until maturity. Every adjustment of the carrying amount of a hedged financial instrument is released to profit or loss using the effective interest method. The amount can be released as soon as an adjustment is made. It is released at the latest when the hedged item ceases to be adjusted for the changes in fair value that are attributable to the hedged exposure. If the hedged item is derecognized, the unamortized fair value is recognized immediately in the statement of profit or loss.

If an unrecognized firm commitment is designated as a hedged item, the subsequent accumulated change in its fair value that is attributable to the hedged risk is recognized as an asset or liability in the profit or loss of the period. The changes in the fair value of the hedging instrument are likewise recognized in the profit or loss of the period. However, this does not apply if foreign exchange exposure is hedged, as that is treated as a cash flow hedge. Accounting for fair value hedges is discontinued when the hedging instrument is settled prematurely or matures or no longer qualifies for hedge accounting.

Cash flow hedge accounting

In the case of cash flow hedges, the effective portion of the gain or loss on a hedging instrument is recognized directly in equity. The ineffective portion is recognized through profit or loss. Amounts that are recognized directly in equity are reclassified to profit or loss in the period in which the hedged item affects the profit or loss. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts directly recognized in equity are transferred to the initial carrying amount of the non-financial asset or non-financial liability. If the forecast transaction is no longer expected to occur, any amounts previously recognized directly in equity are reclassified to the profit or loss for the period. When the hedge is settled prematurely or matures, the amounts previously disclosed remain a separate item in equity until the forecast transaction occurs. The same applies if the hedging instrument is exercised without replacement or rollover into another hedging instrument, or if the criteria for cash flow hedge accounting are no longer in place. If the forecast transaction is no longer expected to occur, the amount is recognized through profit or loss. Further explanations on derivative financial instruments are given in → note 42.

Other financial assets
Other financial assets include non-current investments in equity instruments. They include shares in entities that are classified at fair value through profit or loss or through other comprehensive income.

Inventories
Inventories of materials and supplies, work in progress from the manufacture of standard machines and finished goods and merchandise are recognized at the lower of cost or net realizable value at the end of the reporting period. As a rule, a moving average value is used. Write-downs are recorded for obsolete and slow-moving inventories.

Costs of conversion comprise direct materials costs, direct labor costs as well as an appropriate portion of production-related overhead and depreciation. The overhead markups are determined on the basis of average capacity utilization. Borrowing costs are included, provided that they relate to qualifying assets.

Contract assets
For the Dürr Group, contract assets represent a legal claim to consideration in exchange for goods or services that are subject to conditions other than the simple term of payment. To the extent that costs have been incurred on contracts, but the amounts cannot yet be billed under the terms of the contracts as the payment claim is still conditional, they are reported as contract assets together with the corresponding estimated earnings. The contract assets contain directly allocable contract costs as well as, to an appropriate degree, production-related overhead and estimated proportionate earnings that can be derived from the agreed transaction price. In order to adequately portray the credit risk of the respective customer, a corresponding loss allowance is recognized in accordance with IFRS 9. The loss allowance is determined using the same methods as for trade receivables.

Trade receivables/sundry non-derivative financial assets
Receivables and sundry non-derivative financial assets constitute a contractual right to receive cash or another financial asset at a future point of time.

Receivables and non-derivative financial assets are carried at amortized cost less loss allowances and impairments. To determine the impairment and loss allowance the Group assesses the recoverability of the financial assets by referring to a number of factors. For this purpose, credit risks are segmented using common credit risk characteristics.

A central monitoring and local collection management system counters the risk of bad debts. This system includes regular credit ratings, the conclusion of credit insurance policies and – particularly in the export business – issuing letters of credit. Further information on impairment and loss allowances can be found in the section on impairment and loss allowances of financial assets.

Cash and cash equivalents
Cash and cash equivalents include cash, demand deposits and other short-term, highly liquid financial assets with an original term to maturity of less than three months. They are recognized at nominal value less loss allowance. The loss allowance is formed on the basis of current market data and internal risk assessments. Further information on loss allowances can be found in the section on the impairment and loss allowances of financial assets.

Other assets
Other assets comprise capitalized assets that cannot be allocated to any other category.

Costs of obtaining a contract that have arisen in connection with customer contracts are recognized at the amount incurred under other assets. Usually, the contractually agreed commission is a percentage of the contract value. This is only to a small degree based on judgment. Only in some cases the amount of the commission is variable and depends on the estimated gross margin of the contract. The costs of obtaining a contract are generally amortized in line with the percentage of completion of the underlying goods and services. For customer contracts that are invoiced when control is transferred, the costs of obtaining a contract are amortized entirely at this point in time. Impairment losses on recognized costs of obtaining a contract are recognized directly in profit or loss if the residual carrying amount of the capitalized costs of obtaining a contract are higher than the remaining portion of consideration less costs that are directly connected to delivering the goods or rendering the services and were not yet expensed.

Non-current assets held for sale and disposal groups

Non-current assets held for sale and disposal groups relate to fixed assets or current and non-current assets that can be sold in their present condition and whose sale is highly probable. The disposal group also relates to liabilities that are directly connected to the assets. Their carrying amounts must mainly be recovered by sale and not through continuing use.

Non-current assets held for sale and disposal groups are recognized as a separate item in the statement of financial position under current assets. The sale should be expected to qualify for recognition as a completed sale within one year from the date of reclassification.

Pursuant to IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", a non-current asset, provided that it is classified as held for sale or belongs to a disposal group classified as held for sale, is not amortized or depreciated but instead recognized at fair value less costs to sell, if the fair value is lower than the carrying amount.

Discontinued operations

A discontinued operation exists when a separate major line of business or geographical area of operations is classified as held for sale and if this component is part of a single co-ordinated plan for disposal or is a subsidiary acquired exclusively with the view to resale. For accounting purposes, a discontinued operation must be clearly distinguished from the rest of the activities of the Dürr Group. The assets and liabilities of the discontinued operation are reported as held for sale in the consolidated statement of financial position. In the consolidated statement of profit or loss, the earnings after tax of the discontinued operation are presented separately from the rest of the operations. In the consolidated statement of cash flows, the net cash flows are divided into continuing and discontinued operations. The activities of the discontinued operation are not assigned to any reporting segment in the financial reporting. When initially classified as a discontinued operation, the disclosures for the prior period in the consolidated statement of profit or loss are adjusted as if the operation had been classified as such from the beginning of the prior period.

Other comprehensive income

This item presents changes in equity not yet recognized in profit or loss, including the deferred taxes thereon, other than those arising from capital transactions with owners (e.g., capital increases or distributions). These include exchange differences (including the effects of the measurement of hyperinflationary currency in Turkey), accumulated actuarial gains and losses from the remeasurement of post-employment benefits and similar obligations as well as gains and losses from the measurement of financial assets and derivative financial instruments (cash flow hedges) measured at fair value.

Convertible bond

Pursuant to IAS 32 "Financial Instruments: Presentation", the conversion option vested in the convertible bond issued in the 2020 reporting period represents an equity instrument that was recognized in equity net of issue costs. The liability component is classified as a financial liability at amortized cost. At the time of initial recognition, the proportionate issue costs were deducted; the difference between that amount and the nominal value is allocated using the effective interest method to the financial liability as an interest expense over the term of the bond. The right of early redemption on the part of Dürr AG represents an embedded derivative, although one that is not separated pursuant to IFRS 9 as it is considered to be closely related to the host contract.

Earnings per share

Basic earnings per share are calculated by dividing the earnings from continuing operations relating to the shareholders of Dürr AG by the weighted average number of shares outstanding during the reporting period. To determine diluted earnings per share, both the profit from continuing operations attributable to the shareholders of Dürr AG and the weighted average of the number of shares outstanding are adjusted so as to take all dilutive effects into account that would result from the conversion of potential ordinary shares.

Borrowing costs
Borrowing costs include interest and similar expenses, other finance costs and the costs incurred in connection with borrowings.

In accordance with IFRS 9 "Financial Instruments", borrowing costs incurred in connection with the issue of the convertible bond and the Schuldschein loans are deducted on the liabilities' side of the consolidated statement of financial position. Calculated using the effective interest method, borrowing costs are amortized over the terms of the convertible bond and Schuldschein loans.

Post-employment benefits
The defined benefit plans guarantee the beneficiary in principle a monthly old-age pension or non-recurring payment upon leaving the company. These benefit plans are funded by the entities as well as by the employees. In accordance with IAS 19 "Employee Benefits", provisions for post-employment benefits are measured using the projected unit credit method. For this purpose, the future obligations are measured on the basis of the pro rata employee benefit obligations accumulated at the end of the reporting period. Provisions for post-employment benefit obligations are calculated taking into account development assumptions (e.g., relating to salary trends or pension increases) for those factors which affect the benefit amount.

Defined benefit cost is divided into service cost and net interest, which are recognized through profit or loss, and remeasurements, which are recognized directly in equity after deducting deferred taxes. Pursuant to the criteria of IAS 19, provisions for post-employment benefit obligations covered by assets held by a long-term benefit fund or by qualifying insurance policies are offset against the related plan assets, taking account of the asset ceiling. In addition to qualifying insurance policies, assets of an external insurance company or a fund are recognized as plan assets under IAS 19 if these assets can be used exclusively to pay or fund employee benefits and are protected from potential creditors.

Other provisions
Other provisions are recorded pursuant to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and IAS 19 "Employee Benefits", if the obligation to a third party results from a past event that is expected to lead to an outflow of economic benefits and can be reliably determined. Provisions for restructuring are recognized only to the extent that a detailed formal plan has been prepared and communicated to the parties concerned. Other provisions represent uncertain liabilities, which were recognized on the basis of a best estimate of the amount needed to settle the obligations. These estimates are based on assumptions made by the management, including experience and, where appropriate, assessments by independent experts. If the amount of the provision can only be determined within a range, the most probable figure is used. If there is no difference in the level of probability, the weighted average is taken. Provisions with a remaining term of more than one year are discounted at market interest rates which reflect the risk and period until the obligation is settled.

Contract liabilities
Contract liabilities constitute an obligation to the customer when progress billings issued and payments received from customers are collected or fall due before the promised service is rendered. Contract liabilities from progress billings issued and payments received from customers are offset against the services as soon as they are rendered. If a contract contains several separate performance obligations, only one contract asset or contract liability from this contract is determined on a net basis.

Liabilities
Trade payables and sundry financial liabilities are recorded at amortized cost. Other liabilities are recorded at the settlement amount. Liabilities that do not lead to an outflow of resources in the following year are discounted at market interest rates as of the end of the reporting period.

At the inception of the lease, liabilities from leases are carried at the present value of the lease payments. Further information is contained in the section on leases.

Income taxes and deferred taxes
The Dürr Group operates in a large number of countries and is consequently subject to different tax jurisdictions. The anticipated current and deferred income taxes have to be determined for each taxable entity.

Deferred taxes are accounted for using the balance sheet liability method according to IAS 12 "Income Taxes". This involves creating deferred tax items for all temporary accounting and measurement differences between the carrying amounts for IFRS Accounting Standards purposes and the tax bases of the assets and liabilities. They are not created if the taxable temporary difference arises from goodwill or the initial recognition of other assets and liabilities in a transaction (that is not a business combination) which affects neither the IFRS accounting profit nor the taxable profit or loss. Moreover, for leases where the Dürr Group is a lessee, the Group already recognizes on the commencement date of the lease:

- deferred tax assets on lease liabilities to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized, and

- deferred tax liabilities on right-of-use assets in property, plant and equipment or investment property.

Deferred tax liabilities are recognized for all taxable temporary differences arising from investments in subsidiaries or associates, and interests in joint ventures, unless the parent can control the reversal of the temporary difference and the temporary difference will probably not reverse in the foreseeable future. Furthermore, deferred tax assets for future economic benefits from tax-related interest and loss carryforwards and unused tax credits are taken into account if it is highly probable that they will be used.

Deferred tax assets and deferred tax liabilities are measured taking into account the respective local income tax rates which are expected to apply in the individual countries at the time of realization based on tax laws that have been enacted or substantively enacted. Deferred tax assets are reversed if it is more probable that the tax benefit will be forfeited than that it will be utilized.

Deferred tax assets are recognized to the extent that they are likely to be used. The probability of their being used in the future is assessed taking into account various factors, such as future taxable profit in the planning periods, effects on earnings from the reversal of temporary differences, tax planning and profit actually generated in the past. The Group uses a planning horizon of four years. Management reviews the deferred tax assets for impairment at the end of each reporting period. As these reviews are sometimes based on assumptions about the future, the actual values may diverge from estimates. These are then adjusted through other comprehensive income or through profit or loss, depending on how they were initially recognized. Based on past experience and the expected future income, the Dürr Group assumes that the corresponding benefits will be realized from the deferred tax assets.

Deferred tax assets and deferred tax liabilities are netted if, and only if, the entity has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied on the same taxable entity by the same taxation authority. Deferred taxes are recorded as tax income or expense in the statement of profit or loss unless they relate to items recorded directly in equity; in this case, the deferred taxes likewise are recorded directly in equity. Deferred tax assets from temporary differences in excess of deferred tax liabilities are only recognized to the extent that they can be utilized against future taxable profits.

In cases where there is uncertainty regarding the application of tax regulations, the Dürr Group proceeds as follows: IFRIC 23 "Uncertainty over Income Tax Treatments" is used to assess the probability with which the relevant tax authority with full knowledge of the matter will follow the position taken in the tax returns. Particularly, judgment is required for the following uncertainties:

- Should each tax treatment be considered independently or together with other tax treatments?

- Which assumptions need to be made for tax authorities' examination?

- What are the potential effects of a deemed tax field audit?

- How should changes in matters, for example due to new information be handled?

The Dürr Group examines continuously whether it needs to be applied in such cases, primarily because the Group operates in a number of jurisdictions. Indications of uncertain tax positions may be seen in the area of transfer pricing, which the Dürr Group intends to reduce through the application of the internal control system and documentation of transfer pricing. Appropriate provisions were set up for any related risks.

The Dürr Group has more than €750,000 thousand in sales revenue and therefore meets the requirements for adhering to the rules of the Organization for Economic Cooperation (OECD) on global minimum taxation, also called Global Anti-Base Erosion rules (GloBe or also "Pillar 2").

In March 2023, the International Accounting Standards Board (IASB) amended its provisions for the accounting of income taxes (IAS 12) and introduced a temporary exemption from the accounting of deferred taxes under the Pillar-2 model rules. Accordingly, the Dürr Group does not provide any Pillar 2-related deferred tax assets and liabilities.

The Dürr Group has implemented procedures and systems to systematically collect and evaluate information from all Group companies and to determine whether the Group operates in a legal system in which it may have to pay additional taxes under Pillar 2. An assessment based on the relevant information for the 2024 reporting period showed that the minimum tax rate of 15% is complied with for most countries in which the Dürr Group operates. The temporary safe harbor rules apply for the remaining countries so that there will be no additional taxes under Pillar 2.

Share-based payment

The share-based payment transactions pursuant to IFRS 2 "Share-based Payment" cover remuneration systems that are settled in cash. For the measurement, the Dürr Group calculates the fair value of the equity instruments upon initial recognition, at each reporting date and on the settlement date. Until they are settled, the fair value is accumulated over the period through profit or loss and recognized in sundry financial liabilities. Changes in fair value are recognized in personnel expenses through profit or loss.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities can arise from a present obligation that results from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle this obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is not disclosed if the possibility of an outflow of resources embodying economic benefits is remote; otherwise, information is provided in the notes to the financial statements. Contingent liabilities assumed in a business combination are recognized at the acquisition date even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities recognized in a business combination are initially measured at fair value.

Accounting in hyperinflationary countries

In order to reflect changes in spending capacity as of the reporting date, the carrying amounts of non-monetary assets and liabilities, equity attributable to shareholders and the profit or loss of the Dürr Group of subsidiaries in countries with highly inflationary currencies are translated using a general price index in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies". Monetary assets and liabilities that have already been presented in the unit of measure applicable on the reporting date are not restated. Effects of the measurement of hyperinflationary currency of the Turkish subsidiary are shown in other operating income and expenses within currency exchange gains and losses.

Use of assumptions and estimates

The preparation of the consolidated financial statements pursuant to IFRSs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual figures may diverge from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that risk causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below.

Significant accounting judgments when applying IFRS 15

Determining the transaction price

The transaction price is the amount of the consideration the Dürr Group expects to receive from its customers in exchange for transferring goods or rendering services. The transaction price of the individual performance obligations is determined using their stand-alone selling prices. The Group breaks down the transaction price agreed in the contract in proportion to the stand-alone selling prices. Variable consideration is only taken into account where it is highly probable that it will not result in a significant decrease in realized sales revenue until there is no longer any uncertainty in connection with the variable consideration. When determining the transaction price, it must therefore be assessed whether the contractual arrangements provide for variable consideration. The Dürr Group has variable consideration in the form of discounts, rebates and price escalation clauses. The price escalation clauses provide for the contractually agreed transaction price to be based on inflation and commodity price indices. Either the expected value method or the most likely amount method is used when estimating the variable consideration. The method used is the one with which the Group can provide the most reliable estimate of the consideration. The Group came to the conclusion that the most likely amount method is the most suitable method for estimating variable consideration. If it is assumed that a rebate will be granted upon concluding the contract, the transaction price is adjusted to the most likely amount. The same applies if it is expected upon concluding the contract that the customer will claim the discount. If, in the case of contracts with price escalation clauses, the realized sales revenue is unlikely to be canceled, the respective change in the index is considered in the transaction price. The most likely amount is calculated as the single most likely amount in a range of possible considerations. In determining the transaction price, the time value of money also needs to be considered if the timing of payments agreed to by the parties to the contract provides the customer (payment after receipt of goods or services) or the entity (payment before transfer of goods or services) with a significant benefit of financing the transfer of goods or services to the customer. In those cases where it is assumed upon initiating the contract that the period between customer payments and transfer of control of the asset is less than one year, the Group has decided to make use of the simplification rule not to adjust the transaction price for significant financing components.

Determining the percentage of completion

The majority of orders in the Dürr Group are accounted for using the percentage of completion method and sales revenue is recorded over time in accordance with the criteria of IFRS 15. A precise assessment of the degree of completion is essential for determining the percentage of completion using the PoC method. The key estimation parameters include total contract revenues and contract costs, the remaining costs of completion and the contract risks. These estimates are reviewed and adjusted regularly. The zero-profit method (ZP method) provides for sales revenue and the associated costs being realized in equal amounts until it is possible to reliably estimate the progress toward complete satisfaction of a performance obligation. Thus the gross margin is at least partially recognized through profit or loss at a later stage of the contract.

As the PoC method and the ZP method are based on estimates, the estimates of the expenses required for completion may have to be adjusted subsequently due to prevailing uncertainties. Such adjustments to costs and income are recognized in the period in which the adjustments are determined. Provisions for onerous contracts are recognized at contract level and taken into account in the period in which the losses are identified; they are recognized as provisions pursuant to the requirements of IAS 37.

Contract amendments

Revenue recognition from the production and delivery of plant and machinery also takes into account amounts that the Group seeks to collect from customers or others for errors or changes in contract specifications or design, contract change orders in dispute or not yet negotiated as to both scope and price, or other customer-related causes of unanticipated additional contract costs, claims and pending change orders. These are carried at the estimated amount provided their realization is highly probable and they can be reliably estimated. Pending change orders involve the use of estimates. Therefore, it is possible that adjustments to the estimated recoverable amounts of recorded pending change orders will be made in the future.

Other accounting judgments

Impairment of intangible assets with indefinite useful life

The Group tests goodwill and brand names with indefinite useful life for impairment at least once a year. This requires an estimation of the value in use of the cash-generating units or groups of cash-generating units to which the goodwill and the brand names are allocated. To do this, management is required to make an estimate of the expected future cash flows from the cash-generating units. The Dürr Group generally assumes a planning horizon of four years, unless it is reasonable to assume a longer period. In addition, it is necessary to choose a suitable discount rate in order to calculate the present value of these cash flows. Please refer to → **note 19** for further details.

Leases

Leases on buildings and office space in particular contain options to extend or terminate the lease. The measurement of the lease liability requires an assumption about whether it is reasonably certain that these options will be exercised. The Group takes into account all facts and circumstances that have an impact on these options being exercised or not.

If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate is used. This is derived for different terms of country-specific interest rate swaps and adjusted for a risk premium for leases.

Loss allowance and impairment of financial assets

During the recognition and measurement of financial assets, estimates and assumptions regarding the creditworthiness of debtors are necessary. Under the expected credit loss model, the measurement of allowances for financial assets is subject to various assumptions and uncertainties. In particular, estimates are to be made about expected payment defaults, incoming payments and the collateral available. Please refer to → **note 42** for further details.

Pensions and other post-employment benefit plans

The cost of defined benefit plans is determined using actuarial calculations. This involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases (rate of pension progression). The mortality tables published by Heubeck-Richttafeln-GmbH (Heubeck 2018 G) are used to determine the post-employment benefit obligations. These tables are based on statistics from statutory pension insurance as well as the German Federal Statistical Office, and therefore reflect developments regarding life expectancy. The discount rates used are based on the market yields of high-quality, fixed-interest corporate bonds. The future pension increases in Germany follow the development in gross wages. In addition, the changes in the contribution rate in pension insurance and the development of the ratio of persons making contributions and pensioners are taken into account through the so-called sustainability factor. Due to the long-term nature of these plans, such assumptions are subject to significant uncertainty. Please refer to → **note 29** for further details.

Development costs

Development costs are capitalized in accordance with the presented accounting policy. The impairment of capitalized development costs, whose development has not yet been fully completed at the reporting date, is reviewed at least once a year. In order to evaluate the impairment, management is required to make assumptions regarding the amount of expected future cash flows from the assets, interest rates to be applied and the period of the expected cash inflows from the assets.

Options in connection with the domination and profit and loss transfer agreement with HOMAG Group AG

Based on the domination and profit and loss transfer agreement that came into force in the 2015 reporting period, Dürr Technologies GmbH has the possibility to issue instructions to the corporate bodies of HOMAG Group AG and to recognize the entire profit of HOMAG Group AG as well as the obligation to absorb any losses. In return, the Dürr Group is required to make a compensation payment pursuant to Sec. 304 AktG ("Aktiengesetz": German Stock Corporations Act) of €1.18 (gross) per HOMAG share (€1.01 (net) after deducting corporate income tax and solidarity surcharge; before individual tax burden of the shareholder) for each reporting period as well as a settlement payment pursuant to Sec. 305 AktG of €31.56 per HOMAG share. Since then, Dürr Technologies GmbH has guaranteed a dividend equivalent to the compensation payment. The domination and profit and loss transfer agreement could have been terminated for the first time as of December 31, 2020, but it was not. The domination and profit and loss transfer is extended by one year at a time unless terminated by one of the contracting parties subject to notice of six months before expiration. As of December 31, 2024, Dürr Technologies GmbH's interest in the capital stock of HOMAG Group AG was 67.7% (prior period: 66.3%).

On December 16, 2024, the Stuttgart Higher Regional Court confirmed in its final ruling the appropriateness of the settlement of €31.58 for shareholders of HOMAG Group AG and the compensation payment of €1.19 gross per HOMAG share (after deduction of corporate income tax and solidarity surcharge of €1.02 net; before individual taxation of the shareholder). The court decision was published in the German Federal Gazette on January 3, 2025. Shareholders of HOMAG Group AG could demand a settlement by the end of two months after the date of publication. After the expiry of the right for settlement, the shareholders of HOMAG Group AG will receive an annual compensation payment of €1.02 per share, if the domination and profit and loss transfer agreement continues.

The pool agreement between Dürr Technologies GmbH and the Schuler/Klessmann shareholder group, which holds 14.05% of the shares of HOMAG Group AG, was renewed in the 2021 reporting period and extended until December 31, 2029. The new agreement secures a call option for the Dürr Group from January 1, 2029 as well as a preemptive right for the acquisition of all shares of the shareholder group Schuler/Klessmann. In addition, this agreement has secured a put option for the shareholder group Schuler/Klessmann since October 1, 2021, with which it may offer all shares for sale to the Dürr Group. The exercise price amounts to €31.58 per share and corresponds to Dürr Group's cash settlement offer for the HOMAG non-controlling shareholders, which was confirmed by the court in its final ruling. For measurement it is assumed that the Schuler/Klessmann shareholder group will not exercise its put option and the Dürr Group will exercise its call option at the earliest possible date. Consequently, the liability also includes all expected annual compensation payments.

For further information on the recognition of the sundry financial liability for the obligation to acquire shares as well as to pay the compensation claims in connection with the domination and profit and loss transfer agreement entered into with HOMAG Group AG, please refer to → notes 17, 34, 37 and 38.

Options in connection with non-controlling interests

As part of consolidating Kallesoe Machinery A/S and Roomle GmbH in the 2021 reporting period, options for the sale of the shares held by non-controlling interests were measured at the present value of the estimated exercise amount in accordance with IAS 32 and recognized as a sundry financial liability. The present value of the exercise amount is determined at the end of each reporting period. This requires an estimate of future earnings to be made. The options of the entities acquired in the 2021 reporting period contain personnel expense components that are earned pro rata over the period until the options are exercised. Please refer to → note 13 for further details.

Share-based payment

The measurement of cash-settled share-based payment transactions is based on the anticipated share price at the end of the contractual term and earnings ratios over the duration of the program. Historical share prices are used to determine the fair value. The earnings ratios used are based on internal forecasts. The actual share prices and earnings ratios may deviate from the assumptions made.

Estimates and assumptions are also required for the recognition and measurement of contingent liabilities and other provisions; the same applies to determining the fair value of long-lived items of property, plant and equipment and intangible assets.

Effects of geopolitical risks

Estimates and accounting judgments

The estimates and judgment are subject to increased uncertainty in the context of continued geopolitical risks, in particular the war in Ukraine, the conflict in the Middle East, and tensions between China and Taiwan.

For any necessary update of estimates and accounting judgments in connection with the aforementioned risks, available information on anticipated economic developments was taken into account. The assumptions made are based on current knowledge and the best available information.

Notes to the items of the consolidated financial statements

Notes to the consolidated statement of profit or loss

The information relates generally to the continuing operations, unless the discontinued operation is mentioned separately. The disclosures for the 2023 reporting period include the values of the entities acquired as of the respective date of first-time consolidation.

8. SALES REVENUE

4.16 — SALES REVENUE

€ thousand	2024	2023
Sales revenue recognized over time from contracts with customers	2,698,293	2,440,853
Sales revenue recognized at a point in time from contracts with customers	1,588,634	1,751,074
Sales revenue from lease agreements	4,009	4,102
Total sales revenue	**4,290,936**	**4,196,029**
thereof		
Sales revenue with the automotive industry	2,350,768	2,153,922
Sales revenue with the wood processing industry	1,407,500	1,616,097

Services account for 28% of sales revenue (prior period: 27%) and break down as shown in → **table 4.17**.

4.17 — SALES REVENUE FROM SERVICES

€ thousand	2024	2023
Spare parts	509,266	512,284
Modifications	456,213	431,100
Other	218,775	206,271
Total sales revenue from services	**1,184,254**	**1,149,655**

In the 2024 reporting period, an amount of €722,682 thousand (prior period: €671,184 thousand) was recognized as sales revenues, which were still included in contract liabilities at the beginning of the reporting period. In future periods, sales revenue from currently unsatisfied or partially unsatisfied performance obligations of €4,160,543 thousand (prior period: €3,886,902 thousand) will be realized. Thereof an estimated €2,824,274 thousand will be recognized as sales revenue in the 2025 reporting period (prior period: €2,946,673 thousand – 2024 reporting period).

In the 2024 reporting period, sales revenue of €1,468 thousand (prior period: €44,056 thousand) was recognized for performance obligations that had already been satisfied or partially satisfied in past periods.

Further information on the breakdown of sales revenue by division and region can be found in segment reporting under → **note 39**.

9. COST OF SALES

4.18 — COST OF SALES

€ thousand	2024	2023
Cost of materials	1,671,387	1,678,262
Personnel expenses	878,484	834,112
Amortization on non-current assets	114,308	87,487
Exchange gains	–90,312	–100,273
Exchange losses	87,625	116,066
Derecognition of trade receivables	2,095	3,149
Additions to and releases of loss allowances on trade receivables and contract assets	16,117	14,944
Other cost of sales	708,205	661,030
Total cost of sales	**3,387,909**	**3,294,777**
Gross margin %	21.0%	21.5%

Of the total amount reported as amortization, depreciation and impairment of non-current assets, an amount of €18,126 thousand (prior period: €14,535 thousand) is attributable to the amortization of capitalized development costs.

For further information about amortization, depreciation and impairment as well as loss allowances on trade receivables, please refer to → **note 23**.

10. SELLING EXPENSES

Selling expenses comprise all direct selling costs and overheads. These generally include all personnel expenses, cost of materials, amortization and depreciation as well as other costs relating to sales. In addition, selling expenses include amortization and impairment losses on capitalized costs of obtaining a contract.

4.19 — SELLING EXPENSES

€ thousand	2024	2023
Personnel expenses	262,262	259,472
Amortization, depreciation and impairments on non-current assets	9,409	8,860
Amortization and impairment on costs of obtaining a contract	15,308	19,801
Restructuring and personnel measures	–385	10,075
Other selling expenses	87,633	80,303
Total selling expenses	**374,227**	**378,511**

For additional information about costs of obtaining a contract, please refer to → **note 26**.

11. GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses comprise personnel expenses and non-personnel expenses of the central administrative functions, which are not attributable to contract processing, production, sales or research and development.

4.20 — GENERAL ADMINISTRATIVE EXPENSES

€ thousand	2024	2023
Personnel expenses	162,228	135,250
Amortization, depreciation and impairments on non-current assets	22,427	18,593
Restructuring and personnel measures	1,963	5,451
Other administrative expenses	72,570	73,754
Total general administrative expenses	**259,188**	**233,048**

12. RESEARCH AND DEVELOPMENT COSTS

Research and development costs include all the costs of those activities undertaken to gain new scientific or technical knowledge, to develop new products or to improve products and manufacturing processes. They comprise both personnel expenses and non-personnel expenses and are included in profit or loss on the date they are incurred. Research and development costs are reduced by those development expenses that qualify for recognition as assets pursuant to IAS 38 "Intangible Assets".

4.21 — RESEARCH AND DEVELOPMENT COSTS

€ thousand	2024	2023
Personnel expenses	98,643	96,871
Amortization and depreciation on non-current assets	8,934	7,152
Capitalized development costs	–34,221	–31,073
Restructuring and personnel-related measures	–967	7,778
Other research and development costs	64,166	67,370
Total research and development costs	**136,555**	**148,098**

13. PERSONNEL EXPENSES

The expense items of the statement of profit and loss contain the personnel expenses according to → **table 4.22**.

4.22 — PERSONNEL EXPENSES

€ thousand	2024	2023
Wages and salaries	1,171,401	1,113,669
Social security contributions	230,336	212,451
Total personnel expenses	**1,401,737**	**1,326,120**
thereof post-employment benefits	79,848	76,216

The options of the entities acquired in the 2021 reporting period contain personnel expense components that are earned pro rata over the period until the options are exercised. The measurement of the vested options resulted in expenses of €1,053 thousand in the 2024 reporting period (prior period: income of €3,629 thousand).

14. OTHER OPERATING INCOME AND EXPENSES

4.23 — OTHER OPERATING INCOME AND EXPENSES

€ thousand	2024	2023
OTHER OPERATING INCOME		
Exchange gains	65,705	32,462
Income from assets and liabilities classified as held for sale	21,425	–
Government grants	7,049	5,233
Reimbursements from damage claims	1,517	1,049
Gains on disposal of non-current assets	1,247	789
Income from canteens	918	1,063
Rental income	913	1,051
Income from purchase price adjustments	–	5,844
Others	4,286	3,601
Total other operating income	**103,060**	**51,092**
OTHER OPERATING EXPENSES		
Exchange losses	71,136	37,879
Expenses from assets and liabilities classified as held for sale	4,013	4
Expenses for other local taxes	1,803	2,561
Expenses for canteens	1,540	1,579
Losses on disposal of non-current assets	1,322	571
Expenses from transaction costs in connection with acquisitions	–	7,226
Others	3,922	3,049
Total other operating expenses	**83,736**	**52,869**

In the 2024 reporting period, income from and expenses for assets and liabilities held for sale are primarily attributable to the disposal of the Danish subsidiary Agramkow Fluid Systems A/S, including two subsidiaries and further assets and liabilities. For more information, see → **note 27**. The increase in exchange rate gains and losses results from both a larger hedged volume and fluctuations between the currency pairs. In the prior period, expenses from transactions relate to the acquisition of the BBS Automation Group. There were no other significant income or expenses related to prior periods.

15. GOVERNMENT GRANTS

Government grants of €9,270 thousand to reimburse expenditures of the Group were recognized in the 2024 reporting period (prior period: €7,762 thousand). These included, in particular, research grants or investment-related funding measures. Conditions are attached to the government grants. At present it can be assumed that these conditions will be met.

16. INVESTMENT RESULT

The investment result includes earnings from the entities accounted for using the equity method, income from distributions received from investments, profit or loss from the measurement of investments and options associated therewith as well as currency effects from hedging dividend payments.

The proportionate earnings of Nagahama Seisakusho Ltd., which is located in Osaka, Japan, and accounted for using the equity method, amounted to €805 thousand (prior period: €615 thousand). In the 2023 reporting period, a full write-up of the carrying amount of €1,941 thousand was made to its original value, after an impairment loss had been recognized in the period before. The total earnings from the entity accounted for using the equity method, therefore, amounted to €2,556 thousand in the prior reporting period. The proportionate earnings of GranIT GmbH Grafische und numerische Informationstechniken, which has been accounted for using the equity method and is located in Reutlingen, Germany, amounted to €19 thousand (prior period: €0 thousand). The measurement of the other investments and options resulted in income of €36 thousand (prior period: €1,275 thousand).

17. NET INTEREST

4.24 — NET INTEREST

€ thousand	2024	2023
Interest and similar income	35,321	32,033
Interest and similar expenses	–76,135	–57,577
thereof		
Interest expenses on Schuldschein loans	–39,642	–26,428
Interest expenses from the convertible bond	–1,125	–1,125
Interest expenses for the bridge loan concerning the acquisition of the BBS Automation Group	–4,799	–4,800
Interest expenses arising from subsequent accounting of the domination and profit and loss transfer agreement entered into with HOMAG Group AG	–7,219	–10,310
Interest expenses from leases	–5,574	–4,465
Amortization of transaction costs, premium from convertible bond issuance, Schuldschein loans, syndicated loan and bridge loan	–4,971	–3,661
Net interest expenses from the measurement of defined benefit plans	–1,153	–1,163
Other interest expenses	–11,652	–5,625
Net interest	**–40,814**	**–25,544**

The increase in interest income is due to a stable credit balance and a higher interest rate level.

The increase in the interest expense for the Schuldschein loans is mainly due to a new Schuldschein loan of €350,000 thousand issued in April 2024. For further information about the financing of the Group, please refer to → note 33.

18. INCOME TAXES

The income taxes relate to the German corporate income tax including a solidarity surcharge, trade tax on income and comparable taxes levied at foreign subsidiaries. The current taxes incurred by foreign subsidiaries are recognized at the tax rates and regulations of the respective national tax law. In Germany, deferred taxes are calculated using a tax rate of 29.1% (prior period: 29.1%).

4.25 — COMPOSITION OF TOTAL TAX EXPENSE

€ thousand	2024	2023
CURRENT INCOME TAXES		
Income tax expense – Germany	6,305	6,346
Income tax expense – other countries	57,514	48,996
Adjustment for prior periods	12,968	–8,394
Total current income tax expense	**76,787**	**46,948**
DEFERRED TAXES		
Deferred tax income/expense – Germany	–10,431	1,289
Deferred tax income – other countries	–12,902	–6,008
Adjustment for prior periods	–3,502	5,636
Total deferred tax income/expense	**–26,835**	**917**
Total tax expense	**49,952**	**47,865**

→ Table 4.26 shows the reconciliation of theoretical income tax expense to the actual income tax expense reported for continuing operations by the Dürr Group. For the 2024 reporting period, German corporate income tax law provided for a statutory tax rate of 15.0% (prior period: 15.0%) plus solidarity surcharge of 5.5% (prior period: 5.5%). The average trade tax rate amounted to 13.3% for the 2024 reporting period (prior period: 13.3%). This means that the reconciliation is based on an overall tax rate in Germany of 29.1% (prior period: 29.1%). For the foreign entities, the respective country-specific income tax rates range from 8.75% to 38.1% (prior period: 8.75% to 38.1%).

4.26 — RECONCILIATION OF THE INCOME TAX EXPENSE

€ thousand	2024	2023
Earnings before income taxes	**112,353**	**118,876**
Theoretical income tax expense in Germany of 29.1% (prior period: 29.1%)	32,695	34,593
Adjustments of income taxes incurred in prior periods	9,467	–2,761
Non-deductible operating expenses and withholding taxes	15,612	14,297
Foreign tax rate differential	–5,010	–4,997
Unrecognized deferred tax assets especially on unused tax losses	5,296	13,597
Subsequent recognition of deferred taxes on unused tax losses and changes in deferred taxes on impairment losses	–1,200	–2,528
Change in tax rates	–695	536
Tax-exempt income	–5,637	–5,255
Other	–576	383
Effective income tax expense	**49,952**	**47,865**

Deferred taxes

Pursuant to IAS 12 "Income Taxes", a deferred tax asset should be recognized on unused tax losses and other deductible temporary differences only to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be offset. In calculating the possibilities for utilizing tax losses, the Dürr Group uses a four-year planning horizon and takes into account the minimum taxation rule applicable in certain countries. Losses arising in Germany from the period prior to the tax group are not recognized.

Total interest and tax loss carryforwards amounted to €461,334 thousand as of December 31, 2024 (prior period: €398,367 thousand). Interest and tax loss carryforwards, for which no deferred tax assets were recognized, came to €138,130 thousand (prior period: €136,805 thousand) and primarily exist in Germany and France. In Germany, trade tax losses, for which no deferred taxes were recognized, amount to €54,021 thousand (prior period: €54,055 thousand). The unused trade tax losses can be currently carried forward for an indefinite period of time. Of the interest and tax losses not recognized, amounts of €7,252 thousand expire within the next ten years (prior period: €4,272 thousand). At present, the remaining unused tax losses do not lapse.

Other deductible temporary differences of €1,886 thousand as of December 31, 2024 (prior period: €2,003 thousand) were not recognized.

Deferred tax assets and deferred tax liabilities are netted if, and only if, the entity has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The income taxes and withholding taxes on distributable profits from subsidiaries are reported under deferred tax liabilities if it can be assumed that these profits will be subject to the corresponding taxation, or if there is a plan not to reinvest these profits permanently. No deferred tax liabilities were recognized on temporary differences in connection with shares in subsidiaries and associates of €331,405 thousand (prior period: €629,511 thousand). The Dürr Group assumes that no reserves will be distributed to the respective parent in the tax group while the consolidated tax group is in place.

Income tax liabilities

As of December 31, 2024, all current income tax liabilities of €64,344 thousand (prior period: €61,040 thousand) were due within one year.

4.27 — DEFERRED TAX ASSETS AND LIABILITIES

	Consolidated statement of financial position		Consolidated statement of profit or loss	
€ thousand	**Dec. 31, 2024**	Dec. 31, 2023	**2024**	2023
DEFERRED TAX ASSETS				
Accounting for intangible assets	7,615	2,217	5,398	–124
Remeasurement of property, plant and equipment	931	1,128	–197	–785
Loss allowances on receivables	8,356	3,043	5,313	437
Financial liabilities from right-of-use assets and interest/currency transactions	27,777	26,241	1,536	–19,314
Contract assets/liabilities and inventories	48,810	53,527	–4,717	–11,351
Other assets and other liabilities	3,891	9,090	–5,199	3,569
Post-employment benefits	11,250	12,773	–1,523	474
Provisions not recognized for tax purposes	28,180	26,942	1,238	12,649
Interest and tax loss carryforwards	83,617	65,727	17,890	32,073
Total deferred tax assets	**220,427**	**200,688**		
Netting	–136,075	–120,920		
Net deferred tax assets	**84,352**	**79,768**		
DEFERRED TAX LIABILITIES				
Accounting for intangible assets	–59,621	–73,857	14,236	–39,157
Capitalized development costs	–21,111	–14,202	–6,909	1,181
Tax-deductible impairment of goodwill	–8,861	–8,685	–176	2,138
Remeasurement of property, plant and equipment including right-of-use assets	–39,152	–43,464	4,312	–4,385
Measurement of shares in subsidiaries	–9,840	–9,624	–216	–893
Contract assets/liabilities and inventories	–34,482	–24,570	–9,912	–6,297
Other assets and other liabilities	–7,844	–16,354	8,510	–3,717
Total deferred tax liabilities	**–180,911**	**–190,756**		
Netting	136,075	120,920		
Net deferred tax liabilities	**–44,836**	**–69,836**		
Reconciliation effect from first-time consolidation			–	29,902
Translation effects from deferred tax items			–1,280	2,357
Effects recognized through other comprehensive income			–7,518	470
Effect of discontinued operation			6,049	–144
Deferred tax income/expense			**26,835**	**–917**

Notes to the consolidated statement of financial position: assets

19. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Details regarding changes in the Group's intangible assets and property, plant and equipment are presented in the statement of changes in non-current assets in → note 44.

Amortization, depreciation and impairments

Amortization, depreciation and impairment of non-current assets is shown in the statement of profit or loss in the cost of sales and functional costs. The profit or loss of the discontinued operation includes amortization, depreciation and impairment losses until the time the intangible assets and property, plant and equipment were classified as held for sale.

The increase in amortization of intangible assets in cost of sales was mainly due to the amortization of the intangible assets of the BBS Automation Group and Ingecal which were acquired in the prior period and included all year for the first time. Furthermore, the Dürr Group did not record any significant impairment losses on intangible assets and property, plant and equipment. The impairment losses of the prior period were due in particular to a lower value in use of property, plant and equipment within the HOMAG Group and restructuring measures in the Russian companies as a result of the war in Ukraine.

4.28 — AMORTIZATION OF INTANGIBLE ASSETS AND DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT

	2024			2023		
€ thousand	Intangible assets	Property, plant and equipment	Total depreciation and amortization	Intangible assets	Property, plant and equipment	Total depreciation and amortization
Cost of sales	–61,770	–52,385	–114,155	–35,853	–51,057	–86,910
Selling expenses	–589	–8,820	–9,409	–852	–7,915	–8,767
General administrative expenses	–992	–21,435	–22,427	–745	–16,987	–17,732
Research and development costs	–1,071	–7,863	–8,934	–972	–6,180	–7,152
Profit from discontinued operation	–3,114	–4,129	–7,243	–3,537	–5,172	–8,709
Total depreciation and amortization	**–67,536**	**–94,632**	**–162,168**	**–41,959**	**–87,311**	**–129,270**

4.29 — IMPAIRMENT

€ thousand	2024	2023
Cost of sales	–153	–577
Selling expenses	–	–93
General administrative expenses	–	–861
Total impairment losses	**–153**	**–1,531**

Intangible assets

In addition to goodwill, intangible assets with an indefinite useful life also include brand names of €90,796 thousand (prior period: €63,716 thousand). The Dürr Group intends to continue using these brand names in the future. For the BBS Automation, Kahle and Teamtechnik brand names, the useful life was changed from indefinite to definite in the 2023 reporting period for brand strategy reasons. This estimate was revised for the brand name BBS Automation in the 2024 reporting period. The BBS Automation brand has an excellent position in the markets for automation technology. For this reason, the Dürr Group intends to use the brand name indefinitely. Accordingly, the useful life of the brand name BBS Automation with a carrying amount of €28,693 thousand in the 2024 reporting period was changed from definite to indefinite. At the time of the change, the brand name was tested for impairment. The test did not result in any need for impairment. The profit for the 2024 reporting period includes amortization of €6,802 thousand over a nine-month period, which was incurred prior to the change in the useful life. The Kahle and Teamtechnik brand names are expected to continue to have a definite useful life, although this has been extended by one year compared to the prior reporting period.

Impairment test of brand names with an indefinite useful life

Like goodwill, the brand names are part of the allocated net assets of a cash-generating unit. The Dürr Group principally tests these brand names for impairment at the end of each reporting period. If a brand name is used in the entire cash-generating unit to which a goodwill is allocated, the brand name is also tested for impairment at the level of the corresponding cash-generating unit as part of the impairment test for goodwill. The brand names HOMAG China and iTAC are used in different, smaller cash-generating units. These brand names are therefore tested for impairment at the level of the smaller cash-generating units.

For the impairment test of the brand names, the calculation scheme used to determine a value in use is the same as for the goodwill impairment test. Similarly, identical planning assumptions are used. The cost of capital (discount rate) is also taken into account in accordance with the same methodology. Detailed explanations of the calculation scheme and the applied parameters are provided in the following section "Impairment test for goodwill".

Irrespective of the current economic situation and the expectations for the future, the Dürr Group conducted sensitivity analyses of the recoverability of the HOMAG China and iTAC brand names. The same assumptions were used as for the sensitivity analyses on the recoverability of goodwill. The sensitivity analyses found that, from today's perspective, no impairment loss needs to be recognized on the HOMAG China brand name even under these assumptions. Based on the sensitivity analysis, the iTAC brand name would have incurred an additional impairment loss of up to €2,320 thousand. Detailed explanations of the procedure and the assumptions of the sensitivity analysis are provided in the following section "Impairment test for goodwill".

Impairment test for goodwill

The Dürr Group generally tests goodwill for impairment at the end of each reporting period.

The goodwill acquired in the context of business combinations is allocated to the groups of cash-generating units at the level at which the goodwill is monitored for internal management purposes. The groups of cash-generating units correspond to the divisions Paint and Final Assembly Systems, Application Technology and Woodworking Machinery and Systems as well as the business units Production Automation Systems, Measuring and Process Systems and Lithium-Ion Battery within the Industrial Automation Systems division. The group of cash-generating units Clean Technology Systems was classified as a disposal group as of December 11, 2024 and was reported within assets and liabilities held for sale. The business unit Lithium-Ion Battery was separated from the disposal group and transferred to the Industrial Automation Systems division. As part of this restructuring, goodwill previously allocated to Clean Technology Systems was reallocated to the disposal group and the Lithium-Ion Battery business unit, based on the relative fair values. The goodwill allocated to the disposal group was tested for impairment and subsequently reported as held for sale. Lithium-Ion Battery is a group of cash-generating units and is the lowest level within the entity where the goodwill allocated to it is monitored for internal management purposes.

Except for the period of detailed cash flow forecasts, the calculation scheme is identical for all groups of cash-generating units, as the main parameters affect all groups.

The recoverable amount is determined by calculating the value in use. The calculation is based on detailed cash flow forecasts for a planning period of four years. Detailed cash flow forecasts for the Production Automation Systems business unit were based on a period of four years with subsequent extrapolation until 2032 to take into account the anticipated above-average level of growth in sales revenue and earnings in the field of automation technology. The Dürr Group expects a significantly increasing demand for high-performance automation solutions in the fields of e-mobility, medical products and consumer goods. Since Production Automation Systems will not reach a steady state after four years, a longer and more detailed planning period than for the other groups of cash-generating units is assumed. The pre-tax discount rate used for the cash flow forecasts per group of cash-generating units is provided in → **table 4.30**. Cash flows after the detailed planning period are extrapolated at an individual growth rate that reflects long-term inflation expectations and does not exceed the long-term average growth rate of the respective markets. The growth rate of Production Automation Systems was determined using external market analyses. The individual growth rates are shown in → **table 4.31**.

Planned gross profit margins

The planned gross profit margins are determined in the bottom-up planning of the executive directors of the Group's entities. They are based on the figures determined in the previous reporting periods taking anticipated price and cost developments as well as efficiency increases into account.

Cost of capital (discount rate)

The cost of capital is the weighted average cost of debt and equity before taxes. The cost of equity is calculated on the basis of an interest rate for quasi risk-free government bonds plus the current market risk premium. In addition, a weighted country-specific risk premium and the weighted long-term inflation expectations of the respective currency zones are taken into account for each group of cash-generating units. When calculating the cost of equity, a beta factor is used, which is derived from capital market data and the capital structure of benchmark companies. For this purpose, an individual group of comparable companies is used for each group of cash-generating units. The borrowing costs are based on a base interest rate for quasi risk-free government bonds in addition to country-specific risks and a mark-up derived from the credit rating of benchmark companies.

4.30 — PRE-TAX DISCOUNT RATES

%	2024	2023
Paint and Final Assembly Systems	10.82	12.30
Application Technology	14.50	14.97
Production Automation Systems	11.68	11.75
Measuring and Process Systems	11.30	12.28
Lithium-Ion Battery	14.81	–
Woodworking Machinery and Systems	13.00	14.18

4.31 — GROWTH RATES AFTER THE PLANNING PERIOD

%	2024	2023
Paint and Final Assembly Systems	1.20	1.22
Application Technology	1.22	1.21
Production Automation Systems	1.75	1.75
Measuring and Process Systems	1.11	1.12
Lithium-Ion Battery	1.00	–
Woodworking Machinery and Systems	1.09	1.11

Increase in the price of raw materials

For all groups of cash-generating units, future increases in the price of upstream products and raw materials, which are required in the Group, are derived from the expected increase in the prices of those commodities needed to manufacture the goods or materials. These, in turn, are determined from the forecast price indices of the countries from which the upstream products and raw materials are procured by the respective group entities.

Increase in wage and salary costs

In the four-year plan, the German subsidiaries have assumed annual average salary increases of 3.25% p.a. from 2025 onward (prior period: 3.07% p.a. from 2024 onward). All foreign subsidiaries have used the applicable local rate of increase for the respective planning period. Both German and foreign subsidiaries are allocated to each group of cash-generating units of the Dürr Group.

Results of the impairment test

The impairment test found that no impairment loss needs to be recognized for goodwill. Each of the calculated values in use of the groups of cash-generating units exceeded the assigned net assets.

Sensitivity analysis of goodwill

Irrespective of the current economic situation and the expectations for the future, the Dürr Group conducted sensitivity analyses of the recoverability of the goodwill. The impact of the following scenarios deemed possible by management was examined for all groups of cash-generating units except for Production Automation Systems:

- Reduction of 10% in the earnings before interest and taxes (EBIT) in all years within the planning horizon as of 2025 (compared to the approved company plans),
- Increase of 1.00 percentage points in the discount rate,
- Decrease of 0.25 percentage points in the growth rate for the terminal value.

When assessing which changes to the key assumptions used for the impairment testing of goodwill are deemed possible, particular consideration was given to the economic conditions as well as the history of deviations of the actual manifestations of the assumptions from previously expected manifestations. The sensitivity analyses revealed that, from today's perspective, no impairment loss needs to be recognized on goodwill in any of the groups of cash-generating units, except for Production Automation Systems, even under these assumptions.

In contrast, an EBIT decrease of 20% (prior period: 10%) was considered possible for Production Automation Systems for all years within the planning horizon. The scenarios for the increase in the discount rate of 1.00 percentage points and the decrease in the growth rate of 0.25 percentage points stayed unchanged. The deviating assumption for the possible reduction in EBIT of the group of cash-generating units Production Automation Systems reflects the volatility of the current market environment in the automation business, especially in view of the current uncertainties in the automotive industry. Considering the sensitivity scenarios, an impairment loss on goodwill would have to be recognized. The amount of the impairment losses resulting from the sensitivity scenarios are shown in → table 4.32, in each case in compliance with the remaining calculation parameters. The recoverable amount would be equal to the carrying amount in the event of a decrease in EBIT by 9.8% or an increase in the discount rate by 0.7 percentage points.

4.32 — SENSITIVITY ANALYSIS GOODWILL PRODUCTION AUTOMATION SYSTEMS

€ thousand	2024	2023
Reduction of 20% in EBIT (prior period: 10%)	–62,437	–38,459
Increase of 1.00 percentage points in the discount rate	–19,294	–56,579
Decrease of 0.25 percentage points in the growth rate for the terminal value	–	–

Development of goodwill

→ Table 4.33 shows the development of goodwill, broken down by business units and divisions.

As part of the classification of the Clean Technology Systems division as a disposal group, the related goodwill was reclassified proportionately to the Lithium-Ion Battery business unit in the Industrial Automation Systems division and the remaining part was reported as held for sale.

The reclassification in the Measuring and Process Systems business unit is due to the disposal of the Danish subsidiary Agramkow Fluid Systems A/S, including two subsidiaries and further assets and liabilities. For more information, please see → note 27.

4.33 — DEVELOPMENT OF GOODWILL

€ thousand	Carrying amount as of Jan. 1, 2023	Exchange difference	Additions	Carrying amount as of Dec. 31, 2023	Exchange difference	Reclassifi-cation	Reclassifi-cation to held for sale	Carrying amount as of Dec. 31, 2024
Paint and Final Assembly Systems division	**153,659**	**–800**	**–**	**152,859**	**460**	**–**	**–**	**153,319**
Application Technology division	**68,596**	**–113**	**–**	**68,483**	**109**	**–**	**–**	**68,592**
Clean Technology Systems division	**67,479**	**–1,233**	**11,382**	**77,628**	**623**	**–6,765**	**–71,486**	**–**
Measuring and Process Systems	70,299	–396	–	69,903	1,510	–	–8,522	62,891
Production Automation Systems	21,402	–	216,632	238,034	–	–	–	238,034
Lithium-Ion Battery	–	–	–	–	–	6,765	–	6,765
Industrial Automation Systems division	**91,701**	**–396**	**216,632**	**307,937**	**1,510**	**6,765**	**–8,522**	**307,690**
Woodworking Machinery and Systems division	**123,400**	**–302**	**–**	**123,098**	**457**	**–**	**–**	**123,555**
Dürr Group	**504,835**	**–2,844**	**228,014**	**730,005**	**3,159**	**–**	**–80,008**	**653,156**

Of goodwill, €216,632 thousand is attributable to the acquisition of the BBS Automation Group in 2023, €105,719 thousand to the acquisition of the HOMAG Group in 2014, €12,770 thousand to the acquisition of System TM A/S in 2020, €11,192 thousand to the acquisition of the iTAC companies in 2015, and €11,382 thousand to the acquisition of Ingecal in 2023. From historical acquisitions, sales and restructuring, today €98,453 thousand is attributable to the acquisition of former Alstom companies and €93,832 thousand to the acquisition of the former Schenck Group.

The change in goodwill from additions in the 2023 reporting period is explained below.

Acquisitions in the 2023 reporting period

The values of the hidden reserves identified as part of the purchase price allocation are based on estimates of future sales revenue, profit/loss, growth forecasts and other available information, as well as assumptions and estimates of management. Likewise, the recognition and the amount of conditional purchase price obligations is based on the estimation of the contractually agreed ratios.

BBS Automation Group

In order to continue to strengthen the activities in the area of automation technology, Dürr Technologies GmbH with registered offices in Stuttgart, Germany, acquired on August 31, 2023, 100% of the shares in Rome HoldCo GmbH located in Munich, Germany, and its subsidiaries (BBS Automation Group). BBS Automation offers automated systems for the production of components for different industries such as e-mobility/automotive, pharmaceuticals and consumer goods. The plants manufacture electronic components, batteries, brake and lighting elements as well as medical devices such as syringes, inhalers and injection systems, hearing aids and electric toothbrushes. Especially for large contracts, customers are increasingly seeking cooperation with powerful automation partners. The Dürr Group meets this demand by bundling BBS Automation, Teamtechnik and Hekuma under the roof of the Dürr Group. In addition, it is the Group's priority to realize revenue and earnings synergies between BBS Automation and the Teamtechnik Group.

The entities were initially consolidated applying the acquisition method pursuant to IFRS 3 "Business Combinations". The goodwill from initial consolidation of the acquired activities and the acquired net assets are presented in → table 4.34.

4.34 — GOODWILL ACQUISITION BBS AUTOMATION GROUP

€ thousand	2023
Purchase price paid in cash	318,879
Conditional purchase price obligation	–
Fair value of net assets	–104,302
Plus share of net assets not relating to the Dürr Group	2,055
Goodwill	**216,632**

The goodwill reflects the earnings prospects in the area of automation technology. It was allocated to the Production Automation Systems business unit within the Industrial Automation Systems division and is not tax deductible. If the EBITDA (earnings before interest, taxes, depreciation and amortization) of the BBS Automation Group exceeds €40,800 thousand for the 2023 reporting period, an additional consideration of up to a maximum of €40,000 thousand is to be paid. The calculation of the consideration is based on ten times the difference between the defined EBITDA and excess EBITDA. Since the EBITDA was below the threshold, no conditional consideration was recognized.

The allocation of the purchase price to the acquired assets and liabilities is as follows:

4.35 — PURCHASE PRICE ALLOCATION BBS AUTOMATION GROUP

€ thousand	Fair values at the date of acquisition
Intangible assets	143,211
Property, plant and equipment	38,112
Other financial assets	2
Deferred tax assets	14,709
Inventories and prepayments	39,019
Contract assets	102,088
Receivables and other assets	74,444
Cash and cash equivalents	14,910
Non-current liabilities	–63,855
Deferred tax liabilities	–42,452
Current liabilities	–215,886
Net assets	**104,302**

The carrying amounts after acquisition correspond to the fair values as of the date of first-time consolidation. The significant adjustments in the context of purchase price allocations were mainly made to intangible assets for which technological know-how, customer relationships, the order backlog and the brand name were recognized. The fair value of technological know-how and the brand name was measured using the relief from royalty method while that of customer relationships and the order backlog was measured using the residual value method (multi-period excess earnings method). Contractual gross receivables amount to €63,946 thousand, the payments of which are estimated to not be recoverable in the amount of €626 thousand. No contingent liabilities were recognized in the first-time consolidation.

4.36 — ACQUISITION BBS AUTOMATION GROUP: HIDDEN RESERVES IDENTIFIED IN THE ACQUIRED INTANGIBLE ASSETS

€ thousand	Fair value
Customer relationships	54,353
Technological know-how	32,618
Brand name	40,022
Order backlog	12,825
Total	**139,818**

→ Table 4.37 shows the outflow of cash and cash equivalents for the acquisition of the BBS Automation Group:

4.37 — PURCHASE PRICE PAYMENT AND CASH OUTFLOW

€ thousand	2023
Purchase price paid in cash	318,879
Less cash acquired	–14,938
Net cash outflow – cash flow from investing activities	**303,941**

Acquisition-related costs of €6,787 thousand were incurred for the transaction, which were recognized through profit or loss in other operating expenses in the 2023 reporting period as well as in the statement of cash flows within cash flow from operating activities.

4.38 — EARNINGS CONTRIBUTION OF THE BBS AUTOMATION GROUP FROM THE DATE OF INITIAL CONSOLIDATION

€ thousand	2023
Sales revenue	107,066
Earnings after taxes	–7,074

The profit of the Dürr Group net of tax also includes the effects of the amortization of the hidden reserves identified.

Had the BBS Automation Group already been included in the consolidated group as of January 1, 2023, the sales revenue and earnings after tax from continuing operations of the Dürr Group would have amounted to €4,374,327 thousand and €67,270 thousand, respectively. Effects of the alignment of accounting and measurement policies and of transaction-related financing costs were adjusted.

Ingecal

In order to expand its product portfolio in the business of production technology for battery electrodes, which entails high growth potential, Dürr Systems S.A.S., with registered office in Lisses, France, acquired 100% of the shares in Amalis Group S.A.S., with registered office in Lyon, France, on November 17, 2023. Amalis Group S.A.S. is the holding company of the operating Ingecal S.A.S. and its other subsidiaries. Thanks to its acquisition of the French mechanical engineering company Ingecal, Dürr can now also supply calendering systems to the battery industry. These play a key role in the coating of electrode foils for lithium-ion batteries. The calendering systems of the French company are suitable for both wet and dry coating. Dry coating offers considerable advantages in terms of costs, energy consumption, and CO_2 emissions and can also be used for the production of future solid-state batteries.

The entities were initially consolidated applying the acquisition method pursuant to IFRS 3 "Business Combinations". The goodwill from the initial consolidation of the acquired activities and the acquired net assets are presented in → table 4.39.

4.39 — GOODWILL ACQUISITION INGECAL

€ thousand	2023
Purchase price paid in cash	18,388
Purchase price obligation	2,216
Fair value of net assets	−9,222
Goodwill	**11,382**

The goodwill reflects the earnings prospects in the area of battery production. It was allocated to the Clean Technology Systems division and is not tax deductible. The purchase price obligation for Ingecal is based on a fixed amount representing a proportion of the total purchase price. In the 2024 reporting period, €1,020 thousand of this was paid. The remaining purchase price obligation is expected to be paid in the 2025 reporting period.

The allocation of the purchase price to the acquired assets and liabilities is as follows:

4.40 — PURCHASE PRICE ALLOCATION INGECAL

€ thousand	Fair value at the date of acquisition
Intangible assets	8,862
Property, plant and equipment	5,084
Inventories and prepayments	1,813
Contract assets	3,267
Receivables and other assets	5,024
Cash and cash equivalents	1,689
Non-current liabilities	−5,862
Deferred tax liabilities	−2,159
Current liabilities	−8,496
Net assets	**9,222**

The carrying amounts after acquisition correspond to the fair values as of the date of first-time consolidation. The adjustments in the course of the purchase price allocation mainly relate to intangible assets for which technological know-how, customer relationships and order backlog were recognized. The fair value of technological know-how was measured using the relief from royalty method while that of customer relationships and order backlog were measured using the residual value method. Contractual gross receivables amount to €4,348 thousand whereby it is estimated that contractual payments of €33 thousand will not be recoverable. No contingent liabilities were recognized in the first-time consolidation.

4.41 — ACQUISITION INGECAL: HIDDEN RESERVES IDENTIFIED IN ACQUIRED INTANGIBLE ASSETS

€ thousand	Fair value
Customer relationships	2,213
Technological know-how	5,566
Order backlog	855
Total	**8,634**

→ Table 4.42 shows the outflow of cash and cash equivalents for the acquisition of Ingecal:

4.42 — PURCHASE PRICE PAYMENT AND CASH OUTFLOW

€ thousand	2023
Purchase price paid in cash	18,388
Less cash acquired	–1,689
Net cash outflow – cash flow from investing activities	**16,699**

The acquisition-related costs incurred in the context of the acquisition amounted to €439 thousand, which were recognized through profit or loss in other operating expenses in the 2023 reporting period as well as in the statement of cash flow within cash flow from operating activities.

Had Ingecal already been included in the consolidated group as of January 1, 2023, the Dürr Group's sales revenue and earnings after taxes from continuing operations would have amounted to €4,208,838 thousand and €71,543 thousand, respectively.

Property, plant and equipment

Prepayments and assets under construction

Items of property, plant and equipment are recognized as assets under construction if costs for own and/or third-party work have already been incurred but they had not yet been completed by the end of the reporting period. As of December 31, 2024, prepayments of €40,050 thousand were attributable in particular to the Bietigheim-Bissingen, Schopfloch and Holzbronn sites in Germany and Środa, Poland, for the reconstruction of existing buildings and the construction of new ones. Further prepayments were made on the modernization of the working environment, infrastructure and machinery as well as on the sustainable energy supply. In the prior period, the prepayments were related to the construction of new buildings, modernization of infrastructure and new machinery.

Land and buildings

The Group invested €25,251 thousand in property in the 2024 reporting period. The majority of the capital invested was attributable to the expansion of existing buildings and the construction of new buildings and outdoor facilities at the Gengenbach and St. Johann sites in Germany. In the prior period, an amount of €14,185 thousand was invested in property, mainly for the construction or completion of new buildings in Holzbronn as well as the modernization of buildings and infrastructure at the Schopfloch site and the Southfield site.

Right-of-use assets

→ Table 4.43 shows the additions and depreciation of the right-of-use lease assets contained in property, plant and equipment.

Accumulated cost as well as accumulated depreciation and impairment contain the values for right-of-use assets that had already been accounted for as finance leases as of December 31, 2018, where these still exist. → Note 33 contains the disclosures on lease liabilities, → note 38 contains the explanations on the statement of cash flows.

The Dürr Group exercises the practical expedient to not capitalize short-term leases and leases of low-value assets.

4.43 — RIGHT-OF-USE-ASSETS INCLUDED IN PROPERTY, PLANT AND EQUIPMENT

€ thousand	Land and buildings	Technical equipment and machines	Other equipment, furniture and fixtures	Dürr Group
Accumulated cost as of December 31, 2024	**220,363**	**988**	**44,619**	**265,970**
thereof additions	15,855	226	19,072	35,153
Accumulated depreciation as of December 31, 2024	**143,315**	**592**	**20,432**	**164,339**
thereof depreciation for the period	25,362	194	13,369	38,925
Net carrying amounts as of December 31, 2024	**77,048**	**396**	**24,187**	**101,631**
Accumulated cost as of December 31, 2023	**235,501**	**937**	**40,586**	**277,024**
thereof additions	24,590	165	17,155	41,910
Accumulated depreciation as of December 31, 2023	**142,598**	**549**	**20,339**	**163,486**
thereof depreciation for the period	22,899	168	11,601	34,668
Net carrying amounts as of December 31, 2023	**92,903**	**388**	**20,247**	**113,538**

4.44 — EXPENSE FOR SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

€ thousand	2024	2023
Expense for short-term leases	−2,662	−3,342
Expense for leases of low-value assets	−2,594	−2,737

Investment property

The Dürr Group distinguishes between property that is largely owner-occupied and property that is mostly used by third parties. A property is considered to be largely used by third parties if the space used by the company itself is insignificant. Investment property comprises both property owned by the Dürr Group as well as right-of-use assets of property that is sublet under operating leases. The Dürr Group uses the cost method to measure all investment property. The investment property comprises a group of buildings as well as part of the infrastructure area of Schenck Technologie- und Industriepark GmbH in Darmstadt, Germany, which are allocated to the Measuring and Process Systems business unit within the Industrial Automation Systems division.

4.45 — INCOME AND EXPENSES FROM INVESTMENT PROPERTY

€ thousand	2024	2023
Rental income in the reporting period	3,353	3,438
Future rental income expected based on the existing agreements	10,287	7,491
Directly attributable expenditure	1,059	1,181
Directly attributable expenditure for vacant property	122	132

Self-owned buildings are depreciated using the straight-line method of depreciation over their useful life ranging between 20 and 50 years.

The composition of the group of properties accounted for pursuant to IAS 40 “Investment Property” was not changed compared to the prior period. More information is contained in → note 44.

As of December 31, 2024, the fair value came to €45,140 thousand (prior period: €44,690 thousand) and is allocated to level 3 in the fair value hierarchy. For more information on the fair value hierarchy levels, please see → note 37. An internal calculation prepared on an annual basis is used to determine the fair value of the investment properties; no appraiser was consulted in determining the values.

The fair value of the properties is calculated using capitalized income from the cash-generating unit based on market rents adjusted downward by risk discounts customary for the region. A vacancy rate of 10% (prior period: 10%) and a property yield of 5.6% (prior period: 5.6%) were used in the calculation.

4.46 — DEVELOPMENT OF INVESTMENT PROPERTY

€ thousand	Investment property owned by the Dürr Group	Right-of-use assets for investment property	Dürr Group
Accumulated cost as of December 31, 2024	**42,038**	**7,000**	**49,038**
thereof additions	25	161	186
Accumulated depreciation as of December 31, 2024	**27,710**	**5,948**	**33,658**
thereof depreciation for the period	704	387	1,091
Net carrying amounts as of December 31, 2024	**14,328**	**1,052**	**15,380**
Accumulated cost as of December 31, 2023	**42,129**	**6,839**	**48,968**
thereof additions	379	118	497
Accumulated depreciation as of December 31, 2023	**27,032**	**5,561**	**32,593**
thereof depreciation for the period	790	552	1,342
Net carrying amounts as of December 31, 2023	**15,097**	**1,278**	**16,375**

→ Notes 33 and 38 contain disclosures on the lease liabilities and lease payments.

20. INVESTMENTS IN ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD AND OTHER FINANCIAL ASSETS

Entities accounted for using the equity method

Nagahama Seisakusho Ltd.

The company Nagahama Seisakusho Ltd. has its registered office in Osaka, Japan, and offers machinery, systems and services in the area of balancing technology.

4.47 — CONDENSED STATEMENT OF FINANCIAL POSITION OF NAGAHAMA SEISAKUSHO LTD.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Non-current assets	37,410	37,693
Current assets	39,729	28,470
Non-current liabilities	19,534	21,854
Current liabilities	22,192	8,587
Equity	35,413	35,722
Shareholding Dürr Group	50.0%	50.0%
Equity attributable to the Dürr Group	17,707	17,861
Exchange difference	250	197
Carrying amount of the investment	17,944	18,049

4.48 — FURTHER FINANCIAL INFORMATION ON NAGAHAMA SEISAKUSHO LTD.

€ thousand	2024	2023
Sales revenue	27,535	27,610
Earnings after income taxes	1,528	1,247
Cash flow from operating activities	11,890	3,001
Cash flow from investing activities	–2,592	–5.830
Cash flow from financing activities	–1,893	381
Dividends received from Nagahama Seisakusho Ltd.	237	138

The reporting period of the company ends September 30; it is included using the equity method on the basis of the figures contained in the financial statements from that date. Significant effects that occurred between that date and December 31 are considered. As in the prior period, the associate had no material contingent liabilities as of December 31, 2024. At present, there are no significant restrictions with respect to dividend distributions.

The carrying amounts of the entity accounted for using the equity method are influenced by currency effects. In addition, there was a reversal of an impairment loss of €1,941 thousand in the prior period. For further information on the companies included in the Dürr Group please refer to → notes 3, 4 and 45.

GranIT Grafische und numerische Informationstechniken GmbH

In the 2023 reporting period, 26% of the shares in GranIT GmbH Grafische und numerische Informationstechniken, located in Reutlingen, Germany, were acquired. The carrying amount of the equity investment accounted for using the equity method amounts to €664 thousand (prior period: €645 thousand).

Other financial assets

As of December 31, 2024, other financial assets primarily included the equity investments in Teamtechnik Production Technology Sp. z o.o. with a carrying amount of €1,794 thousand (prior period: €2,586 thousand) and in Parker Engineering Co., Ltd. with a carrying amount of €9,667 thousand (prior period: €7,802 thousand).

21. INVENTORIES AND PREPAYMENTS

4.49 — INVENTORIES AND PREPAYMENTS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Materials and supplies	298,962	362,313
less valuation allowances	–65,061	–54,133
Work in progress	152,400	185,195
less valuation allowances	–9,452	–9,174
Finished goods and merchandise	213,840	222,222
less valuation allowances	–38,926	–25,340
Prepayments	76,869	101,459
less valuation allowances	–1,116	–1,116
Total inventories and prepayments	**627,516**	**781,426**

Total valuation allowances on inventories increased to €114,555 thousand (prior period: €89,763 thousand) after taking into account exchange rate differences and consumption. The additions to valuation allowances in the 2024 reporting period of €38,661 thousand (prior period: €28,112 thousand) were recognized through profit or loss.

22. CONTRACT ASSETS

4.50 — DEVELOPMENT OF LOSS ALLOWANCES ON CONTRACT ASSETS

	2024		2023	
€ thousand	Stage 2	Stage 3	Stage 2	Stage 3
As of January 1	**1,886**	**9,108**	**2,956**	**1,311**
Exchange difference	21	483	–59	–195
Additions				
newly acquired	629	–	1,021	7,776
already in the portfolio	23	5,601	225	259
Change in risk parameters	–	–	–	–
Releases	–1,450	–	–2,299	–
Utilization	–	–	–1	–
Reclassifications to held for sale	–136	–564	–	–
Reclassifications	–	–	43	–43
As of December 31	**973**	**14,628**	**1,886**	**9,108**

The change in the loss allowances on contract assets with a gross value of €634,235 thousand (prior period: €685,128 thousand) is mainly due to modified credit ratings. The majority of the additions and releases of loss allowances on contract assets was included in the profit from continuing operations → **table 4.18**.

23. TRADE RECEIVABLES

4.51 — DEVELOPMENT OF LOSS ALLOWANCES ON TRADE RECEIVABLES

	2024		2023	
€ thousand	Stage 2	Stage 3	Stage 2	Stage 3
As of January 1	**2,988**	**34,778**	**3,125**	**29,712**
Exchange difference	34	1,193	−81	−1,347
Additions				
newly acquired	1,318	12,878	2,780	9,455
already in the portfolio	21	4,142	14	1,442
Change in risk parameters	–	–	–	–
Releases	−1,474	−4,933	−2,853	−2,921
Utilization	−101	−1,635	−7	−1,553
Reclassifications to held for sale	−301	−2,330	–	–
Reclassifications	−1,123	1,123	10	−10
As of December 31	**1,362**	**45,216**	**2,988**	**34,778**

The changes in the loss allowances on trade receivables are due to a change in the composition of customers as well as modified credit ratings, among other things. Please refer to → **note 7** for further details.

Receivables of €2,296 thousand (prior period: €3,165 thousand) were derecognized in the 2024 reporting period; €1,736 thousand (prior period: €1,560 thousand) thereof had already been subject to loss allowances in the past. The derecognition of the remaining €560 thousand (prior period: €1,605 thousand) was recognized through profit or loss in the 2024 reporting period. The majority of the derecognitions, as well as additions and releases of loss allowances on trade receivables was recorded in the profit from continuing operations → **table 4.18**.

4.52 — TRADE RECEIVABLES BY MATURITY

	Dec. 31, 2024		Dec. 31, 2023	
€ thousand	Stage 2	Stage 3	Stage 2	Stage 3
Gross value	**553,062**	**51,592**	**608,084**	**62,220**
thereof				
not due	343,890	–	381,336	–
less than 1 month	118,771	–	108,068	–
between 1 and 3 months	53,333	–	63,474	–
between 3 and 6 months	20,668	–	31,170	–
between 6 and 9 months	8,597	–	12,655	–
between 9 and 12 months	7,803	–	11,381	–
more than 12 months/ stage 3	–	51,592	–	62,220
Loss allowance	−1,362	−45,216	−2,988	−34,778
Net carrying amount	**551,700**	**6,376**	**605,096**	**27,442**

In stage 2, a provision matrix is used to calculate loss allowances. Receivables in stage 3 were impaired based on an individual risk assessment. Receivables in stage 2 are subject to the risk level with a low credit risk (not credit-impaired), while receivables in stage 3 are subject to the risk level with a high credit risk (credit-impaired).

24. SUNDRY FINANCIAL ASSETS

4.53 — SUNDRY FINANCIAL ASSETS

	Dec. 31, 2024			Dec. 31, 2023		
€ thousand	**Total**	**Current**	**Non-current**	**Total**	**Current**	**Non-current**
Derivative financial assets	15,853	14,215	1,638	19,123	17,938	1,185
Rent deposits and other collateral provided	7,286	3,074	4,212	7,841	3,299	4,542
Time deposits and other financial assets	119,546	119,546	–	132	132	–
Remaining sundry financial assets	24,077	13,717	10,360	21,918	17,754	4,164
Total sundry financial assets	**166,762**	**150,552**	**16,210**	**49,014**	**39,123**	**9,891**

The remaining sundry financial assets include credit balances with suppliers of €8,053 thousand (prior period: €10,408 thousand) and receivables from employees totaling €2,630 thousand (prior period: €1,928 thousand).

With regard to sundry financial assets, there are no significant indications that the debtors will not be able to meet their payment obligations. Accordingly, sundry financial assets are primarily allocated to stage 1.

25. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are allocated to credit risk rating grades.

The credit risk rating grades are based on internal and external risk assessments. With regard to cash and cash equivalents, there are no significant indications that the debtors will not be able to meet their payment obligations. For further information on the credit risk, please refer to → note 42.

4.54 — CASH AND CASH EQUIVALENTS COMBINED BY CREDIT RISK RATING GRADE

	Dec. 31, 2024			Dec. 31, 2023		
€ thousand	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Investment grade AAA to A–	782,470	–	–	925,093	–	–
Investment grade BBB+ to BBB–	37,238	–	–	66,693	–	–
Sub-investment grade	12,874	–	–	47,177	–	–
Gross value	**832,582**	**–**	**–**	**1,038,963**	**–**	**–**
Loss allowance pursuant to IFRS 9	–997	–	–	–1,826	–	–
Net carrying amount	**831,585**	**–**	**–**	**1,037,137**	**–**	**–**

4.55 — DEVELOPMENT OF LOSS ALLOWANCES ON CASH AND CASH EQUIVALENTS

	2024			2023		
€ thousand	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
As of January 1	**1,826**	**–**	**–**	**2,072**	**–**	**–**
Exchange difference	–2	–	–	–34	–	–
Additions						
newly acquired	83	–	–	342	–	–
already in the portfolio	4	–	–	–	–	–
Change in risk parameters	–	–	–	–	–	–
Releases	–898	–	–	–554	–	–
Utilization	–	–	–	–	–	–
Reclassifications to held for sale	–16	–	–	–	–	–
Reclassifications	–	–	–	–	–	–
As of December 31	**997**	**–**	**–**	**1,826**	**–**	**–**

26. OTHER ASSETS

4.56 — OTHER ASSETS

€ thousand	Dec. 31, 2024			Dec. 31, 2023		
	Total	Current	Non-current	Total	Current	Non-current
Tax reimbursement claims excluding income taxes	48,167	48,013	154	41,800	41,639	161
Costs of obtaining a contract	11,398	10,778	620	11,754	11,465	289
Rent, maintenance cost and royalties	16,876	13,360	3,516	11,635	9,872	1,763
Remaining other assets	5,667	5,085	582	6,849	5,819	1,030
Total other assets	**82,108**	**77,236**	**4,872**	**72,038**	**68,795**	**3,243**

The costs of obtaining a contract included in other assets comprise sales commissions in connection with customer contracts that would not have been incurred, had the contract not been concluded.

27. ASSETS HELD FOR SALE

Assets sold in the 2024 reporting period

Sale of the Danish subsidiary AGRAMKOW

On April 25, 2024, the Dürr Group concluded a sales contract for the Danish subsidiary Agramkow Fluid Systems A/S, located in Sønderborg, Denmark, including two subsidiaries and further assets and liabilities at various companies of the Dürr Group. The sale was completed on July 1, 2024. The buyer is the Swedish financial investor Solix Group AB. The Agramkow Group specializes in filling technology for the non-automotive sector and is the world's leading supplier of facilities for filling refrigerators, air-conditioning systems, and heat pumps with refrigerant. The Agramkow Group has been part of the Dürr Group since 2011 and was allocated to the Industrial Automation Systems division until June 30, 2024. The sale is part of Dürr's strategy to focus on its core business with sustainable automation technologies.

The purchase price is based on the entity's value of €47 million and was largely paid to the Dürr Group on July 1, 2024. A smaller part of the purchase price is due in 2026. The assets and liabilities assigned to the filling technology business for the non-automotive sector were classified as held for sale and were shown separately in the consolidated statement of financial position of the Dürr Group as of June 30, 2024. There was no need for impairment of these assets to their fair value less costs to sell.

Upon disposal of the assets and liabilities, the Dürr Group received €27,791 thousand net of transaction costs. The total gain on the transaction was €17,487 thousand. The expenses and income from the disposals at the individual subsidiaries are allocated to profit or loss from continuing operations in other operating income and expenses.

Sale of further property, plant and equipment

As part of capacity adjustments, one real estate property and other property, plant and equipment were on sale in the USA at the Muscoda (Wisconsin) site. The measurement of the assets at fair value less costs to sell resulted in an expense of €815 thousand in the prior period. The assets were sold in the 2024 reporting period and resulted in a gain of €255 thousand and proceeds of €1,651 thousand and were allocated to the Clean Technology Systems division. The earnings from the sale are allocated to the profit from discontinued operation.

4.57 — ASSETS AND LIABILITIES SOLD

€ thousand	2024
ASSETS	
Goodwill	8,522
Other intangible assets	5,315
Property, plant and equipment	2,387
Deferred tax assets	–
Inventories and prepayments	8,050
Contract assets	1,204
Trade receivables	9,596
Cash and cash equivalents	1,971
Income tax receivables	304
Sundry financial assets	532
Other assets	731
Total assets sold	**38,612**
EQUITY AND LIABILITIES	
Provisions for post-employment benefit obligations	20
Other provisions	1,320
Contract liabilities	5,504
Trade payables	3,774
Deferred tax liabilities	3,359
Income tax liabilities	34
Financial liabilities	8,572
Sundry financial liabilities	1,007
Other liabilities	1,351
Total liabilities sold	**24,941**

Assets held for sale

In Brazil, a real estate property and other property, plant and equipment are on sale at the Taboao da Serra site. The real estate property is part of the Paint and Final Assembly Systems division. The property, plant and equipment is assigned to the Woodworking Machinery and Systems and Paint and Final Assembly Systems divisions and is measured at fair value less costs to sell.

In addition, a training facility is available for sale at the Gqeberha site in South Africa. The measurement of the asset at fair value less costs to sell resulted in an expense of €75 thousand in the (prior period: €1 thousand). The asset held for sale is allocated to the Application Technology division.

4.58 — ASSETS HELD FOR SALE

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Land and buildings	1,907	1,105
Other property, plant and equipment	372	354
Total assets held for sale	**2,279**	**1,459**

For further information on the assets and liabilities held for sale attributable to the discontinued operation, please see → note 5.

Notes to the consolidated statement of financial position: equity and liabilities

28. EQUITY OF SHAREHOLDERS OF DÜRR AKTIENGESELLSCHAFT

Subscribed capital (Dürr AG)

As of December 31, 2024, the capital stock of Dürr AG came to €177,157 thousand (prior period: €177,157 thousand) and was made up of 69,202,080 no-par value shares (prior period: 69,202,080 no-par value shares). Each share represents a share of €2.56 in the subscribed capital and is made out to the bearer. The shares issued were fully paid in.

Authorizations

Authorization for acquisition and sale of treasury shares (Dürr AG)

In the annual general meeting held on May 12, 2023, the Board of Management was authorized to buy back treasury shares once or several times for any permitted purpose, subject to legal restrictions, by May 11, 2028. This authorization is limited to a total of 10% of the subscribed capital at the time the resolution of the annual general meeting was adopted or 10% of the subscribed capital at the time the authorization is exercised, if this is lower. The treasury shares can be acquired via the stock exchange or by means of a public offer to sell to all shareholders or by means of a public invitation to tender addressed to all shareholders. The Board of Management was also authorized, subject to the approval of the Supervisory Board, to grant the holders of options and/or convertible bonds issued by the Company or one of its subsidiaries a subscription right to the shares in the event of a sale of treasury shares by means of an offer to all shareholders to the extent that they would be entitled to after exercising the option or conversion right or after fulfilling the conversion obligation. Furthermore, the Board of Management was authorized, subject to the approval of the Supervisory Board, to sell its treasury shares in a manner other than via the stock exchange or by means of an offer to all shareholders, if the shares are sold for cash payment at a price that is not significantly lower than the stock market price of same-class shares of the Company at the time of sale. The Board of Management did not make use of this authorization in the 2024 reporting period.

Authorized capital (Dürr AG)

The annual general meeting on May 10, 2019, authorized the Board of Management, subject to the approval of the Supervisory Board, to increase the capital stock once or several times by a maximum amount of €53,147 thousand in exchange for cash contributions and/or contributions in kind by May 9, 2024, by issuing up to 20,760,624 no-par value shares made out to the bearer. By resolution passed on May 12, 2023, the annual general meeting repealed this authorization and replaced it with a new authorization to issue up to €53,147 thousand of the capital stock once or several times by May 11, 2028, subject to the approval of the Supervisory Board, by issuing up to 20,760,624 new, no-par-value shares made out to the bearer against cash and/or contributions in kind. The Board of Management was also authorized, subject to the approval of the Supervisory Board, to preclude the subscription right of the shareholders in certain cases. The Board of Management neither exercised the authorization granted until May 12, 2023 nor the authorization granted since then in the 2024 reporting period.

Conditional capital (Dürr AG)

The annual general meeting on May 10, 2019, authorized the Board of Management, subject to the approval of the Supervisory Board, to issue once or several times until May 9, 2024, bearer or registered convertible bonds, warrant-linked bonds or income bonds or combinations of these instruments with or without fixed maturity. For this purpose, the subscribed capital was conditionally increased by a maximum of €17,716 thousand by issuance of up to 6,920,208 new no-par value shares made out to the bearer. The Board of Management was also authorized, subject to the approval of the Supervisory Board, to preclude the subscription right of shareholders under certain circumstances and with defined limits.

On the basis of the authorization for the contingent capital increase, on September 24, 2020, Dürr AG issued a convertible bond with a nominal amount of €150,000 thousand. For further information please refer to → note 33 as well as to the arrangements in the event of a change in control following a takeover bid contained in section 2 → page 43 of the combined management report.

By resolution passed on May 12, 2023, the annual general meeting authorized the Board of Management, subject to the approval of the Supervisory Board, to issue once or several times by May 11, 2028 bearer or registered convertible bonds, warrant-linked bonds or income bonds or combinations of these instruments with or without fixed maturity, representing a total nominal amount of up to €400,000 thousand and to grant conversion rights to or impose a conversion obligation on holders or creditors of bond warrants or convertible income bonds, respectively, for up to 6,920,208 no-par value bearer shares of the Company, representing a proportionate maximum amount of €17,716 thousand of the capital stock in accordance with the provisions of these bonds. The Board of Management did not make use of this authorization in the 2024 reporting period.

Capital reserve (Dürr AG)
The capital reserve primarily includes share premiums and amounted to €74,428 thousand as of December 31, 2024 (prior period: €74,428 thousand). The capital reserve is subject to the restrictions on disposal of Sec. 150 AktG.

With the convertible bond being placed in the 2020 reporting period, the conversion option was classified as an equity instrument in accordance with IAS 32 and recognized directly in equity. After deducting transaction costs, this equity instrument amounts to a total of €10,043 thousand. Pursuant to IAS 12, deferred tax assets resulting from temporary differences between the liability components of the convertible bond of €2,933 thousand were recognized and offset against the equity components.

Retained earnings
Retained earnings contain the profits generated in the past by the entities included in the consolidated financial statements unless they have not been distributed. They totaled €1,005,287 thousand as of December 31, 2024 (prior period: €955,036 thousand). The change was chiefly owing to the addition of the profit for the period, the recognition and measurement of options attributable to non-controlling interests, the increase in the shareholding of entities previously already included in the consolidated financial statements and the distribution of the dividend for the 2023 reporting period.

Restriction on distribution, transfer and withdrawal in the separate financial statements of Dürr AG (Sec. 253 (6) HGB)
Due to the legal regulations on the measurement of provisions in the separate financial statements of Dürr AG prepared in accordance with the German commercial law, there are restrictions on distribution. A difference of €–58 thousand (prior period: €71 thousand) arises from the recognition of provisions according to the respective average market interest rate from the past ten reporting periods and from the recognition of provisions according to the respective average market interest rate from the past seven reporting periods; this amount is subject to a restriction on distribution.

Dividends
In accordance with the AktG, the distribution is measured based on net retained profit as reported by Dürr AG in its separate financial statements prepared in accordance with the provisions of German GAAP. In the 2024 reporting period, Dürr AG distributed a dividend to its shareholders of €0.70 per share from the net retained profit recorded in the 2023 reporting period (prior period: €0.70 per share). The total amount distributed came to €48,441 thousand (prior period: €48,441 thousand). Based on the financial performance in the 2024 reporting period, the Board of Management of Dürr AG recommends that the Supervisory Board shall propose to the annual general meeting that a dividend of €0.70 per share be distributed, which corresponds to to a total distribution amount of €48,441 thousand.

Earnings per share
The profit from continuing operations attributable to the shareholders of Dürr Aktiengesellschaft amounted to €61,790 thousand (prior period: €72,776 thousand). The average number of shares amounted to 69,202,080 shares in the reporting period (prior period: 69,202,080 shares). This resulted in basic earnings per share of €0.89 in the 2024 reporting period (prior period: €1.05). Diluted earnings per share from continuing operations result from the potential correction of the Group's earnings and the number of shares upon exercising the convertible instruments. Diluted earnings per share amounted to €0.87 (prior period: €1.02) and result from the potentially dilutive effects of the convertible bond.

4.59 — EARNINGS PER SHARE

	Continuing operations		Discontinued operation		Total	
	2024	2023	**2024**	2023	**2024**	2023
Earnings attributable to shareholders (in € thousand)	61,790	72,776	39,734	39,205	101,524	111,981
Weighted average number of shares outstanding	69,202,080	69,202,080	69,202,080	69,202,080	69,202,080	69,202,080
Basic earnings per share (in €)	**0.89**	**1.05**	**0.58**	**0.57**	**1.47**	**1.62**
Earnings for the calculation of diluted earnings per share (in € thousand)	64,328	75,265	39,734	39,205	104,062	114,470
Weighted average number of shares for diluted earnings per share	73,959,770	73,825,872	73,959,770	73,825,872	73,959,770	73,825,872
Diluted earnings per share (in €)	**0.87**	**1.02**	**0.54**	**0.53**	**1.41**	**1.55**

Disclosures on capital management

The primary objective of capital management is to support business operations, ensure a healthy capital ratio and increase business value.

The Dürr Group monitors its capital on a monthly basis using a so-called gearing ratio, which is a debt-to-equity ratio and defined as the ratio of net financial debt to equity and net financial debt. At the 2024 reporting date, the ratio fell to 24.5% after a ratio of 30.5% in the prior period, which was strongly affected by the acquisition of the BBS Automation Group. This means that the value was again below the maximum value of 30.0% set pursuant to the Group's internal policy.

4.60 — GEARING RATIO

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Cash and cash equivalents	–831,585	–1,037,137
Time deposits and other financial receivables	–120,703	–204
Convertible bond and Schuldschein loans	1,193,069	1,058,035
Liabilities to banks	24,839	356,989
Lease liabilities	107,303	118,087
Remaining other financial liabilities	23,292	20,851
Net financial debt	**396,215**	**516,621**
Equity	1,223,721	1,176,966
Net financial debt	396,215	516,621
Equity and net financial debt	**1,619,936**	**1,693,587**
Net financial debt	396,215	516,621
Equity and net financial debt	1,619,936	1,693,587
Gearing ratio	**24.5%**	**30.5%**

29. PROVISIONS FOR POST-EMPLOYMENT BENEFIT OBLIGATIONS

The Group's post-employment benefits include defined contribution plans and defined benefit plans.

Defined contribution plans

In the case of defined contribution plans, the Dürr Group pays contributions to state or private insurance institutions. Other than the subsidiary liability of the employer regarding its company pension plans, there are no other legal or constructive obligations for the Dürr Group. A claim from the subsidiary liability is currently unlikely. The contributions are recognized when they fall due as a personnel expense within the functional costs.

The post-employment benefits available to the employees of the German entities of the Dürr Group include a life insurance program in line with the respective remuneration group, for which the Group recognized contributions of €891 thousand (prior period: €829 thousand) as an expense. In addition, the Group paid contributions of €53,824 thousand (prior period: €52,269 thousand) to the German statutory pension scheme, which likewise constitutes a defined contribution plan.

The US subsidiaries contribute to external pension funds for trade union employees. In the 2024 reporting period, pension expenses for these employees amounted to €5,608 thousand (prior period: €3,461 thousand). Payments for other defined contribution plans in other countries, including state pension systems, amounted to €18,772 thousand (prior period: €16,595 thousand).

In addition, the US subsidiaries of the Group have a "401(k)" profit-sharing plan for certain employees. Profit-sharing is based on the years of service and the employees' remuneration. The Dürr Group's contribution is discretionary and is determined annually by management. In the 2024 reporting period, expenses came to around €3,330 thousand (prior period: €4,071 thousand).

Defined benefit plans

Pension entitlements have been granted to individual former members of the Board of Management of Dürr AG and the members of the management board and general managers of German subsidiaries based on their most recent fixed salary and years of service.

Some non-pay scale employees of the German subsidiaries of the Dürr Group, including the members of the Board of Management of Dürr AG, Carl Schenck AG, Dürr Systems AG and HOMAG Group AG, are also offered the possibility to convert employee contributions into a benefit obligation in addition to ongoing employer contributions (pension plan of the Dürr Group). Under these plans, employees of the Dürr Group are entitled to convert certain parts of their future pay into an entitlement to future supplementary company benefits. To secure and finance the resulting obligations, the Group has taken out employer's pension liability insurance for the life of the beneficiaries or invests to a small extent in balanced funds comprising shares and bonds. The Dürr Group has the exclusive right to the respective benefits. This therefore does not represent any significant actuarial risk or investment risk for the Dürr Group. The amount of post-employment benefits equals the benefit paid out under the employer's pension liability insurance concluded by the company, which consists of a guaranteed pension and the divisible surplus allocated by the insurance company. For the funds investment, the benefits paid out later correspond to the balance of the fund. The Dürr Group reports the benefit obligations net of assets.

At the German entities of the Dürr Group, those employees who were employed at the Schenck entities at the time of the takeover were entitled to post-employment benefits. These are based on years of service. The payments provided for by the pension plans comprise fixed amounts plus an element that is dependent on years of service.

A US entity has a pension plan covering all non-union employees at that subsidiary. This plan was closed in 2003 and the claims for active employees were frozen at that time. The amount of the future pension benefits is based on the average salaries earned and length of service before the pension entitlements were frozen in 2003.

A subsidiary in the US has a roughly 35% share in a local multi-employer plan which is maintained jointly with other non-affiliated metal-working companies. Furthermore, this subsidiary has a stake in a US-wide pension plan. The defined benefit plans are accounted for as defined contribution plans as it is not possible to allocate the share of obligations and plan assets to the individual member companies. The risks from the two multi-employer plans differ from plans tailored to a specific company with regard to jointly managed pension assets, which can potentially also be used to cover obligations of other participating employers. If participating plan sponsors discontinue current contribution payments, the remaining plan sponsors collectively take over the funding deficit; withdrawing from the plan is, however, regularly subject to a withdrawal fee to limit the risk for the remaining plan sponsors. The beneficiaries of the plans are members of a trade union. The contributions are calculated on the basis of the number of production hours worked by members. A temporary shortfall in capacity utilization as well as lower returns on plan assets meant there have been deficits in the past. There has no longer been a deficit in the local pension plan since March 31, 2018. In the US-wide pension plan, the total deficit amounted to around €1,258,841 thousand as of January 1, 2024 (prior period: €1,422,142 thousand). The Dürr Group has a roughly 0.2% stake in this US-wide plan. For the following year, the Group expects contributions of €2,492 thousand (prior period: €2,414 thousand) to be made to the pension plans.

Moreover, in some countries there are plans that provide for payouts in the context of post-employment benefits as well as a number of minor pension plans.

Post-employment benefit plan participants and risk management

Provisions for post-employment benefits are recognized for obligations from future and current post-employment benefits to eligible current and former employees as well as their surviving dependents. Pension plans vary according to local legal, tax and economic conditions and are usually based on employees' years of service as well as their remuneration. In the 2024 reporting period, there were obligations in place for 4,621 eligible persons (prior period: 4,659), thereof 4,002 active employees (prior period: 4,021), 166 former employees with vested rights (prior period: 181) as well as 453 retired employees and surviving dependents (prior period: 457).

The defined benefit plans are largely financed via provisions which have corresponding qualifying fund assets as plan assets that are offset against the obligations. The plan assets mostly exist in the form of employer's pension liability insurance policies pledged to beneficiaries.

In order to take adequate account of risks associated with post-employment benefit obligations, the Dürr Group established the Corporate Pension Committee (CPC) several years ago. This committee convenes regularly and reviews and assesses all global post-employment benefit plans within the Dürr Group. Regular participants of the CPC are the Chief Financial Officer of Dürr AG as well as the heads of the central functional areas Human Resources, Accounting & Controlling, Compensation & Benefits, Treasury and Legal.

Furthermore, to minimize the risk from pension obligations, no new defined benefit pensions have been granted in Germany for several years if their value is largely not hedged by external counter-financing. At the same time, the current pension plans are largely financed through deferred compensation.

Development of defined benefit plans

4.61 — CHANGES IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Defined benefit obligation at the beginning of the period	124,160	118,833
Exchange difference	–257	202
Current service cost	3,202	2,721
Past service costs	–	–178
Interest expenses	4,257	3,426
Remeasurement of the defined benefit obligation	1,862	5,083
thereof actuarial gains and losses from changes in demographic assumptions	–58	237
thereof actuarial gains and losses from changes in financial assumptions	74	4,174
thereof experience adjustments	1,846	672
Employee contributions	1,381	1,178
Benefits paid	–14,168	–7,852
Changes in the consolidated group	–	695
Other	–18	52
Reclassification to held for sale	–5,295	–
Defined benefit obligation at the end of the period	**115,124**	**124,160**

The reclassification into liabilities held for sale amounting to €5,295 thousand is attributable to the discontinued operation division Clean Technology Systems.

4.62 — CHANGE IN PLAN ASSETS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Fair value of plan assets at the beginning of the period	88,099	88,791
Exchange difference	–212	–27
Interest income	3,061	2,322
Income from/expenses for plan assets excluding amounts contained in net interest	1,602	–745
Employer contributions	1,989	1,786
Employee contributions	1,381	1,178
Benefits paid	–11,031	–5,234
Changes in the consolidated group	–	–
Other	–29	28
Reclassification to held for sale	–709	–
Fair value of plan assets at the end of the period	**84,151**	**88,099**
Effect of asset ceiling	–1,828	–3,579
Plan assets taking into account the asset ceiling	**82,323**	**84,520**
Funded status[1]	**32,801**	**39,640**

[1] Difference between the present value of the defined benefit obligation and the plan assets, taking into account the asset ceiling

The decline of €709 thousand in plan assets is attributable to the discontinued operation division Clean Technology Systems.

4.63 — FUNDED STATUS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Present value of funded benefit obligations	107,703	116,041
Plan assets taking into account the asset ceiling	82,323	84,520
Defined benefit obligation in excess of plan assets	**25,380**	**31,521**
Present value of non-funded benefit obligations	7,421	8,119
Funded status[1]	**32,801**	**39,640**

[1] Difference between the present value of the defined benefit obligation and the plan assets, taking into account the asset ceiling

4.64 — ITEMS OF THE STATEMENT OF FINANCIAL POSITION FOR ACCOUNTING FOR POST-EMPLOYMENT BENEFIT OBLIGATIONS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Provisions for post-employment benefit obligations	33,048	40,387
Other assets	247	747
Funded status[1]	**32,801**	**39,640**

[1] Difference between the present value of the defined benefit obligation and the plan assets, taking into account the asset ceiling

At the end of the reporting period, the fair value of plan assets breaks down as shown in → **table 4.65**.

4.65 — COMPOSITION OF PLAN ASSETS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Employer's pension liability insurance	63,333	67,709
Fixed-interest securities	12,403	13,343
Shares	5,849	4,619
Real estate	2,424	2,257
Other	142	171
Plan assets	**84,151**	**88,099**

The plan assets of the German entities mainly consist of employer's pension liability insurance policies which guarantee the amount. These employer's pension liability insurance policies have been invested mainly in fixed-interest securities. When selecting the issuers, the factors considered include the individual rating by international agencies and the equity capitalization of the issuers. The aim of the investment strategy is long-term capital accumulation on the one hand, and ongoing interest income on the other. This leads to slightly greater volatility. As part of a balanced approach, the portfolio mix contains debt and equity securities. The long-term growth in plan assets should be achieved primarily by means of fixed-interest securities which will also secure ongoing interest income. Equity instruments also make up a share of the investment portfolio.

With the exception of shares, fixed-interest securities and real estate, there are no listed prices on an active market. Where employer's pension liability insurance belongs to plan assets as qualifying insurance policies and exactly match the benefits, the present value of the covered obligations applies as their fair value. Otherwise, the fair value of plan assets is generally calculated on the basis of the market expectations prevailing on that date.

The expenses for defined benefit plans recognized through profit or loss comprise the items listed in → table 4.66.

4.66 — SHARE OF EXPENSES FROM DEFINED BENEFIT PLANS RECOGNIZED THROUGH PROFIT OR LOSS

€ thousand	2024	2023
Current service cost	3,202	2,721
Past service costs	–	–178
Net interest expenses	1,312	1,284
Other	16	22
Net expenses from defined pension plans	**4,530**	**3,849**

The asset ceiling resulted in a change of €1,750 thousand (prior period: €1,200 thousand) in total comprehensive income. Of this amount, €1,866 thousand (prior period: €1,379 thousand) was recognized through other comprehensive income and €–116 thousand (prior period: €–179 thousand) through profit or loss.

The reporting date for the measurement of projected benefit obligations and plan assets is December 31; the measurement date for expenses from defined benefit plans is January 1. In addition to the assumptions on life expectancy based on the Heubeck 2018 G biometric mortality tables for the German group companies, the rates in → table 4.67 were used as a basis for calculating the defined benefit obligation and the fair value of the plan assets.

4.67 — AVERAGE RATES USED FOR CALCULATING OBLIGATIONS

	2024		2023	
%	Germany	Rest of world	Germany	Rest of world
Discount rate	3.35	4.15	3.19	4.04
Long-term salary increases	3.00	2.97	3.00	3.54

The rate of pension progression, which has a significant impact on the defined benefit obligations as of the end of the reporting period in Germany, came to 2.25% in the 2024 reporting period (prior period: 2.25%). The average rates are calculated on the basis of the weighted average of the defined benefit obligations.

The weighted average duration of the post-employment benefit obligations is 11 years (prior period: 12 years). For the 2025 reporting period, employers are expected to make contributions of €2,155 thousand to the plan assets.

→ Table 4.68 gives an overview of the payments for defined benefit plans expected in the coming reporting periods.

4.68 — EXPECTED PAYMENTS FROM THE DEFINED BENEFIT PLANS

€ thousand	2025	2026	2027	2028	2029	2030 to 2034	Total
Expected payments from the defined benefit plans	7,561	6,974	6,800	6,812	7,122	36,054	**71,323**

Sensitivity analyses

The material actuarial assumptions for the valuation of post-employment benefit obligations are the discount rate and, for obligations in Germany, also the rate of pension progression. By hedging the significant risks with employer's pension liability insurance policies, the longevity risk for the obligations in Germany plays only a minor role.

→ Table 4.69 shows how the defined benefit obligation is influenced by potential changes to the respective assumptions using sensitivity analyses.

4.69 — SENSITIVITIES – CHANGES IN THE DEFINED BENEFIT OBLIGATION

€ thousand	Dec. 31, 2024	Dec. 31, 2023
DISCOUNT RATE		
+1 percentage point	–8,007	–8,011
–1 percentage point	9,722	9,687
RATE OF PENSION PROGRESSION		
+0.25 percentage points	1,426	1,417
–0.25 percentage points	–1,371	–1,363

There are dependencies between the actuarial assumptions. The sensitivity analysis does not take these dependencies into account.

30. OTHER PROVISIONS

The contract-related provisions mainly consist of provisions for after-sales expenses, warranties and for onerous contracts in the order backlog, which account for 85% (prior period: 90%) of the contract-related provisions. The calculation of the contract-related provisions is based on expected expenses for after-sales processing or estimated losses on pending supply and service transactions, mainly due to increased material prices and transport costs as well as legal or contractual warranty claims. The calculation was made on the basis of past experience and taking into account current circumstances.

The personnel provisions mainly contain provisions for obligations for the phased retirement scheme and provisions for long-service awards. These provisions are derived from actuarial calculation methods. Sundry provisions relate to various identifiable specific risks and uncertain liabilities for which there is uncertainty as to the date and future costs and for which the amount can be estimated reliably.

As of December 31, 2024, sundry provisions largely contain provisions for restructuring and personnel-related measures of €43,402 thousand (prior period: €50,354 thousand). The majority of these obligations are attributable to personnel capacity adjustments of the HOMAG Group. The related provision created in the prior period includes severance payments for HOMAG employees. This provision was only partially utilized in the 2024 reporting period, as some measures have not yet been completed. The restructuring provision in the Paint and Final Assembly Systems division is still attributable to the reduction in operating activities in the Russian entities following the Ukraine war. In the 2024 reporting period, a further provision for adjustments in personnel capacity was set up in the Industrial Automation Systems division. → Table 4.71 shows the provisions for restructuring and optimization measures per division.

4.70 — OTHER PROVISIONS – CHANGES

€ thousand	Contract-related provisions	Personnel provisions	Sundry provisions
As of January 1, 2024	**117,414**	**34,517**	**57,016**
Exchange difference	1,288	125	–22
Utilization	–33,771	–10,308	–17,975
Reversals	–26,408	–937	–13,212
Additions	62,716	15,949	24,389
Reclassifications to held for sale	–13,136	–1,506	–
Reclassifications	1,431	–275	–
As of December 31, 2024	**109,534**	**37,565**	**50,196**

4.71 — PROVISIONS FOR RESTRUCTURING AND PERSONNEL-RELATED MEASURES PER DIVISION

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Paint and Final Assembly Systems	169	213
Application Technology	–	5
Industrial Automation Systems	9,556	2,391
Woodworking Machinery and Systems	33,677	47,745
Total provisions for restructuring and personnel-related measures	**43,402**	**50,354**

4.72 — OTHER PROVISIONS – EXPECTED UTILIZATION

	Dec. 31, 2024			Dec. 31, 2023		
€ thousand	Total	Current	Non-current	Total	Current	Non-current
Contract-related provisions	109,534	109,515	19	117,414	117,340	74
Personnel provisions	37,565	16,138	21,427	34,517	15,451	19,066
Sundry provisions	50,196	45,635	4,561	57,016	55,660	1,356
Total provisions	**197,295**	**171,288**	**26,007**	**208,947**	**188,451**	**20,496**

Other provisions that are expected to be utilized within the next twelve months are classified as current. The payments for non-current provisions are expected to be incurred within the next two to five years.

31. CONTRACT LIABILITIES

Contract liabilities constitute obligations for the Dürr Group to transfer goods or services to a customer for which the customer has already paid or to which the customer has a claim. This relates to contracts for which customer payments received or due exceed the project status. Regular progress payments are typically agreed in the mechanical and plant engineering sector based on the progress of the project. In most cases a customer payment is already due before work commences. This results in the customer having to prefinance the project in the ordinary course of business. During the project, further payments are invoiced based on project milestones reached. In the 2024 reporting period, there were no notable deviations from this typical relationship between performance and customer payment. This is reflected in the disclosure of the contract liability balance.

32. TRADE PAYABLES

4.73 — TRADE PAYABLES

€ thousand	Total	Current	Total non-current	Medium-term	Long-term
Trade payables	430,831	425,632	5,199	5,199	–
(2023)	(603,652)	(598,988)	(4,664)	(4,664)	(–)
December 31, 2024	**430,831**	**425,632**	**5,199**	**5,199**	**–**
(December 31, 2023)	(603,652)	(598,988)	(4,664)	(4,664)	(–)

33. CONVERTIBLE BOND, SCHULDSCHEIN LOANS AND OTHER FINANCIAL LIABILITIES

All interest-bearing liabilities of the Group are shown in this item.

4.74 — FINANCIAL LIABILITIES

€ thousand	Total	Current	Total non-current	Medium-term	Long-term
Convertible bond	147,389	–	147,389	147,389	–
(2023)	(144,934)	(–)	(144,934)	(144,934)	(–)
Schuldschein loans	1,045,680	54,951	990,729	748,400	242,329
(2023)	(913,101)	(104,852)	(808,249)	(640,716)	(167,533)
Liabilities to banks	24,839	23,945	894	894	–
(2023)	(356,989)	(327,514)	(29,475)	(29,412)	(63)
Lease liabilities	107,303	34,267	73,036	62,269	10,767
(2023)	(118,087)	(35,442)	(82,645)	(71,027)	(11,618)
Remaining other financial liabilities	23,292	21,445	1,847	1,847	–
(2023)	(20,851)	(19,124)	(1,727)	(1,727)	(–)
December 31, 2024	**1,348,503**	**134,608**	**1,213,895**	**960,799**	**253,096**
(December 31, 2023)	(1,553,962)	(486,932)	(1,067,030)	(887,816)	(179,214)

Remaining other financial liabilities largely contain loans from employees to HOMAG Group entities and liabilities for deferred interest for the convertible bond and the Schuldschein loans.

Financing of the Group

Convertible bond

On September 24, 2020, Dürr AG issued an unsubordinated, unsecured convertible bond with a term until January 15, 2026, at a nominal value of €150,000 thousand. It is divided into denominations of €100 thousand each. The convertible bond can be converted at the current conversion price into 4,757,690 new no-par value bearer shares of Dürr AG.

The convertible bond was issued at its full nominal amount and bears interest with an annual payable coupon of 0.75% p.a. A sustainability component in the form of a separate interest rate derivative is linked to the convertible bond, but it has no effect on the conversion ratio. The conversion price is currently €31.53 per share. The original conversion price was €34.22 per share, which corresponded to a premium of 40% over the reference share price of €24.44. The convertible bond was offered exclusively to institutional investors for purchase. The offer was not valid for the USA, Canada, Japan and Australia as well as other jurisdictions in which the offer or sale of the convertible bond is prohibited by law.

Dürr AG is authorized to repay the convertible bond at its nominal value, plus accrued interest, in accordance with the conditions of the convertible bond at any time since February 5, 2024, if the share price over a particular period of time reaches or exceeds 130% of the conversion price at that time or if 15% or less of the total nominal value of the convertible bond is outstanding.

Schuldschein loans

In April 2024, Dürr AG issued a further green Schuldschein loan with a volume of €350,000 thousand. All of the proceeds shall be used for the financing of sustainable product innovations and climate-friendly projects. In this context, Dürr AG takes into account the EU taxonomy for classifying ecologically sustainable economic activities and adheres to its own Sustainable Finance Framework. As in the case of the first green Schuldschein loan, the Group is also committed to a completely "green" use of funds under this loan. The funds are intended to be used, among others, for operating expenses for taxonomy-aligned customer projects. In addition, the Dürr Group is also investing in the sustainability of its sites.

The green Schuldschein loan consists of tranches with maturities of three, five and seven years with fixed and variable interest rates. The average interest rate was 5.04% at the date of issuance. The proceeds were paid to the Dürr Group on April 23, 2024.

In the 2024 reporting period, tranches totaling €217,000 thousand of the various Schuldschein loans were repaid. Of this amount, €112,500 thousand were attributable to the 2019 Schuldschein loan, €52,000 thousand to the Schuldschein loan issued in the reporting period 2020, and €52,500 thousand to the 2021 Schuldschein loan. Of the total amount of €217,000 thousand, an amount of €112,000 thousand, which was not due before the 2025 reporting period, was repaid early.

Dürr AG placed a green Schuldschein loan for the first time on April 6, 2023. On April 20, 2023, Dürr AG received the proceeds of €300,000 thousand, all of which is designated for financing sustainable product innovations and climate-friendly projects. In this context, the Dürr Group takes into account the EU taxonomy for classifying ecologically sustainable economic activities and adheres to its own Sustainable Finance Framework. The green Schuldschein loan consists of tranches with long-term maturities of four, five and seven years. The average interest rate on issuance was around 4.8% p.a. for both fixed and floating rate tranches. The interest rate of the last interest period for the green Schuldschein loan is linked to the sustainability rating of Dürr AG, which was drawn up by the ISS ESG agency, and grows if the target is not achieved.

On December 14, 2020, Dürr AG placed its third sustainability-linked Schuldschein loan of €200,000 thousand. Dürr AG received the loan amount on January 14, 2021, after deducting transaction costs. The average interest rate was around 2.0% p.a. The Schuldschein loan is split into tranches with terms of up to 10 years, with an average term of 6.25 years. The loan served to refinance the corporate bond of €300,000 thousand, which was repaid in April 2021.

On March 26, 2020, Dürr AG placed an additional sustainability Schuldschein loan of €115,000 thousand. The payment of interest for this Schuldschein loan is again pegged to the sustainability rating of the Dürr Group. The average interest rate was around 0.9% p.a. On April 6, 2020, Dürr AG received the total volume of €115,000 thousand, which is split into tranches with terms of five, seven and ten years.

On June 19, 2019, Dürr AG placed a sustainability-linked Schuldschein loan of €200,000 thousand. The average interest rate was around 0.8% p.a. On July 4, 2019, Dürr AG received the funds, which are split into tranches with terms of five, six, eight and ten years.

For the sustainability-linked Schuldschein loans issued in the reporting periods 2019, 2020 and 2021, the interest is dependent on the sustainability rating of the Dürr Group, drawn up by the EcoVadis agency. This means that the interest rate falls or rises depending on whether the sustainability rating of the Dürr Group improves or deteriorates. In the 2022 reporting period, the rating improved, which is why the interest rates were reduced as planned by 0.02% p.a. and by 0.05% p.a. respectively. The sustainability rating also improved in the reporting periods 2023 and 2024.

On March 24, 2016, Dürr AG issued a Schuldschein loan of €300,000 thousand. The funds were received on April 6, 2016. The total volume is split into three tranches with terms of five, seven and ten years. The average interest rate upon being issued was around 1.6% p.a. An amount of €200,000 thousand has been repaid from this Schuldschein loan to date, with €50,000 thousand being repaid in the 2023 reporting period.

Liabilities to banks

Bridge loan BBS Automation Group

In order to ensure financing for the acquisition of the BBS Automation Group, a syndicated credit line of €500,000 thousand was concluded on June 12, 2023. This credit line was used exclusively for the interim financing of the purchase price. The amount withdrawn was €300,000 thousand. As of August 31, 2023, the credit line has been reduced to the level of the amount withdrawn. On April 26, 2024, Dürr AG repaid the syndicated credit line using available cash.

Other loans

The liabilities to banks are mainly due to the funds raised by the Chinese group companies of the BBS Automation Group. As part of the acquisition of the BBS Automation Group, loans and liabilities to banks amounting to €144,994 thousand were assumed, of which €117,955 thousand were repaid as of December 31, 2023. The loans that have not yet been repaid are mainly due in the 2025 reporting period.

As part of the acquisition of Ingecal in the 2023 reporting period, liabilities to banks of €2,562 thousand were assumed. The loan is also due in the 2025 reporting period.

Syndicated loan

As part of its sustainability-linked refinancing, Dürr AG concluded a syndicated loan of €750,000 thousand on July 25, 2019. The syndicated loan came into effect on August 7, 2019. It is split into a cash line of €500,000 thousand and a bank guarantee of €250,000 thousand. In December 2023, the cash line was increased by €250,000 thousand to €750,000 thousand and the bank guarantee was also increased by €250,000 thousand to €500,000 thousand, and a maturity was agreed until December 17, 2028. In December 2024, the contract was extended for another year until December 17, 2029. The syndicated loan is intended for general corporate financing (cash line) and to cover usual obligations from the mechanical and plant engineering vis a vis third parties (bank guarantee). Twelve banks from Europe, Asia and the USA belong to the syndicate.

The interest on the cash line of the syndicated loan is based on the current interest rate level and the ratio of EBITDA (earnings before interest, taxes, depreciation and amortization) to net financial debt. In addition, the syndicated loan contains a sustainability component: If the Dürr Group achieves a defined target range in reducing its CO_2 emissions, the interest rate decreases, but if it does not reach the target range, it increases. This is due to the CO_2 emissions in Scope 1, 2, and 3 of the internationally recognized Greenhouse Gas Protocol. Scope 1 relates to emissions released directly within the company, scope 2 to emissions at energy suppliers and scope 3 to emissions in the supply chain and released when customers are using Dürr Group products. The measurement will take place for the first time in 2025 for the year 2024. The interest rate is adjusted by 0.02% if measurements exceed or fall below the defined ratios.

Credit lines and bank guarantees

At the end of the reporting period, €210,437 thousand (prior period: €206,888 thousand) of the bank guarantee of Dürr AG's syndicated loan was utilized. The cash line of the syndicated loan of Dürr AG was not utilized in the 2024 and 2023 reporting periods. An amount of €300,000 thousand was withdrawn from the credit line for the bridge financing of the acquisition of the BBS Automation Group. It was completely repaid in April 2024. In addition, Dürr AG has bilateral credit lines of €60,641 thousand in place (usable for working capital), bank guarantee facilities of €1,248,500 thousand, and other smaller credit lines with various banks and insurance firms. The majority of the credit lines and bank guarantee facilities are not bound to any particular purpose and serve to generally fund the Group as well as project settlement.

4.75 — CREDIT LINES AND BANK GUARANTEES

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Total amount of credit lines/bank guarantees available	2,559,141	2,761,215
Total amount withdrawn from credit lines/bank guarantees	797,449	1,086,775
thereof due within one year	543,751	556,115
thereof due in more than one year	297,407	530,660

The utilized bank guarantee facilities with a residual term of up to one year include two back-to-back guarantees for reinsurance totaling €43,709 thousand for which no credit lines have been granted. In addition, there are bank guarantees for former group companies in the amount of €4,229 thousand, of which €2,366 thousand have a residual term of up to one year.

Lease liabilities

The leases mainly have terms of between one year and ten years, in some cases the contracts have a term of more than 15 years. Potential cash outflows of €24,690 thousand (prior period: €18,930 thousand) are not included in the lease liabilities as it is not reasonably certain that the extension options will be exercised. Variable lease payments of €98 thousand (prior period: €82 thousand) were recognized through profit or loss. To a small extent, the contracts contain price adjustment clauses based on consumer price indices. Any related adjustments to the lease installments resulting from future changes in the consumer price indices are not included in the lease liability as at the end of the reporting period.

34. SUNDRY FINANCIAL LIABILITIES

4.76 — SUNDRY FINANCIAL LIABILITIES

€ thousand	Total	Current	Total non-current	Medium-term	Long-term
Derivative financial liabilities	39,860	33,730	6,130	6,130	–
(2023)	(10,338)	(9,022)	(1,316)	(1,316)	(–)
Obligations to employees	130,689	128,037	2,652	2,652	–
(2023)	(135,826)	(134,765)	(1,061)	(1,061)	(–)
Obligations from options	192,968	190,153	2,815	2,815	–
(2023)	(201,708)	(199,455)	(2,253)	(2,253)	(–)
Liabilities from purchase price installments	4,867	4,867	–	–	–
(2023)	(6,259)	(6,259)	(–)	(–)	(–)
Remaining sundry financial liabilities	26,299	25,328	971	971	–
(2023)	(21,872)	(20,588)	(1,284)	(1,284)	(–)
December 31, 2024	**394,683**	**382,115**	**12,568**	**12,568**	**–**
(December 31, 2023)	(376,003)	(370,089)	(5,914)	(5,914)	(–)

Obligations from options of €185,476 thousand (prior period: €191,944 thousand) relate to the sundry financial liabilities recognized under the domination and profit and loss transfer agreement with HOMAG Group AG for the acquisition of shares for the payment of the compensation entitlements. In addition, the options relate to shares owned by non-controlling shareholders of €7,492 thousand (prior period: €9,764 thousand). In the 2024 reporting period, the option to acquire the remaining shares of System TM A/S, Odder, Denmark, was exercised.

In the prior period, the remaining 25% of the shares in Teamtechnik Maschinen und Anlagen GmbH, Freiberg a. N., Germany, were taken over and the option was derecognized. Moreover, the option to acquire the remaining shares in Techno-Step GmbH, Böblingen, Germany, was exercised. For further information on the purchase price installments please refer to → **note 37**.

35. OTHER LIABILITIES

4.77 — OTHER LIABILITIES

€ thousand	Total	Current	Total non-current	Medium-term	Long-term
Tax liabilities not relating to income taxes	32,807	32,807	–	–	–
(2023)	(41,519)	(41,519)	(–)	(–)	(–)
Liabilities relating to social security	10,775	10,775	–	–	–
(2023)	(10,900)	(10,900)	(–)	(–)	(–)
Obligations to employees	62,420	61,940	480	480	–
(2023)	(68,754)	(68,426)	(328)	(328)	(–)
Remaining other liabilities	5,333	5,278	55	40	15
(2023)	(4,842)	(4,663)	(179)	(157)	(22)
December 31, 2024	**111,335**	**110,800**	**535**	**520**	**15**
(December 31, 2023)	(126,015)	(125,508)	(507)	(485)	(22)

36. SHARE-BASED PAYMENT

There is a share-based long-term incentive (LTI) program in place for the members of the Board of Management of Dürr AG and top-level management of the Dürr Group. The program takes the form of tranches that are issued every year and have a term of three years each. The payments will be made upon expiration of the contractual term in each case after the following annual general meeting. Starting with the tranche 2023 – 2025, the LTI classification was changed.

Until the LTI tranche 2022 – 2024, the beneficiaries received an individually defined number of Dürr phantom shares (performance share units – PSUs). This number was calculated per tranche for the members of the Board of Management of Dürr Aktiengesellschaft and based on the ratio of the contractually promised LTI target value and the average share price of the last 30 trading days prior to the start of a tranche. For all other participants in the LTI program, the number of PSUs granted was based on the respective contractual commitment. The settlement is calculated based on the number of phantom shares, the rounded share price on the closing date (share price multiplier) and an EBIT multiplier based on the average EBIT margin generated over the entire term of the tranche. There is a cap for the EBIT multiplier. Furthermore, payment is capped individually in each case.

Since the LTI tranche 2023 – 2025, the number of Dürr phantom shares (PSUs) per tranche has been calculated using the ratio of the contractually promised LTI target value and the average share price of the last 60 trading days prior to the start of a tranche. The settlement is calculated based on the number of phantom shares, the rounded share price on the closing date (share price multiplier), an EBIT multiplier according to the average EBIT margin achieved for the three reporting periods of the tranche, the total shareholder return (TSR) relative to a defined benchmark group and the achievement of the defined ESG target over the tranche period. The EBIT multiplier, the TSR and the ESG target have a maximum limit. In addition, the maximum payout amount (cap) is 200% of the LTI target value.

As of December 31, 2024, 248,004 phantom shares have been issued for the aforementioned group of persons from all current tranches (prior period: 203,901 shares). At the end of the term of the incentive program, the benefits accrued are settled in cash for both classifications specified.

In the 2024 reporting period, expenses of €1,736 thousand (prior period: €209 thousand) under the LTI program were recorded in general administrative expenses. The amount reported under sundry financial liabilities as of December 31, 2024, came to €2,702 thousand (prior period: €2,104 thousand).

37. OTHER NOTES ON FINANCIAL INSTRUMENTS

Measurement of financial instruments by category

Based on the relevant items of the statement of financial position, the relationship between the categories of financial instruments pursuant to IFRS 9, the classification pursuant to IFRS 7 and the carrying amounts of financial instruments are presented in → table 4.78.

4.78 — MEASUREMENT OF FINANCIAL INSTRUMENTS

		Amount recognized at		
€ thousand	Carrying amount as of Dec. 31, 2024	Amortized cost	Fair value (through other comprehensive income)	Fair value (through profit or loss)
ASSETS				
Cash and cash equivalents	831,585	831,585	–	–
Trade receivables	558,076	558,076	–	–
Other financial assets	12,618	–	–	12,618
Sundry financial assets	150,909	149,840	–	1,069
Derivative financial assets				
Derivatives not used for hedging	5,423	–	–	5,423
Derivatives used for hedging[1]	10,430	–	9,754	676
EQUITY AND LIABILITIES				
Trade payables	430,831	430,831	–	–
Convertible bond	147,389	147,389	–	–
Schuldschein loans	1,045,680	1,045,680	–	–
Liabilities to banks	24,839	24,839	–	–
Lease liabilities[2]	107,303	107,303	–	–
Remaining other financial liabilities	23,292	23,292	–	–
Obligations from options	192,968	190,153	–	2,815
Liabilities from purchase price installments	4,867	–	–	4,867
Other sundry financial liabilities	156,988	156,988	–	–
Derivative financial liabilities				
Derivatives not used for hedging	5,285	–	–	5,285
Derivatives used for hedging[1]	34,575	–	31,437	3,138
THEREOF COMBINED BY MEASUREMENT CATEGORY IN ACCORDANCE WITH IFRS 9				
Financial assets measured at amortized cost	1,539,501	1,539,501	–	–
Investments in equity instruments measured at fair value through other comprehensive income	–	–	–	–
Financial assets measured at fair value through profit or loss	6,492	–	–	6,492
Investments in equity instruments measured at fair value through profit or loss	12,618	–	–	12,618
Financial liabilities measured at amortized cost	2,019,172	2,019,172	–	–
Financial liabilities measured at fair value	12,967	–	–	12,967

[1] The derivatives used for hedging are designated at fair value in hedging relationships and are therefore not subject to the abovementioned measurement categories according to IFRS 9.
[2] The lease liabilities are accounted for pursuant to IFRS 16 and are therefore not included in any of the above categories pursuant to IFRS 9.

4.78 — MEASUREMENT OF FINANCIAL INSTRUMENTS

€ thousand	Carrying amount as of Dec. 31, 2023	Amount recognized at: Amortized cost	Amount recognized at: Fair value (through other comprehensive income)	Amount recognized at: Fair value (through profit or loss)
ASSETS				
Cash and cash equivalents	1,037,137	1,037,137	–	–
Trade receivables	632,538	632,538	–	–
Other financial assets	10,460	–	–	10,460
Sundry financial assets	29,891	29,468	–	423
Derivative financial assets				
Derivatives not used for hedging	2,373	–	–	2,373
Derivatives used for hedging[1]	16,750	–	14,571	2,179
EQUITY AND LIABILITIES				
Trade payables	603,652	603,652	–	–
Convertible bond	144,934	144,934	–	–
Schuldschein loans	913,101	913,101	–	–
Liabilities to banks	356,989	356,989	–	–
Lease liabilities[2]	118,087	118,087	–	–
Remaining other financial liabilities	20,851	20,851	–	–
Obligations from options	201,708	200,592	–	1,116
Liabilities from purchase price installments	6,259	–	–	6,259
Other sundry financial liabilities	157,698	157,698	–	–
Derivative financial liabilities				
Derivatives not used for hedging	2,859	–	–	2,859
Derivatives used for hedging[1]	7,479	–	7,093	386
THEREOF COMBINED BY MEASUREMENT CATEGORY IN ACCORDANCE WITH IFRS 9				
Financial assets measured at amortized cost	1,699,143	1,699,143	–	–
Investments in equity instruments measured at fair value through other comprehensive income	–	–	–	–
Financial assets measured at fair value through profit or loss	2,796	–	–	2,796
Investments in equity instruments measured at fair value through profit or loss	10,460	–	–	10,460
Financial liabilities measured at amortized cost	2,397,817	2,397,817	–	–
Financial liabilities measured at fair value	10,234	–	–	10,234

[1] The derivatives used for hedging are designated at fair value in hedging relationships and are therefore not subject to the abovementioned measurement categories according to IFRS 9.
[2] The lease liabilities are accounted for pursuant to IFRS 16 and are therefore not included in any of the above categories pursuant to IFRS 9.

In order to make the fair value measurement of financial instruments comparable, a fair value hierarchy has been established in the IFRSs with the following three levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2)
- Inputs that are not based on observable market data (level 3).

The financial instruments measured at fair value by the Dürr Group break down as follows according to the fair value hierarchy levels:

4.79 — ALLOCATION TO THE FAIR VALUE HIERARCHY LEVELS

		Fair value hierarchy		
€ thousand	Dec. 31, 2024	Level 1	Level 2	Level 3
ASSETS AT FAIR VALUE – THROUGH OTHER COMPREHENSIVE INCOME				
Derivatives used for hedging	9,754	–	9,754	–
ASSETS AT FAIR VALUE – THROUGH PROFIT OR LOSS				
Other financial assets	12,618	70	–	12,548
Sundry financial assets	1,069	79	–	990
Derivatives not used for hedging	5,423	–	5,423	–
Derivatives used for hedging	676	–	676	–
LIABILITIES AT FAIR VALUE – THROUGH OTHER COMPREHENSIVE INCOME				
Derivatives used for hedging	31,437	–	31,437	–
LIABILITIES AT FAIR VALUE – THROUGH PROFIT OR LOSS				
Obligations from options	2,815	–	–	2,815
Liabilities from purchase price installments	4,867	–	–	4,867
Derivatives not used for hedging	5,285	–	5,285	–
Derivatives used for hedging	3,138	–	3,138	–

€ thousand	Dec. 31, 2023	Fair value hierarchy Level 1	Level 2	Level 3
ASSETS AT FAIR VALUE – THROUGH OTHER COMPREHENSIVE INCOME				
Derivatives used for hedging	14,571	–	14,571	–
ASSETS AT FAIR VALUE – THROUGH PROFIT OR LOSS				
Other financial assets	10,460	72	–	10,388
Sundry financial assets	423	95	–	328
Derivatives not used for hedging	2,373	–	2,373	–
Derivatives used for hedging	2,179	–	2,179	–
LIABILITIES AT FAIR VALUE – THROUGH OTHER COMPREHENSIVE INCOME				
Derivatives used for hedging	7,093	–	7,093	–
LIABILITIES AT FAIR VALUE – THROUGH PROFIT OR LOSS				
Obligations from options	1,116	–	–	1,116
Liabilities from purchase price installments	6,259	–	–	6,259
Derivatives not used for hedging	2,859	–	2,859	–
Derivatives used for hedging	386	–	386	–

As of the end of each reporting period, an assessment is made as to whether there were reclassifications between the different hierarchy levels or measurement categories. No reclassifications were made between the fair value hierarchy levels or measurement categories in the 2024 reporting period.

Potential climate-related matters, including legislation, that may have an impact on measuring the fair value of assets and liabilities in the annual financial statements were taken into account in the fair value measurement. Risks resulting from climate-related matters are included as key assumptions if they have a material impact on measuring the recoverable amount. There are currently no known risks from climate-related matters when measuring the fair value that could have a material impact on the consolidated financial statements.

Measurement at fair value of the financial instruments of levels 1, 2 and 3 held as of December 31, 2024, gave rise to the following total gains and losses:

4.80 — TOTAL GAINS AND LOSSES ON ASSETS

€ thousand	2024	2023
RECOGNIZED THROUGH PROFIT OR LOSS		
Investments in equity instruments measured at fair value through profit or loss	1,073	720
Financial assets measured at fair value through profit or loss	662	328
Derivative financial instruments	714	5,027
RECOGNIZED IN EQUITY		
Investments in equity instruments measured at fair value through other comprehensive income	–	–
Derivative financial instruments	236	1,416

4.81 — TOTAL GAINS AND LOSSES ON LIABILITIES

€ thousand	2024	2023
RECOGNIZED THROUGH PROFIT OR LOSS		
Liabilities from purchase price installments	–	5,844
Obligations from options	1,699	227
Derivative financial instruments	–2,417	–66
RECOGNIZED IN EQUITY		
Derivative financial instruments	–549	–4,317

4.82 — DEVELOPMENT OF ASSETS OF FAIR VALUE HIERARCHY LEVEL 3

€ thousand	2024	2023
As of January 1	**10,716**	**9,693**
Additions	1,087	–
Disposals	–	–25
Change in fair value	1,735	1,048
As of December 31	**13,538**	**10,716**

The changes in the fair value of the assets reported in level 3 were taken into account in the investment result through profit or loss.

4.83 — DEVELOPMENT OF LIABILITIES OF FAIR VALUE HIERARCHY LEVEL 3

€ thousand	2024	2023
As of January 1	**7,375**	**16,454**
Exchange difference	241	–150
Additions	–	12,097
Disposals	–1,633	–14,955
Change in fair value	1,699	–6,071
As of December 31	**7,682**	**7,375**

The changes in the fair value of the liabilities reported in level 3 were recognized through profit or loss and amounted to €1,699 thousand (prior period: €–6,071 thousand).

Valuation techniques

The fair value of the derivative financial assets and liabilities allocated to level 2 of the fair value hierarchy is based on daily observable spot foreign exchange rates and interest yield curves. In connection with IFRS 13 "Fair Value Measurement", both the counterparty and own default risks have been taken into account in the measurement. Input factors to take into account for the counterparty credit risk are credit default swaps (CDSs), observable on the markets, of the credit institution involved in the respective transaction. If there is no CDS for a single credit institution, a synthetic CDS is derived from other observable market data (such as rating information). The counterparty credit risk is minimized by diversifying the portfolio and selecting the counterparties carefully. To calculate its own risk of default, the Dürr Group uses information received from credit institutions and insurance companies to derive a synthetic CDS for the Group.

The fair value of the options, contingent purchase price installments and other financial assets allocated to level 3 in the fair value hierarchy is calculated based on contractual arrangements or internal data. This primarily includes historical results, accounting data and forward-looking planning data of each company on which the amount of the financial liabilities depends. The fair value of financial assets is derived from contractual arrangements of a selling price and a fixed interest component. The assumptions are regularly reviewed and adjusted if necessary. If applicable, unwinding effects resulting from a convergence with the maturity date are also included in the valuation.

Sensitivity level 3

The fair values of investments in equity instruments, contingent purchase price installments and options allocated to the level 3 in the fair value hierarchy are subject to the fluctuations described below in the event of an assumed change in input parameters.

The purchase price obligations for Ingecal are based on a fixed amount representing a proportion of the total purchase price. The payment of the purchase price obligations has a fixed amount and was partly made in the 2024 reporting period.

The fair value of the contingent purchase price components of Cogiscan Inc. is based on the average sales revenue of the 2021 to 2024 reporting periods, on the average EBIT of the 2021 and 2022 reporting periods and the expectations by management. The contingent purchase price components are only paid if the average sales revenue or average EBIT exceed the agreed thresholds. As in prior periods, the actual and budget figures were below the thresholds, so that the payout amount was €0 thousand.

The fair value of the conditional purchase price components of CPM S.p.A. is based on a fixed amount and a proportion of the reported equity of the 2022 reporting period. The purchase price was paid in two tranches. The first tranche was paid in the 2023 reporting period. The second tranche was paid in the 2024 reporting period.

The fair value of the contingent purchase price components of the HOMAG China Golden Field Group is based on the sales revenue and earnings of the group for the 2020 and 2021 reporting periods. The purchase price was finally determined in the 2022 reporting period and is paid in tranches. The first tranche was paid in the 2022 reporting period, and a further payment was made in the 2023 reporting period.

The calculation of the fair value of Parker Engineering Co., Ltd. is largely based on estimates by management on the development of the future free cash flows of the company. The value of the related put option is based on the company's pro rata equity and would fluctuate up or down in the event of an assumed change in the future free cash flows.

The calculation of the fair value of Teamtechnik Production Technology Sp. z o.o. is largely based on estimates by management on the development of the future free cash flows of the company. The value of the related put option is based on the company's audited business figures at the time of exercising the option and would fluctuate up or down in the event of an assumed change in the future free cash flows. In the 2024 reporting period too, the exercise price contractually agreed exceeded the fair value, which means that the option continues to be capitalized as sundry financial asset.

4.84 — FAIR VALUES OF INVESTMENTS IN EQUITY INSTRUMENTS, CONTINGENT PURCHASE PRICE INSTALLMENTS AND OPTIONS

	Dec. 31, 2024			Dec. 31, 2023		
	Carrying amount	Sensitivity analysis		Carrying amount	Sensitivity analysis	
€ thousand		+10%	–10%		+10%	–10%
Ingecal	1,196	1,196	1,196	2,216	2,216	2,216
Cogiscan Inc.	–	–	–	–	–	–
CPM S.p.A.	–	–	–	613	613	613
HOMAG China Golden Field Group	3,671	3,671	3,671	3,430	3,430	3,430
Parker Engineering Co., Ltd.	9,667	10,344	8,990	7,802	8,409	7,195
Parker Engineering Co., Ltd. – option	2,815	3,492	2,137	1,116	1,723	509
Teamtechnik Production Technology Sp. z o.o.	1,794	1,973	1,614	2,586	2,845	2,328
Teamtechnik Production Technology Sp. z o.o. – option[1]	990	810	1,169	328	69	586

[1] Reported as sundry financial asset

Dividends of €180 thousand (prior period: €45 thousand) related to investments held in the portfolio were recognized in the 2024 reporting period.

Fair values of financial instruments carried at amortized cost

→ Table 4.85 shows the fair values of the financial assets and liabilities carried at cost or amortized cost. The fair values of financial instruments not carried at amortized cost approximate their carrying amounts.

4.85 — FAIR VALUES OF FINANCIAL INSTRUMENTS CARRIED AT AMORTIZED COST

€ thousand	Dec. 31, 2024		Dec. 31, 2023	
	Fair value	Carrying amount	Fair value	Carrying amount
ASSETS				
Cash and cash equivalents	831,585	831,585	1,037,137	1,037,137
Trade receivables	558,076	558,076	632,538	632,538
Sundry financial assets	149,840	149,840	29,468	29,468
EQUITY AND LIABILITIES				
Trade payables	430,831	430,831	603,652	603,652
Convertible bond	145,860	147,389	136,500	144,934
Schuldschein loans	1,059,295	1,045,680	892,187	913,101
Liabilities to banks	24,696	24,839	356,427	356,989
Remaining other financial liabilities	23,292	23,292	20,851	20,851
Obligations from options	188,753	190,153	187,390	200,592
Other sundry financial liabilities	156,988	156,988	157,698	157,698
THEREOF COMBINED BY MEASUREMENT CATEGORY IN ACCORDANCE WITH IFRS 9				
Financial assets measured at amortized cost	1,539,501	1,539,501	1,699,143	1,699,143
Financial liabilities measured at amortized cost	2,029,715	2,019,172	2,354,705	2,397,817

Cash and cash equivalents, trade receivables, sundry financial assets, trade payables as well as other sundry financial liabilities mostly fall due within the short term. Consequently, their carrying amounts at the end of the reporting period approximate their fair value.

The fair value of non-current liabilities is based on the current interest rate for borrowing at similar terms and conditions with comparable due date and credit rating. With the exception of the convertible bond, Schuldschein loans, liabilities to banks and obligations from options, the fair value of liabilities approximates the carrying amount.

The fair value of the convertible bond (fair value hierarchy level 1) is calculated by multiplying the nominal value with the quoted price at the end of the reporting period. As of the reporting date, the convertible bond was listed at 97.24% (prior period: 91.00%), which is equal to a market value of €145,860 thousand (prior period: €136,500 thousand).

The fair value of the Schuldschein loans as well as liabilities to banks (fair value hierarchy level 2) is determined by discounting the cash flows as of the measurement date with discount rates with matching terms.

The obligations from options measured at amortized cost (level 3 in the fair value hierarchy) primarily relate to the sundry financial liabilities recognized under the domination and profit and loss transfer agreement with HOMAG Group AG for the acquisition of shares as well as to settle the compensation entitlements. The sundry financial liabilities are recognized through profit or loss in the subsequent measurement. The expected term of the arbitration proceedings as well as the expected amount of the compensation payment and cash settlement determine the measurement of the option. As the Stuttgart Higher Regional Court in its final ruling confirmed the appropriateness of the settlement on December 16, 2024, the term was extended to two months after the date of publication in the German Federal Gazette dated January 3, 2025. The fair value is determined using a net present value model based on the cash settlement, which was confirmed by the court in its final ruling, including compensation payment as well as the legal minimum interest rate and a discount rate with a matching term. The difference between the fair value and the carrying amount is due to the fact that the fair value takes into account changes in the actual interest rate environment, while the discount rate used for measurement at amortized cost remains mostly unchanged over the term.

The net present value model is also used to calculate the fair value of the other obligations classified at amortized cost from options held by non-controlling interests for the sale of their shares.

Net gains and losses by measurement category

4.86 — NET GAINS AND LOSSES BY MEASUREMENT CATEGORY 2024

		From subsequent measurement				
€ thousand	From interest	At fair value	Currency translation	Loss allowance	From disposals	Net gain or loss
Financial assets measured at amortized cost	34,609	–	–375	–12,398	–560	21,276
Investments in equity instruments measured at fair value through profit or loss	–	1,735	–	–	–	1,735
Investments in equity instruments measured at fair value through other comprehensive income	–	–	–	–	–	–
Financial liabilities measured at amortized cost	–69,263	–	1,566	–	–	–67,697
Financial liabilities measured at fair value through profit or loss	–84	–1,681	–	–	1,633	–132
Total	**–34,738**	**54**	**1,191**	**–12,398**	**1,073**	**–44,818**

4.87 — NET GAINS AND LOSSES BY MEASUREMENT CATEGORY 2023

		From subsequent measurement				
€ thousand	From interest	At fair value	Currency translation	Loss allowance	From disposals	Net gain or loss
Financial assets measured at amortized cost	31,469	–	–16,724	–9,292	–1,596	3,857
Investments in equity instruments measured at fair value through profit or loss	–	1,048	–	–	–	1,048
Investments in equity instruments measured at fair value through other comprehensive income	–	–	–	–	–25	–25
Financial liabilities measured at amortized cost	–51,824	–	–4,816	–	–	–56,640
Financial liabilities measured at fair value through profit or loss	–24	6,494	–	–	14,955	21,425
Total	**–20,379**	**7,542**	**–21,540**	**–9,292**	**13,334**	**–30,335**

Financial assets which are subject to an enforceable master netting arrangement or a similar agreement

Some derivative financial instruments concluded with credit institutions are subject to certain contractual netting agreements which allow the Dürr Group, in the event of a credit institution filing for insolvency, to offset certain financial assets against certain financial liabilities.

4.88 — DERIVATIVE FINANCIAL ASSETS SUBJECT TO NETTING AGREEMENTS, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Gross amounts of financial assets	15,853	19,123
Gross amounts of financial liabilities netted in the statement of financial position	–	–
Net amounts of financial assets reported in the statement of financial position	**15,853**	**19,123**
Associated amounts from financial instruments not netted in the statement of financial position	–5,224	–5,016
Net amount	**10,629**	**14,107**

4.89 — DERIVATIVE FINANCIAL LIABILITIES SUBJECT TO NETTING AGREEMENTS, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Gross amounts of financial liabilities	39,860	10,338
Gross amounts of financial assets netted in the statement of financial position	–	–
Net amounts of financial liabilities reported in the statement of financial position	**39,860**	**10,338**
Associated amounts from financial instruments not netted in the statement of financial position	–5,224	–5,016
Net amount	**34,636**	**5,322**

Pledges

At the end of the reporting period, financial assets of €4,999 thousand (prior period: €4,524 thousand) were pledged as cash collaterals or in the form of land charges.

38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows shows how cash and cash equivalents changed in the 2024 reporting period as a result of cash received and paid and thus provides information on the sources and use of cash and cash equivalents. The consolidated statement of cash flows prepared in accordance with IAS 7 "Statement of Cash Flows" makes a distinction between the cash flows from operating, investing and financing activities.

The cash presented in the statement of cash flows contains all of the Group's cash and cash equivalents, i.e., cash on hand, checks and bank balances, with an original term to maturity of less than three months. The loss allowance to be recognized on cash and cash equivalents under IFRS 9 is eliminated from non-cash income and expenses in the statement of cash flows.

Cash of €80,959 thousand (prior period: €102,915 thousand) is restricted due to the restrictions on capital transfers, mainly in several Asian countries.

Cash flow from operating activities

The cash flow from operating activities is derived indirectly from the earnings of the Group. Income tax payments are added to earnings before income taxes that are also adjusted for net interest and non-cash items. The latter includes, among others, amortization, depreciation and impairment of non-current assets, the profit from or loss on entities accounted for using the equity method and the net gain or loss on the disposal of property, plant and equipment. To derive the cash flow from operating activities, changes in the items of the statement of financial position that result from operating activities are then considered. Effects from foreign currency translation and changes in the consolidated group are eliminated. Changes in operating assets and liabilities contained in the consolidated statement of cash flows therefore do not necessarily match the changes in the related items of the consolidated statement of financial position.

In the prior period, impairments reported in the consolidated statement of cash flows increased by €1,941 thousand due to reversals included in the investment result. The cash flow from operating activities does not contain effects of non-recourse financing and premature settlement of letters of credit (prior period: €38,724 thousand).

4.90 — OTHER NON-CASH EXPENSES AND INCOME

€ thousand	2024	2023
Result from contingent purchase price installments	–	5,332
Income from/expenses for assets classified as held for sale	13,375	–816
Loss allowances on cash and cash equivalents	811	212
Loss allowances on financial assets and other investments	1,073	–2.594
Result from the acquisition of Hekuma GmbH	–	512
Measurement of the options of owners of non-controlling interests	–9.042	–6.124
Currency translation differences and other	10,421	12,665
Total other non-cash income	**16,638**	**9,187**

Cash flow from investing activities

The cash flow from investing activities is derived from actual cash flows. This relates mainly to the cash outflows for investments made in non-current assets, investments of free cash and acquisitions. Cash outflows for the acquisition of property, plant and equipment are divided into €45,774 thousand (prior period: €44,537 thousand) for expansion investments and €32,810 thousand (prior period: €30,396 thousand) for replacement investments. Cash inflows arise from the disposal of non-current assets and interest received. The investment of free cash in time deposits results in cash outflows of €119,410 thousand (prior period: cash inflows of €150,000 thousand).

Accounting for leases pursuant to IFRS 16, the cash flow from investing activities only shows a cash outflow for prepayments and acquisition-related costs, because the addition of right-of-use assets does not involve cash outflow, except in the abovementioned cases. The payments for leases are reported under cash flow from financing activities.

Within the cash flow from investing activities, the payments for acquisitions, less cash acquired, amounting to €1,020 thousand (prior period: €322,568 thousand), in the 2024 reporting period, only contains payments of purchase price components related to acquisitions carried out in the prior period. Please refer to → note 19 for explanations on the acquisition prices paid less cash acquired.

In addition, the cash flow includes cash inflows from the sale of assets held for sale and related liabilities less transaction costs. For further information on the earnings from the disposal of assets held for sale, please refer to → note 27.

Cash flow from financing activities

The cash flow from financing activities is also derived from actual cash flows. It contains dividends and cash paid to shareholders and non-controlling interests, interest paid for the convertible bond, Schuldschein loans and the other financing activities. It also includes the payments made to settle liabilities under the terms of leases and other non-current loans. The line item "Net movement of current financial liabilities" contains, among other things, cash inflows and outflows from overdraft facilities.

In April 2024, Dürr AG issued a further green Schuldschein loan with a volume of €350,000 thousand. Dürr Group received the proceeds on April 23, 2024 after deduction of transaction costs.

In the 2024 reporting period, tranches of the various Schuldschein loans totaling €217,000 thousand were repaid. Of this amount, €112,500 thousand were attributable to the 2019 Schuldschein loan, €52,000 thousand to the Schuldschein loan issued in the reporting period 2020, and €52,500 thousand to the 2021 Schuldschein loan. Of the total amount of €217,000 thousand, an amount of €112,000 thousand, which was not due before the 2025 reporting period, was repaid early. On April 26, 2024, Dürr AG repaid €300,000 thousand of the syndicated credit line used for the bridge financing of the acquisition of the BBS Automation Group. In addition, several smaller loans of various subsidiaries raised at different banks were repaid. On April 20, 2023, Dürr AG received the proceeds of €298,861 thousand under the first green Schuldschein loan (after deduction of transaction costs). On the other hand, there was a repayment of €50,000 thousand in relation to another tranche of the 2016 Schuldschein loan in April 2023. As part of the acquisition of the BBS Automation Group, the Dürr Group received €300,000 thousand as part of a bridge financing scheme. In contrast, loans and liabilities at various credit institutions and other parties were repaid in the amount of €117,955 thousand.

In the 2024 reporting period, the Dürr Group had cash outflows of €9,326 thousand (prior period: €23,114 thousand) from transactions with the owners of non-controlling interests. On the other hand, the Group received cash of €189 thousand (prior period: €1,200 thousand) from the capital increase at entities with non-controlling interests.

4.91 — TRANSACTIONS WITH OWNERS OF NON-CONTROLLING INTERESTS FROM INCREASING EQUITY INTERESTS

€ thousand	2024	2023
Techno-Step GmbH	–	5,187
BBS Automation Group	–	9,881
Teamtechnik Group	80	4,900
CPM S.p.A.	614	3,146
System TM A/S	8,632	–
Total	**9,326**	**23,114**

Pursuant to IAS 7 "Statement of Cash Flows", the cash outflow for the increase in equity interests is contained in the cash flow from financing activities under the item "Payments for transactions with owners of non-controlling interests", as the entities were previously already consolidated in the Dürr Group. In addition, the Dürr Group acquired additional shares in HOMAG Group AG owned by the non-controlling shareholders at a value of €8,243 thousand (prior period: €7,959 thousand).

Interest paid includes the payment of the guaranteed dividend of €5,187 thousand (prior period: €5,563 thousand) to the owners of non-controlling interests of HOMAG Group AG, as the conclusion of the domination and profit and loss transfer agreement has led to the situation where non-controlling shareholders according to IFRS accounting are not considered as owners of non-controlling interests. Interest payments from lease liabilities in the 2024 reporting period amounted to €5,681 thousand (prior period: €4,492 thousand).

According to IAS 7, the reconciliation in → **table 4.92** presents the changes in liabilities from financing activities. These are defined as liabilities whose cash inflows and outflows are recognized in the statement of cash flows as cash flows from financing activities. This includes liabilities related to the acquisition of non-controlling interests. Assets that serve to hedge non-current liabilities are also presented here.

4.92 — CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES

€ thousand	Carrying amount as of Jan. 1	With cash effect	With non-cash effect						Carrying amount as of Dec. 31
			Exchange difference	Changes in the consolidated group	Addition	Changes in fair value	Reclassification to held for sale	Other changes	
Convertible bond	154,977	–	–	–	–	–	–	2,455	157,432
(2023)	(152,592)	(–)	(–)	(–)	(–)	(–)	(–)	(2,385)	(154,977)
Schuldschein loans	913,101	131,742	–	–	–	–	–	837	1,045,680
(2023)	(663,775)	(248,861)	(–)	(–)	(–)	(–)	(–)	(465)	(913,101)
Liabilities to banks	356,989	–333,880	1,070	–	–	–	–	660	24,839
(2023)	(895)	(304,062)	(355)	(51,205)	(–)	(–)	(–)	(472)	(356,989)
Lease liabilities	118,087	–40,051	1,643	–	34,841	–	–3,435	–3,782	107,303
(2023)	(94,799)	(–34,688)	(–2,144)	(22,184)	(40,388)	(–)	(–)	(–2,452)	(118,087)
Liabilities from options	122,881	–19,835	–	–	–	10,785	–	–	113,831
(2023)	(143,130)	(–21,383)	(–10)	(–)	(–)	(1,144)	(–)	(–)	(122,881)
Liabilities from purchase price installments for non-controlling interests	613	–613	–	–	–	–	–	–	–
(2023)	(7,025)	(–3,146)	(–)	(–)	(–)	(–3,266)	(–)	(–)	(613)
Liabilities from accrued interest	18,694	–18,684	–	–	20,980	–	–	–	20,990
(2023)	(8,655)	(–8,655)	(–)	(63)	(18,631)	(–)	(–)	(–)	(18,694)
Sundry liabilities from financing activities	2,157	31	1	–	–	–	–	113	2,302
(2023)	(1,926)	(–96,201)	(–)	(96,288)	(–)	(–)	(–)	(144)	(2,157)
Total 2024	**1,687,499**	**–281,290**	**2,714**	**–**	**55,821**	**10,785**	**–3,435**	**283**	**1,472,377**
(Total 2023)	(1,072,797)	(388,850)	(–1,799)	(169,740)	(59,019)	(–2,122)	(–)	(1,014)	(1,687,499)

The Group has unused credit lines and bank guarantees of €1,761,692 thousand (prior period: €1,674,440 thousand). The credit lines and bank guarantee facilities are regularly not bound to any particular purpose and serve to generally fund the Group as well as project management. For more information on the financing of the Group, please refer to → **note 33**. A breakdown of the cash flows from operating activities, investing activities and financing activities by group division can be found in → **note 39**. For an explanation of the cash flow statement, please refer to section 3.4 → **page 65** in the combined management report.

Other notes

39. SEGMENT REPORTING

The segment reporting was prepared according to IFRS 8 "Operating Segments". Based on the internal reporting and organizational structure of the Group, the data contained in the consolidated financial statements is presented by division. The presentation of segments is designed to provide details on the financial performance, assets and liabilities, and financial position of individual activities.

The reporting is based on the divisions of the Group. As of December 31, 2024, the Dürr Group consisted of the Corporate Center and five operating divisions, each with global responsibility for its products and results. As of January 1, 2025, this structure was changed. Please refer to section 1.1 → page 23 in the combined management report for detailed information on this change. For the financial reporting, the previous structure with the five divisions presented below was decisive. Paint and Final Assembly Systems was responsible for the planning and manufacturing of paint systems and final assembly lines for the automotive industry. The division also offered testing technology, assembly products and filling technology for final vehicle assembly. Application Technology developed and manufactured products and systems for the automated application of paint, sealants and adhesives. Industrial Automation Systems combined the automation systems business of the Teamtechnik Group and BBS Automation Group, the balancing, filling and tooling technology of the Schenck Group and the battery production technology of the Lithium-Ion Battery business unit, which was transferred from Clean Technology Systems to Industrial Automation Systems in the course of the 2024 reporting period. Woodworking Machinery and Systems developed and manufactured machinery and systems used for wood processing in the production of furniture and kitchens. The division also focused on systems for the production of building components for climate-friendly timber houses. The Clean Technology Systems division with its solutions for purifying exhaust gases and for noise abatement was designated for sale in the 2024 reporting period and is classified as discontinued operation in the financial reporting. Accordingly, the Clean Technology Systems division is no longer presented as a segment for the purposes of segment reporting. The Corporate Center mainly comprises the holding companies Dürr AG and Dürr Technologies GmbH as well as Dürr Group Services GmbH and Dürr Group Services Sp. z o.o., which perform IT and HR services throughout the Group.

Transactions between the divisions are carried out at arm's length.

The segment reporting under IFRS 8 is based on the internal reporting. The revenue and EBIT of each of the four divisions were individually monitored by management in order to make decisions on the allocation of resources to determine the profitability of the units and to measure the development of the segments. The group financing (including financial expenses and income) and income taxes are controlled across the Group and are not allocated to the individual business segments.

The revenue from contracts with customers was recognized for each division in accordance with IFRS 15 and categorized into over-time and point-in-time revenue. Only the Woodworking Machinery and Systems division recorded revenue from contracts with customers largely at the time of the transfer of control, which is due to the high degree of standardization of the machines and the associated possible alternative use. All other divisions primarily generated revenue over time due to their contractual conditions.

Intra-group leases are not recognized but accounted for as expenses or income.

4.93 — SEGMENT REPORTING

€ thousand	Paint and Final Assembly Systems	Application Technology	Industrial Automation Systems	Woodworking Machinery and Systems	Total segments	Reconciliation[1]	Dürr Group (continuing operations)
2024							
Sales revenue recognized over time from contracts with customers	1,278,132	486,578	621,790	311,793	2,698,293	–	2,698,293
Sales revenue recognized at a point in time from contracts with customers	108,233	178,976	204,927	1,095,707	1,587,843	791	1,588,634
Sales revenue from lease agreements	–	–	4,009	–	4,009	–	4,009
Sales revenue with other divisions	6,886	5,313	21,154	5,954	39,307	–39,307	–
Total sales revenue	**1,393,251**	**670,867**	**851,880**	**1,413,454**	**4,329,452**	**–38,516**	**4,290,936**
thereof from services	431,489	248,229	144,615	368,807	1,193,140	–8,886	1,184,254
Cost of sales	–1,140,848	–503,408	–718,147	–1,061,847	–3,424,250	36,341	–3,387,909
Overhead costs[2]	–153,209	–96,270	–154,696	–311,184	–715,359	–54,611	–769,970
EBIT	**97,476**	**69,231**	**726**	**43,688**	**211,121**	**–58,740**	**152,381**
EBIT before extraordinary effects	**102,683**	**69,515**	**30,878**	**50,815**	**253,891**	**–57,846**	**196,045**
Earnings from entities accounted for using the equity method	–	–	805	19	824	–	824
Cash flow from operating activities	154,858	118,243	25,861	97,333	396,295	–44,285	352,010
Cash flow from investing activities	–22,523	–14,423	–32,935	–55,142	–125,023	–84,806	–209,829
Cash flow from financing activities	–144,704	–65,507	9,297	–60,527	–261,441	–105,845	–367,286
Amortization of intangibles and depreciation of property, plant and equipment	–27,999	–14,004	–61,170	–47,327	–150,500	–4,425	–154,925
Impairment losses on intangible assets and property, plant and equipment	–78	–	–	–75	–153	–	–153
Non-cash expenses and income	–1,836	–321	–4,558	–11,117	–17,832	40,256	22,424
Additions to intangible assets	14,722	5,147	6,256	10,134	36,259	1,931	38,190
Additions to property, plant and equipment including rights of use	18,821	13,263	39,989	69,846	141,919	2,873	144,792
Investments in entities accounted for using the equity method	–	–	17,944	664	18,608	–	18,608
Assets (as of Dec. 31)	811,823	558,897	1,231,338	1,070,664	3,672,722	16,928	3,689,650
Liabilities (as of Dec. 31)	697,739	316,728	375,691	636,523	2,026,681	195,855	2,222,536
Employees (as of Dec. 31)	4,588	2,094	4,258	6,802	17,742	862	18,604

[1] The number of employees, amortization and depreciation, additions to intangible assets and property, plant and equipment as well as non-cash expenses and income and point-in-time sales revenue from contracts with customers reported in the reconciliation column relate to the Corporate Center. In addition, the reconciliation column includes assets, liabilities, expenses and income that were originally allocated to division Clean Technology Systems but will remain in the Corporate Center as part of a sale.
[2] Selling expenses, general administrative expenses and research and development costs

4.93 — SEGMENT REPORTING

€ thousand	Paint and Final Assembly Systems	Application Technology	Industrial Automation Systems[2]	Woodworking Machinery and Systems	Total segments	Reconciliation[1, 2]	Dürr Group (continuing operations)
2023							
Sales revenue recognized over time from contracts with customers	1,247,586	438,492	411,741	343,035	2,440,854	–1	2,440,853
Sales revenue recognized at a point in time from contracts with customers	106,450	173,416	197,613	1,273,062	1,750,541	533	1,751,074
Sales revenue from lease agreements	–	–	4,102	–	4,102	–	4,102
Sales revenue with other divisions	9,584	2,132	25,579	8,958	46,253	–46,253	–
Total sales revenue	**1,363,620**	**614,040**	**639,035**	**1,625,055**	**4,241,750**	**–45,721**	**4,196,029**
thereof from services	422,699	236,940	134,157	365,507	1,159,303	–9,648	1,149,655
Cost of sales	–1,155,156	–463,769	–504,949	–1,206,488	–3,330,362	35,585	–3,294,777
Overhead costs[3]	–144,925	–89,434	–134,388	–348,525	–717,272	–42,385	–759,657
EBIT	**67,356**	**59,990**	**2,370**	**71,068**	**200,784**	**–60,966**	**139,818**
EBIT before extraordinary effects	**69,013**	**60,598**	**21,103**	**129,695**	**280,409**	**–56,159**	**224,250**
Earnings from entities accounted for using the equity method	–	–	2,556	–	2,556	–	2,556
Cash flow from operating activities	63,799	85,253	31,594	108,917	289,563	–78,668	210,895
Cash flow from investing activities	–1,589	–12,174	–336,406	–45,689	–395,858	142,807	–253,051
Cash flow from financing activities	–11,959	–87,170	333,840	–79,384	155,327	185,581	340,908
Amortization of intangibles and depreciation of property, plant and equipment	–24,377	–13,567	–32,924	–46,906	–117,774	–2,787	–120,561
Impairment losses on intangible assets and property, plant and equipment	–59	–597	–179	–696	–1,531	–	–1,531
Non-cash expenses and income	5,270	–935	5,409	5,048	14,792	1,680	16,472
Additions to intangible assets	12,682	4,999	231,655	10,335	259,671	1,054	260,725
Additions to property, plant and equipment including rights of use	15,543	14,354	21,187	60,459	111,543	1,750	113,293
Investments in entities accounted for using the equity method	–	–	18,049	645	18,694	–	18,694
Assets (as of Dec. 31)	821,172	552,830	1,276,557	1,132,314	3,782,873	–57,673	3,725,200
Liabilities (as of Dec. 31)	641,263	271,745	417,777	676,907	2,007,692	188,133	2,195,825
Employees (as of Dec. 31)	4,772	2,084	4,448	7,348	18,652	668	19,320

[1] The number of employees, amortization and depreciation, additions to intangible assets and property, plant and equipment as well as non-cash expenses and income and point-in-time sales revenue from contracts with customers reported in the reconciliation column relate to the Corporate Center. In addition, the reconciliation column includes assets, liabilities, expenses and income that were originally allocated to division Clean Technology Systems but will remain in the Corporate Center as part of a sale.
[2] The business activities of the business unit Lithium-Ion Battery were transferred from Clean Technology Systems to Industrial Automation Systems on December 11, 2024. Clean Technology Systems has been classified as discontinued operation and is no longer shown in segment reporting. The disclosures for the 2023 reporting period and as of December 31, 2023 have been adjusted accordingly.
[3] Selling expenses, general administrative expenses and research and development costs

4.94 — RECONCILIATION OF SEGMENT FIGURES TO THE FIGURES OF THE DÜRR GROUP

€ thousand	2024	2023[1]
EBIT of the segments	211,121	200,784
EBIT of the Corporate Center	–58,561	–57,686
Elimination of consolidation entries	–179	–3,280
EBIT from continuing operations	**152,381**	**139,818**
Investment result	786	4,602
Interest and similar income	35,321	32,033
Interest and similar expenses	–76,135	–57,577
Earnings before income taxes from continuing operations	**112,353**	**118,876**
Income taxes	–49,952	–47,865
Earnings after tax from continuing operations	**62,401**	**71,011**
Earnings after tax from discontinued operation	39,734	39,205
Profit of the Dürr Group	**102,135**	**110,216**

€ thousand	Dec. 31, 2024	Dec. 31, 2023[1]
Segment assets	3,672,722	3,782,873
Assets of the Corporate Center	1,301,890	1,268,107
Assets of the discontinued operation	224,868	274,669
Elimination of consolidation entries	–1,284,962	–1,325,780
Cash and cash equivalents	831,585	1,037,137
Time deposits and other financial receivables	120,703	204
Income tax receivables	27,217	39,007
Deferred tax assets	84,352	79,768
Total assets of the Dürr Group	**4,978,375**	**5,155,985**
Segment liabilities	2,026,681	2,007,692
Liabilities of the Corporate Center	269,259	251,247
Liabilities of the discontinued operation	181,738	216,443
Elimination of consolidation entries	–73,404	–63,114
Convertible bond and Schuldschein loans	1,193,069	1,058,035
Liabilities to banks	24,839	356,989
Remaining other financial liabilities	23,292	20,851
Income tax liabilities	64,344	61,040
Deferred tax liabilities	44,836	69,836
Total liabilities of the Dürr Group[2]	**3,754,654**	**3,979,019**

[1] The business activities of the business unit Lithium-Ion Battery were transferred from Clean Technology Systems to Industrial Automation Systems on December 11, 2024. Clean Technology Systems has been classified as a discontinued operation. The disclosures for the 2023 reporting period and as of December 31, 2023 have been adjusted accordingly.
[2] Consolidated total assets less total equity

Regional segmentation

Sales revenue is allocated to regions based on the location of the project or delivery locations as presented in → table 4.95. The Group's assets are allocated on the basis of the location of the subsidiary reporting these assets. In accordance with IFRS 8.33 they include all non-current assets of the Group except for financial instruments, deferred tax assets and post-employment benefit assets.

In the 2024 reporting period, 9.66% of sales revenue from continuing operations was generated with the Group's largest customer compared to 10.76% in the prior period. The second- and third-largest customers accounted for 5.72% (prior period: 5.03%) and 4.51% (prior period: 3.75%), respectively. With the three largest customers, sales revenue from continuing operations was generated in all divisions. Entities that are known to be under common control are considered as one customer.

4.95 — REGIONAL SEGMENTATION

€ thousand	Germany	Other European countries	USA	Other North, Central and South American countries	China	Other Asian countries/ Africa/ Australia	Dürr Group (continuing operations)
2024							
Sales revenue with customers	624,146	1,340,448	822,040	377,128	699,229	427,945	4,290,936
Additions to property, plant and equipment	77,336	41,355	8,149	3,328	9,613	5,011	144,792
Non-current assets (as of Dec. 31)	1,104,828	315,953	121,581	26,521	98,488	27,100	1,694,471
Employees (as of Dec. 31)	8,884	3,124	1,167	969	2,986	1,474	18,604
2023							
Sales revenue with customers	703,383	1,280,086	851,007	355,898	687,382	318,273	4,196,029
Additions to property, plant and equipment	66,287	18,175	8,852	4,600	9,756	5,623	113,293
Non-current assets (as of Dec. 31)	1,084,104	308,424	112,428	30,667	107,846	26,761	1,670,230
Employees (as of Dec. 31)	9,101	3,297	1,229	1,156	3,058	1,479	19,320

40. RELATED PARTY TRANSACTIONS

Related parties comprise members of the Supervisory Board and the Board of Management. Business transactions between the Dürr Group and these entities relate exclusively to delivery and service transactions as part of the ordinary business activities of the Dürr Group and are carried out at arm's length. For further information about members of the Board of Management and the Supervisory Board of Dürr AG, please refer to → note 43.

Related parties include entities accounted for using the equity method and non-consolidated subsidiaries of the Dürr Group as well as entities for which Dürr AG represents an associate.

4.96 — RELATED PARTY TRANSACTIONS

€ thousand	2024	2023
DELIVERY AND SERVICE TRANSACTIONS		
Associates	987	1,725
Non-consolidated subsidiaries	–	–
Other related party	20	90
Members of the Supervisory Board	–	24
Total delivery and service transactions	**1,007**	**1,839**

4.97 — RELATED PARTY BALANCES

€ thousand	Dec. 31, 2024	Dec. 31, 2023
RECEIVABLES FROM RELATED PARTIES		
Associates	76	86
Non-consolidated subsidiaries	–	–
Other related party	–	–
Members of the Supervisory Board	–	–
Total receivables	**76**	**86**
LIABILITIES TO RELATED PARTIES		
Associates	85	44
Non-consolidated subsidiaries	1,023	1,040
Other related party	–	15
Members of the Supervisory Board	–	–
Total liabilities	**1,108**	**1,099**

Total remuneration of the management – comprising the Supervisory Board and the Board of Management – amounts to €7,021 thousand (prior period: €5,274 thousand). In the 2024 reporting period, a dividend of €12,711 thousand was distributed to Heinz Dürr GmbH (prior period: €12,711 thousand).

41. CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

4.98 — CONTINGENT LIABILITIES

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Obligations from guarantees and sureties	1,555	1,675
Obligations from warranties	5,944	2,616
Collateral pledged for third-party liabilities	2,366	–
Other	3,864	234
Total contingent liabilities	**13,729**	**4,525**

The Dürr Group assumes that these contingent liabilities will not lead to any liabilities or cash outflows. The increase in other contingent liabilities results from purchase commitments.

Besides liabilities, provisions and contingent liabilities, the Group has other financial obligations for the acquisition of property, plant and equipment of €17,931 thousand (prior period: €22,433 thousand). There were also purchase commitments stemming from procurement agreements on a customary scale.

As of December 31, 2024, there were obligations of €2,165 thousand (prior period: €4,446 thousand) for leases that the Dürr Group has already entered into but that have not commenced yet. As of December 31, 2024, obligations for short-term leases amounted to €1,176 thousand (prior period: €1,062 thousand). Of this amount, €53 thousand relate to liabilities held for sale.

42. RISK MANAGEMENT AND DERIVATIVE FINANCIAL INSTRUMENTS

The Group operates in countries in which there are political and economic risks. These risks did not have any material effect on the Group in the 2024 reporting period. The Dürr Group may be involved in litigation, including product liability, in the ordinary course of business. Provision has been made for expected litigation costs. There are no such risks that the Board of Management expects to be material in relation to the Group's business or financial position. The Group is generally exposed to financial risks. These include mainly credit risks, liquidity risks and exposure to interest rate changes or currency risks. The regulations for a group-wide risk policy are set forth in the Group's guidelines. Detailed information on the risk management system of the Dürr Group can be found in section 5.1 → page 76 in the combined management report.

Credit risk

Credit risk relates to the possibility that business partners may fail to meet their obligations in a transaction involving non-derivative and derivative financial instruments and that capital losses could be incurred as a result.

For a loss allowance to be recognized pursuant to IFRS 9, the credit risks of the individual debtors are firstly segmented using common credit risk characteristics. Determining the loss allowance requires a diversified analysis of the debtors. Information on delayed payment and current market information, such as credit default swaps, future assessments by management and external ratings, among other things, are used for the analysis. This involves dividing the respective debtors into important and less important debtors measured in terms of the volume of the business relationship. As the economic development of the Dürr Group hinges to a large extent on the willingness of the automotive industry to invest, some automotive manufacturers are for example classified as important debtors. Despite their modest number, the Dürr Group generates a significant portion of sales revenue in business with these debtors. Using the simplified approach, this information is processed and used to derive loss allowance rates. These are applied throughout the Group as provision matrices. With the general approach, the loss allowance rates for important debtors are calculated on an individual basis. However, for less important debtors, clusters are formed to calculate the loss allowance rates.

The quantification of the expected credit losses primarily relates to three risk parameters: probability of default, loss given default and exposure at default. Depending on the debtor and maturity, the calculated amount of the loss allowance rates ranges from 0.01% to 0.72%. The credit risks and associated loss allowance rates are regularly reviewed and adjusted accordingly.

In order to minimize the credit risk, credit ratings are performed for new customers, while the payment patterns of regular customers are analyzed on an ongoing basis. Furthermore, the Group analyzes publicly available market information and publications for certain customer groups for which an increased risk of default may arise. The Dürr Group uses respective terms of payment as well as credit insurance policies such as letters of credit and trade credit insurance policies to further limit the risk of default. The maximum credit risk is shown by the carrying amount of financial assets recognized in the statement of financial position.

Further explanations on the loss allowance and impairment of financial assets can be found in → note 7.

4.99 — CARRYING AMOUNTS OF RECEIVABLES SECURED AGAINST DEFAULT

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Letters of credit	3,085	5,842
Trade credit insurance policies	946	2,436
Federal coverages	120	–
Total	**4,151**	**8,278**

In connection with the investment of cash and cash equivalents, investments as part of financial asset management and the portfolio of derivative financial assets, the Group is exposed to losses from credit risks should the credit institutions and companies fail to meet their obligations. The Dürr Group manages the resulting risk position by diversifying the portfolio and selecting the counterparties carefully. No cash and cash equivalents, investments of active asset management or derivative financial assets were past due as a result of credit defaults.

Dependence of business on few customers

Due to the concentration of certain divisions on the automotive industry, a significant portion of the Group's receivables are due from comparably few automobile manufacturers. Generally these receivables are not secured by bank guarantees or other collateral. As of December 31, 2024, 31.2% (prior period: 31.0%) of the trade receivables were due from the ten largest customers. The Dürr Group does not see any concentration of credit risk from its business relations with individual debtors or groups of debtors. Due to the various divisions of the Group, each with its own different customer base, the level of diversity displayed among the Group's customers can be classified as high compared to pure-play automotive suppliers.

Liquidity risk

Liquidity risk is the risk that the Group may not be in a position to meet its obligations in the future, or to meet them at a reasonable price, when they fall due.

The liquidity situation is secured by available cash and cash equivalents as well as the credit lines which the Group can draw on. The liquidity situation is monitored and managed by means of a liquidity plan with a planning horizon of 18 months, coupled with a short-term liquidity forecast. In addition, use of cross-border cash pooling structures has improved the structure of the statement of financial position through liquidity pooling, reduced the volume of borrowed funds and thus helped to enhance the financial result. At the same time, the liquidity situation is more transparent. Moreover, excess liquidity at individual entities within the Group can be used to finance the cash needs of other group entities internally. In operations, the liquidity risk is addressed by actively managing current assets so as to counteract any fluctuations during the year. Please refer to → note 7 for further details.

There are also financial guarantees of €1,555 thousand (prior period: €1,675 thousand). They were issued as part of sales financing to customers. The Group does not currently expect this to result in any significant cash outflows.

→ Table 4.100 shows the contractually agreed (undiscounted) interest and principal payments for non-derivative financial liabilities.

4.100 — INTEREST AND PRINCIPAL PAYMENTS FOR FINANCIAL LIABILITIES

€ thousand	Carrying amount as of Dec. 31, 2024	Cash flows Current	Total non-current	Medium-term	Long-term
NON-DERIVATIVE FINANCIAL LIABILITIES					
Trade payables	430,831	425,632	5,199	5,199	–
Convertible bond	147,389	1,125	151,125	151,125	–
Schuldschein loans	1,045,680	92,794	1,125,957	867,370	258,587
Liabilities to banks	24,839	23,945	894	894	–
Lease liabilities	107,303	39,250	83,726	70,042	13,684
Remaining other financial liabilities	23,292	21,445	1,847	1,847	–
Obligations from options	192,968	190,153[1]	2,815	2,815	–
Liabilities from purchase price installments	4,867	4,867	–	–	–
Other sundry financial liabilities	156,988	153,365	3,623	3,623	–

€ thousand	Carrying amount as of Dec. 31, 2023	Cash flows Current	Total non-current	Medium-term	Long-term
NON-DERIVATIVE FINANCIAL LIABILITIES					
Trade payables	603,652	598,988	4,664	4,664	–
Convertible bond	144,934	1,125	152,250	152,250	–
Schuldschein loans	913,101	62,755	984,864	804,702	180,162
Liabilities to banks	356,989	327,514	29,475	29,412	63
Lease liabilities	118,087	39,543	95,335	79,640	15,695
Remaining other financial liabilities	20,851	19,124	1,727	1,727	–
Obligations from options	201,708	199,455[1]	2,253	2,253	–
Liabilities from purchase price installments	6,259	6,259	–	–	–
Other sundry financial liabilities	157,698	155,353	2,345	2,345	–

[1] The cash flows for obligations from options primarily relate to the sundry financial liability recognized in connection with the domination and profit and loss transfer agreement with HOMAG Group AG. The expected cash flows were classified as current. However, the options can also be exercised with differing terms. Please refer to → note 7 for further details.

The following table shows the liquidity analysis of the Group for derivative financial instruments based on the contractual maturities. The table is based on the undiscounted net cash inflows and outflows of those derivative instruments that are offset on a net basis as well as the undiscounted gross cash inflows and outflows of those derivatives that need to be offset on a gross basis.

4.101 — CONTRACTUALLY AGREED UNDISCOUNTED CASH FLOWS OF DERIVATIVE FINANCIAL INSTRUMENTS WITH NEGATIVE MARKET VALUE

		Cash flows			
€ thousand	Total Dec. 31, 2024	Current	Total non-current	Medium-term	Long-term
DERIVATIVE FINANCIAL LIABILITIES					
Gross settlement					
Cash outflows	837,596	714,382	123,214	123,214	–
Cash inflows	800,593	683,773	116,820	116,820	–
Net settlement					
Cash outflows	450	336	114	114	–
Cash inflows	–	–	–	–	–

		Cash flows			
€ thousand	Total Dec. 31, 2023	Current	Total non-current	Medium-term	Long-term
DERIVATIVE FINANCIAL LIABILITIES					
Gross settlement					
Cash outflows	336,165	308,752	27,413	27,413	–
Cash inflows	328,805	302,734	26,071	26,071	–
Net settlement					
Cash outflows	225	217	8	8	–
Cash inflows	–	–	–	–	–

Foreign currency risk

Currency risks exist in particular where receivables or liabilities are carried or will arise in the ordinary course of business in a currency other than the functional currency of the entity. Foreign exchange risks are hedged where they affect the cash flows of the Group. Foreign exchange risks that do not affect the cash flows of the Group (i.e., the risks from translating the items from the statement of financial position of foreign operations to the euro, the Group's reporting currency), however, are generally not hedged. Forward exchange transactions are entered into to hedge exchange rate fluctuations from cash flows relating to forecast purchase and sales transactions with original terms of up to 50 months (prior period: 50 months). The maximum residual term of derivatives for hedging currency risks as of the reporting date is 35 months (prior period: 28 months).

Regarding the presentation of market risks, IFRS 7 "Financial Instruments: Disclosures" requires sensitivity analyses showing how profit or loss and equity would have been affected by hypothetical changes in the relevant risk variables. The periodic effects are determined by relating the hypothetical changes of the risk variables to the financial instruments as of the end of the reporting period. The presentation is based on the assumption that the portfolio at the end of the reporting period was representative for the whole year. Currency risks as defined by IFRS 7 arise from financial instruments that are denominated in a currency other than the functional currency and are of a monetary nature; exchange differences from the translation of financial statements to the Group's currency are not taken into account. All currencies other than the functional currency in which the Dürr Group holds financial instruments are relevant risk variables.

Material non-derivative monetary items which constitute currency risks for the Group are cash, trade receivables and payables as well as contract assets. Non-derivative financial instruments that could give rise to currency risks are usually hedged by derivative financial instruments that are accounted for as fair value hedges. In the process, both the change in the derivative financial instrument and the change in the value of the hedged item, regarding the hedged risks, are recognized through profit or loss. In addition, the Group is exposed to currency risks from derivatives that are embedded, in accordance with IAS 39, in effective cash flow hedges of fluctuation in payments caused by exchange rates. Exchange rate changes concerning the currencies underlying these transactions affect the currency reserve in equity and the fair value of the hedges.

The analyses of the Group's sensitivity to fluctuations in foreign exchange rates use the currency pairs that are relevant for the Dürr Group. This involves projecting the impact of a hypothetical 10% appreciation, or depreciation respectively, of the euro against the US dollar, the Chinese renminbi, the Danish krone, the British pound sterling, the Mexican peso, the Polish złoty as well as an appreciation or depreciation of the US dollar against the Chinese renminbi, the Mexican peso, Korean won and Malaysian ringgit. The disclosures on the Group's sensitivity to currency fluctuations are based on the total of continuing and discontinued operations.

4.102 — IMPACT ON THE STATEMENT OF PROFIT OR LOSS AND EQUITY

€ thousand	Dec. 31, 2024 Impact on the statement of profit or loss	Dec. 31, 2024 Impact on the hedge reserve in equity	Dec. 31, 2023 Impact on the statement of profit or loss	Dec. 31, 2023 Impact on the hedge reserve in equity
EUR/CNY				
EUR +10%	–8,074	–261	7,487	7,799
EUR –10%	9,872	315	–9,148	–9,532
EUR/DKK				
EUR +10%	–4,352	–	–5,420	–670
EUR –10%	5,321	–	6,462	1,129
EUR/GBP				
EUR +10%	2,021	353	1,990	129
EUR –10%	–2,468	–431	–2,431	–158
EUR/MXN				
EUR +10%	–567	1,986	–532	2,616
EUR –10%	693	–2,428	651	–3,198
EUR/PLN				
EUR +10%	–162	–6,626	–2,773	–4,617
EUR –10%	199	8,098	3,393	5,643
EUR/USD				
EUR +10%	5,161	21,496	2,289	8,753
EUR –10%	–6,312	–26,279	–2,796	–10,699
USD/CNY				
USD +10%	–3,800	–1,409	–943	–643
USD –10%	4,646	1,723	1,153	772
USD/KRW				
USD +10%	–107	–996	–26	–957
USD –10%	131	1,218	32	1,171
USD/MXN				
USD +10%	–2,356	–8,905	–2,563	–2,683
USD –10%	2,880	10,882	2,874	3,536
USD/MYR				
USD +10%	–869	–	–859	–
USD –10%	1,063	–	1,048	–

Interest rate risk

Interest rate risks arise from fluctuations in interest rates that could have a negative impact on the assets, liabilities, financial position and financial performance of the Group. Interest rate fluctuations lead to changes in net interest and in the carrying amounts of the interest-bearing assets and liabilities. The maximum residual term of derivatives for hedging interest risks as of the reporting date is 13 months (prior period: 25 months).

The Dürr Group has cash and cash equivalents, security and other deposits as well as floating-interest Schuldschein loan tranches that are subject to fluctuation in interest rates as of December 31, 2024. A hypothetical increase in these interest rates of 25 basis points per year would have caused a €1,139 thousand (prior period: €1,878 thousand) increase in interest income. A hypothetical decrease of 25 basis points per year would have caused a €1,139 thousand (prior period: €1,878 thousand) decrease in interest income.

Other price risks

In the presentation of market risks, IFRS 7 also requires disclosures on the effects of hypothetical changes in the risk variables on the price of financial instruments. The main risk variables include stock market prices and indices. Please refer to → note 37 for more information on the price risk of the financial assets, equity instruments, options and the liabilities related to contingent purchase price installments disclosed as a level 3 financial instrument.

Use of derivative financial instruments

Derivative financial instruments are used in the Group to minimize the risks concerning changes in exchange rates and interest rates on cash flows and the change in the fair value of receivables and liabilities. Hedging allows the amount of the expected cash inflow/outflow in the functional currency to be estimated in advance. This generally involves fully hedging all payments for which there is significant economic risk from changes in the exchange and interest rate. The Dürr Group is exposed to a replacement risk in the event of non-performance by counterparties (credit institutions) relating to the financial instruments. Derivative financial instruments, mainly forward contracts, are only entered into to hedge the operating business and to hedge loans. In hedging the operating business, derivative financial instruments are entered into on the basis of internal estimates of progress and payment dates. In order to ensure the effectiveness of the hedging relationships, various features/parameters, such as expected date and volume of payment between the hedged item and corresponding hedge are reviewed and adjusted if necessary. Any ineffectiveness arising may result, for example, from various different credit risks and delays in contract processing. However, any hedges entered into are expected to be highly effective in offsetting the risk from changes in fair value or cash flows. They are assessed on an ongoing basis to determine that they actually have been highly effective throughout the periods for which they were designated. All financial derivatives as well as the respective hedged transactions are subject to regular internal control and measurement in accordance with the directive of the Board of Management. The hedged transactions are primarily included in the following items of the statement of financial position: trade receivables and trade payables, contract assets, dividend payments. The hedging relationships from cash flow and fair value hedges did not result in any significant ineffectiveness. The changes in value of the hedged transactions therefore run counter to the developments of derivatives.

At the inception of the hedge, the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge are formally documented. This documentation contains identification of the hedging instrument, the related hedged item or transaction, the nature of the risk being hedged, and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or the hedged item's cash flows attributable to the hedged risk.

Depending on their market value at the end of the reporting period, derivative financial instruments are reported under sundry financial assets (positive market value) or sundry financial liabilities (negative market value) respectively.

4.103 — SCOPE AND FAIR VALUE OF FINANCIAL INSTRUMENTS

	Nominal value		Positive market value		Negative market value		Change in the fair value to recognize ineffectiveness	
€ thousand	**Dec. 31, 2024**	Dec. 31, 2023	**Dec. 31, 2024**	Dec. 31, 2023	**Dec. 31, 2024**	Dec. 31, 2023	**Dec. 31, 2024**	Dec. 31, 2023
Interest rate swaps not used for hedging	150,000	150,000	–	–	–	–	–	–
Forward exchange contracts	1,297,634	961,055	15,853	19,123	–39,860	–10,338	–24,145	9,271
thereof in connection with cash flow hedges	784,743	456,422	9,754	14,571	–31,437	–7,093	–21,683	7,478
thereof in connection with fair value hedges	93,627	78,636	676	2,179	–3,138	–386	–2,462	1,793
thereof not used for hedging	419,264	425,997	5,423	2,373	–5,285	–2,859	–	–

The fair value of the financial instruments was estimated using the following methods and assumptions: the fair values of the forward exchange contracts were estimated at the present value of cash flows on the basis of the difference between the contractually agreed forward exchange rates and the forward rate prevailing at the end of the reporting period. The fair values of the interest hedges are derived from the expected discounted value of expected future cash flows based on current market parameters.

4.104 — NOMINAL VALUES OF HEDGING INSTRUMENTS

€ thousand	Total	Current	Total non-current	Medium-term	Long-term
Interest rate swaps not used for hedging	150,000	–	150,000	150,000	–
(2023)	(150,000)	(–)	(150,000)	(150,000)	(–)
Forward exchange contracts	1,297,634	1,119,992	177,642	177,642	–
(2023)	(961,055)	(890,781)	(70,274)	(70,274)	(–)
thereof in connection with cash flow hedges	784,743	677,790	106,953	106,953	–
(2023)	(456,422)	(411,581)	(44,841)	(44,841)	(–)
thereof in connection with fair value hedges	93,627	93,627	–	–	–
(2023)	(78,636)	(77,937)	(699)	(699)	(–)
thereof not used for hedging	419,264	348,575	70,689	70,689	–
(2023)	(425,997)	(401,263)	(24,734)	(24,734)	(–)

4.105 — AVERAGE EXCHANGE RATES OF CONCLUDED FORWARD EXCHANGE TRANSACTIONS FOR MAJOR CURRENCY PAIRS

	Average rate		Closing rate	
€ thousand	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
EUR/CNY	7.7019	7.6881	7.5006	7.8372
EUR/DKK	7.4327	7.4307	7.4579	7.4529
EUR/GBP	0.8524	0.8694	0.8303	0.8691
EUR/MXN	20.6604	21.7107	21.5950	18.7711
EUR/PLN	4.4425	4.5746	4.2710	4.3420
EUR/USD	1.0862	1.0954	1.0411	1.1077
USD/CNY	7.0500	7.0160	7.2045	7.0752
USD/KRW	1,370.4072	1,306.1644	1,471.4725	1,291.1321
USD/MXN	19.0734	18.3463	20.7425	16.9460
USD/MYR	4.4668	4.5185	4.4747	4.5890

Accounting and disclosure of derivative financial instruments and hedge accounting

Currency hedges that clearly serve to hedge future cash flows from foreign exchange transactions and which meet the requirements of IAS 39 in terms of documentation and effectiveness are accounted for as cash flow hedges. Such derivative financial instruments are recognized at fair value. Changes in fair value hedges are recognized in other comprehensive income until the hedged item is realized. Upon realization of the future transaction (hedged item), the effects accumulated in equity are reversed through profit or loss and recognized in sales revenue or cost of sales, other operating income and expenses or in net interest in the statement of profit or loss.

4.106 — DISCLOSURES OF FORWARD EXCHANGE CONTRACTS IN CASH FLOW HEDGES

	Forward exchange contracts	
€ thousand	Dec. 31, 2024	Dec. 31, 2023
Change in the fair value of the hedged item	21,683	−7,478
Hedge reserve	−20,922	6,621
Reclassification from hedge reserve to profit or loss		
Hedged items through profit or loss	−2,897	−2,790
Hedged items no longer expected	–	–

4.107 — DISCLOSURES OF FORWARD EXCHANGE CONTRACTS IN FAIR VALUE HEDGES

	Assets		Liabilities	
€ thousand	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Carrying amount of the hedged items	13,622	11,795	7,882	6,362
Cumulative fair value hedge adjustment	8	1	4	–13
Statement of financial position item	Trade receivables	Trade receivables	Trade payables	Trade payables

The changes in value of the hedged items correspond to the accumulated amount of fair value hedge adjustments.

4.108 — RECONCILIATION HEDGE RESERVE IN EQUITY

€ thousand	2024	2023
As of January 1	**6,621**	**849**
Exchange difference	837	75
Additions and changes in value	–28,540	7,327
Reclassification to other statement of financial position items	3,057	1,160
Reclassification to profit or loss	–2,897	–2,790
thereof		
Sales revenue	–190	–
Cost of sales	–2,728	–333
Other operating income	21	–
Other operating expenses	–	–2,457
As of December 31	**–20,922**	**6,621**

In the 2024 reporting period, the determination methods did not result in any significant inefficiencies for fair value hedges and cash flow hedges. Any inefficiencies are disclosed in sales revenue or cost of sales in the statement of profit or loss. The reclassification amount did not contain any significant result for which the hedged item was no longer expected.

The effects on earnings (before tax) expected for the 2025 reporting period from the amounts recognized through other comprehensive income at the end of the reporting period comes to €–16,553 thousand. In subsequent reporting periods, accumulated effects on earnings of €–4,330 thousand are expected.

In the 2024 reporting period, no hedging options were used; for forward exchange contracts, no distinction was made between forward and spot elements.

The changes in the fair value of all derivative financial instruments that do not meet the requirements for hedge accounting in accordance with IAS 39 are recognized through profit or loss at the end of the reporting period.

43. ADDITIONAL NOTES

Declaration of compliance with the German Corporate Governance Code pursuant to Sec. 161 AktG

The declaration of compliance prescribed by Sec. 161 AktG was submitted by the Board of Management and the Supervisory Board of Dürr AG in Bietigheim-Bissingen, Germany, on October 2, 2024, and made accessible to the shareholders on the internet. For additional information, please refer to the combined management report.

Headcount

The number of employees in the Dürr Group breaks down as of December 31, 2024, and as an average over the 2024 reporting period as shown in → **tables 4.109 and 4.110**.

4.109 — EMPLOYEES AS OF THE END OF THE REPORTING PERIOD

	Dec. 31, 2024	Dec. 31, 2023
Wage-paid employees	7,836	8,453
Salaried employees	10,548	10,823
Employees excluding interns/trainees/others	**18,384**	**19,276**
Interns/trainees/others	1,510	1,321
Total employees	**19,894**	**20,597**

4.110 — AVERAGE HEADCOUNT DURING THE YEAR

	2024	2023
Wage-paid employees	8,137	8,188
Salaried employees	10,661	9,963
Employees excluding interns/trainees/others	**18,798**	**18,151**
Interns/trainees/others	1,383	1,279
Total employees	**20,181**	**19,430**

Fees payable to the auditor of the consolidated financial statements

→ Table 4.111 shows the audit fees payable to the auditor of the consolidated financial statements, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, recorded as an expense for the 2024 reporting period.

4.111 — AUDITOR'S FEES

€ thousand	2024	2023
Auditor's fees	2,028	1,888
Other assurance services	307	84
Tax advisory services	–	–
Other services	–	–
Total	**2,335**	**1,972**

The auditor's fees relate to the audit of the consolidated financial statements and the separate financial statements of Dürr AG and its affiliated companies included in the consolidated financial statements. The auditor's fees also include fees for voluntary audits of annual financial statements of €178 thousand (prior period: €110 thousand).

As in the prior period, the fees for non-audit services relate to voluntary audits and other assurance services. They amounted to €485 thousand in the 2024 reporting period (prior period: €194 thousand) and were significantly influenced by the sustainability reporting.

As in the prior period, the other assurance services were largely related to the consolidated non-financial statement and the assurance engagement concerning the remuneration report.

Subsequent events

A final decision was made in December 2024 in the valuation proceedings concerning the appropriateness of the cash settlement offer and the guaranteed dividend for the non-controlling shareholders of HOMAG Group AG. In its ruling, the Stuttgart Higher Regional Court (OLG) confirmed the appropriateness of the cash compensation of €31.58 per share and the guaranteed dividend of €1.02 per share (net). Consequently, the court conclusively upheld the previous decision of the Stuttgart Regional Court of August 2019, against which shareholders of HOMAG Group AG had filed an appeal in October 2019.

The ruling by the Stuttgart OLG was published in the German Federal Gazette on January 3, 2025. On the same day, a two-month period began, during which the non-controlling HOMAG shareholders of Dürr Technologies GmbH were able to tender their shares for a price of €31.58 per share. This cash offer expired at the end of the tender period on March 3, 2025. A total of 2,524,581 shares had been tendered by the end of the period of acceptance. This results in a cash outflow of €96,714 thousand, which will take effect in the first quarter of 2025. Upon expiration of the tender period, the shareholder structure of HOMAG Group AG was as follows: 83.8% of the shares were held by Dürr Technologies GmbH and 14.1% by the Schuler/Klessmann group of shareholders. The free float amounted to 2.1%.

By the end of the tender period on March 3, 2025, sundry financial liabilities concerning the free float were recognized for the acquisition of shares and for the payment of other compensation claims. After the end of the tender period, the sundry financial liabilities were derecognized and the remaining untendered shares in free float were shown as non-controlling shares (minorities) in HOMAG Group AG.

Between the beginning of the current reporting period and March 26, 2025, there were no further events that could have a material influence on the assets, liabilities, financial position and financial performance of the Group.

Authorization for issue and publication of the consolidated financial statements as of December 31, 2024

The consolidated financial statements and combined management report of Dürr AG prepared by the Board of Management as of December 31, 2024, were authorized for issue to the Supervisory Board at the meeting of the Board of Management on March 26, 2025, and are scheduled for publication in the 2024 annual report on March 28, 2025.

MEMBERS OF THE BOARD OF MANAGEMENT

Dr. Jochen Weyrauch
Chairman of the Board of Management

- ▪ Dürr Systems AG, Stuttgart[1] (since January 1, 2025, Chairman since January 8, 2025)
- ▪ HOMAG Group AG, Schopfloch[1, 2] (Additional Deputy Chairman)
- » Dürr Paintshop Systems Engineering (Shanghai) Co. Ltd., Shanghai, PR China[1] (Supervisor)

Dietmar Heinrich
Chief Financial Officer

- ▪ Carl Schenck AG, Darmstadt[1] (Chairman)
- ▪ Dürr Systems AG, Stuttgart[1] (Chairman until December 31, 2024)
- ▪ HOMAG Group AG, Schopfloch[1, 2]

▪ Membership in statutory supervisory boards
» Membership in comparable German and foreign control bodies (of business entities)
[1] Group boards
[2] open market

The members of the Board of Management were remunerated as shown in → **table 4.112**.

4.112 — REMUNERATION OF BOARD OF MANAGEMENT

€ thousand	2024	2023
Short-term employee benefits (excluding share-based payment)	4,233	3,382
Post-employment benefits	404	400
Termination benefits	–	–
Share-based payments	1,015	–27
Total remuneration	**5,652**	**3,755**

Disclosures pursuant to Sec. 314 (1) no. 6 HGB

Total remuneration of the Board of Management of Dürr AG for the 2024 reporting period amounted to €5,819 thousand (prior period: €4,733 thousand). In the 2024 reporting period, the members of the Board of Management received 75,588 phantom shares under the performance share plan (prior period: 45,245 phantom shares). The fair value in the 2024 reporting period amounted to €1,586 thousand (prior period: €1,350 thousand) at the time the performance share plan tranche allocated was granted.

Former members of the Board of Management and their surviving dependents received regular pension payments of €491 thousand in the 2024 reporting period (prior period: €586 thousand). In addition, a one-off payment of €6,005 thousand was made as part of the pension obligations. The pension obligations for this group of persons amount to €1,321 thousand in the 2024 reporting period (prior period: €2,402 thousand).

Individualized disclosures on the remuneration of the members of the Board of Management are presented in the **remuneration report → page 190**.

MEMBERS OF THE SUPERVISORY BOARD

Gerhard Federer[1, 2, 4, 5]
Independent consultant, Gengenbach
Chairman

- ▪ HOMAG Group AG, Schopfloch[6] (Chairman)

Hayo Raich[1, 3, 4]
Chairman of the Group Works Council of Dürr AG, Stuttgart
Chairman of the General Works Council and Works Council of Dürr Systems AG, Stuttgart
Deputy Chairman

- ▪ Dürr Systems AG, Stuttgart (Deputy Chairman)

Arnd Zinnhardt[2]
Entrepreneur, Königstein im Taunus
Additional Deputy Chairman

- ▪ Aareon AG, Mainz (until September 30, 2024)
- ▪ Grant Thornton AG (Wirtschaftsprüfungsgesellschaft), Düsseldorf
- » Blinqx BV, Barendrecht, Netherlands (January 26, 2024 until February 20, 2025)

Mirko Becker[2, 3]
Deputy Chairman of the Group Works Council of Dürr AG, Stuttgart
Deputy Chairman of the General Works Council and Works Council of Dürr Systems AG, Stuttgart

Dr. Rolf Breidenbach[1]
Supervisory Board, Dortmund

- Brose SE, Bamberg (Chairman) (until July 8, 2024)
- STIHL AG, Waiblingen (additional Deputy Chairman)
- ZF Friedrichshafen AG, Friedrichshafen (Chairman since March 19, 2025)

» Leopold Kostal GmbH & Co. KG, Lüdenscheid (Member of the Advisory Board since February 12, 2025)
» STIHL Holding AG & Co. KG, Waiblingen (Member of the Advisory Board)

Prof. Dr. Dr. Alexandra Dürr[2, 5]
Professor for neurogenetics and head of research team, Paris Brain Institute, Paris, France

Carmen Hettich-Günther[3, 4]
Chairwoman of the Group Works Council of HOMAG Group AG, Schopfloch
Chairman of the Works Council of HOMAG GmbH, Schopfloch

- HOMAG GmbH, Schopfloch (Deputy Chairwoman)
- HOMAG Group AG, Schopfloch[6] (Deputy Chairwoman)

Thomas Hohmann[2, 3]
Head of Transformation at Dürr Systems AG, Stuttgart (Automotive division)

Dr. Markus Kerber[4, 5]
Entrepreneur, Berlin

- Heinz Dürr GmbH, Berlin (Chairman of the Advisory Board)

Maximilian Locher[2, 3]
(since September 18, 2024)
Secretary of the Union at the IG Metall district management, Stuttgart

Dr. Anja Schuler
Specialist in Psychiatry and Psychotherapy FMH, Zurich, Switzerland

- HOMAG Group AG, Schopfloch[6]

Dr. Martin Schwarz-Kocher[2, 3]
(until August 31, 2024)
Business management consultant of IMU Institut GmbH, Stuttgart

Dr. Astrid Ziegler[1, 3]
Political Secretary at the IG Metall Board of Management, Frankfurt a. Main

- Pfleiderer Deutschland GmbH, Neumarkt (Oberpfalz)

• Membership in statutory supervisory boards
» Membership in comparable German and foreign control bodies (of business entities)
[1] Member of the Executive Committee and Personnel Committee
[2] Member of the Audit Committee
[3] Employee representative
[4] Member of the Mediation Committee
[5] Member of the Nomination Committee
[6] open market

→ Table 4.113 shows a breakdown into components of the total remuneration of Supervisory Board members in the 2024 reporting period.

4.113 — SUPERVISORY BOARD COMPENSATION

€ thousand	2024	2023
Basic remuneration	903	910
Remuneration for committee membership	138	145
Attendance fee[1]	317	429
Remuneration of experts	11	11
Total remuneration	**1,369**	**1,495**

[1] For Supervisory Board and committee meetings

Total Supervisory Board remuneration also includes remuneration components under the membership of the Supervisory Board of other companies of the Dürr Group (Dürr Systems AG, HOMAG Group AG and HOMAG GmbH).

In the prior period, a remuneration of €24 thousand was paid for consultancy services provided to iTAC Software AG on the basis of a consultancy agreement.

44. STATEMENT OF CHANGES IN NON-CURRENT ASSETS

4.114 — INTANGIBLE ASSETS

€ thousand	Goodwill	Franchises, industrial rights and similar rights	Capitalized development costs	Prepayments for intangible assets	Dürr Group
Accumulated cost as of January 1, 2023	**504,835**	**393,376**	**180,462**	**740**	**1,079,413**
Exchange difference	–2,844	–2,198	–2	–	–5,044
Changes in the consolidated group	–	150,819	1,254	–	152,073
Additions	228,014	3,363	33,946	867	266,190
Disposals	–	–49,415	–19,122	–55	–68,592
Reclassifications	–	397	–49	–21	327
Accumulated cost as of December 31, 2023	**730,005**	**496,342**	**196,489**	**1,531**	**1,424,367**
Exchange difference	3,159	3,217	366	–	6,742
Additions	–	1,635	34,456	2,330	38,421
Disposals	–	–54,614	–14,281	–	–68,895
Reclassifications to held for sale	–80,008	–36,707	–7,700	–	–124,415
Reclassifications	–	2,311	–1,588	–	723
Accumulated cost as of December 31, 2024	**653,156**	**412,184**	**207,742**	**3,861**	**1,276,943**
Accumulated amortization and impairment as of January 1, 2023	**–**	**257,073**	**105,018**	**–**	**362,091**
Exchange difference	–	–1,801	82	–	–1,719
Additions to amortization for the period	–	27,337	14,622	–	41,959
Additions to impairment losses	–	4	563	–	567
Disposals	–	–49,360	–17,930	–	–67,290
Reclassifications	–	–15	–	–	–15
Accumulated amortization and impairment as of December 31, 2023	**–**	**233,238**	**102,355**	**–**	**335,593**
Exchange difference	–	1,654	94	–	1,748
Additions to amortization for the period	–	49,409	18,127	–	67,536
Additions to impairment losses	–	–	78	–	78
Disposals	–	–54,606	–13,983	–	–68,589
Reclassifications to held for sale		–32,738	–3,580	–	–36,318
Reclassifications	–	50	196	–	246
Accumulated amortization and impairment as of December 31, 2024	**–**	**197,007**	**103,287**	**–**	**300,294**
Net carrying amount as of December 31, 2024	**653,156**	**215,177**	**104,455**	**3,861**	**976,649**
Net carrying amount as of December 31, 2023	730,005	263,104	94,134	1,531	1,088,774
Net carrying amount as of January 1, 2023	504,835	136,303	75,444	740	717,322

4.115 — PROPERTY, PLANT AND EQUIPMENT INCLUDING RIGHT-OF-USE ASSETS

€ thousand	Land, land rights and buildings incl. buildings on third-party land	Investment property	Technical equipment and machines	Other equipment, furniture and fixtures	Prepayments and assets under construction	Dürr Group
Accumulated cost as of January 1, 2023	**713,577**	**49,762**	**127,849**	**267,994**	**35,791**	**1,194,973**
Exchange difference	–5,562	–	–1,267	–1,226	–	–8,055
Changes in the consolidated group	35,934	–	1,828	4,413	1,021	43,196
Additions	38,775	497	10,318	40,803	28,579	118,972
Disposals	–10,318	–1,291	–3,069	–35,943	–637	–51,258
Reclassifications to held for sale	–	–	–161	–	–	–161
Reclassifications	17,886	–	5,224	5,382	–29,465	–973
Accumulated cost as of December 31, 2023	**790,292**	**48,968**	**140,722**	**281,423**	**35,289**	**1,296,694**
Exchange difference	8,829	–	1,418	1,567	330	12,144
Additions	41,106	186	16,921	47,011	45,049	150,273
Disposals	–23,240	–116	–3,381	–29,322	–298	–56,357
Reclassifications to held for sale	–32,337	–	–10,555	–10,342	–4	–53,238
Reclassifications	12,851	–	5,746	8,259	–27,586	–730
Accumulated cost as of December 31, 2024	**797,501**	**49,038**	**150,871**	**298,596**	**52,780**	**1,348,786**
Accumulated depreciation and impairment as of January 1, 2023	**287,540**	**32,057**	**80,362**	**188,784**	**–**	**588,743**
Exchange difference	–3,289	–	–695	–996	–	–4,980
Additions to depreciation for the period	42,515	1,342	9,914	33,540	–	87,311
Additions to impairment losses	160	–	11	97	696	964
Disposals	–8,103	–806	–2,590	–34,690	–	–46,189
Reclassifications to held for sale	–	–	–60	–	–	–60
Reclassifications	16	–	–2	–645	–	–631
Accumulated depreciation and impairment as of December 31, 2023	**318,839**	**32,593**	**86,940**	**186,090**	**696**	**625,158**
Exchange difference	4,442	–	846	1,131	–	6,419
Additions to depreciation for the period	45,551	1,091	11,449	36,541	–	94,632
Additions to impairment losses	–	–	75	–	–	75
Disposals	–15,477	–26	–2,896	–27,258	–	–45,657
Reclassifications to held for sale	–13,742	–	–5,738	–7,079	–	–26,559
Reclassifications	–12	–	–8	–233	–	–253
Accumulated depreciation and impairment as of December 31, 2024	**339,601**	**33,658**	**90,668**	**189,192**	**696**	**653,815**
Net carrying amount as of December 31, 2024	**457,900**	**15,380**	**60,203**	**109,404**	**52,084**	**694,971**
Net carrying amount as of December 31, 2023	471,453	16,375	53,782	95,333	34,593	671,536
Net carrying amount as of January 1, 2023	426,037	17,705	47,487	79,210	35,791	606,230

4.116 — FINANCIAL ASSETS

€ thousand	Investments in entities accounted for using the equity method	Other investments	Non-current securities	Other loans	Dürr Group
Accumulated cost as of January 1, 2023	**19,577**	**9,693**	**–**	**602**	**29,872**
Exchange difference	–2,005	–	–1	–	–2,006
Changes in the consolidated group	–	–	2	–	2
Additions	645	–	71	–	716
Disposals	–	–25	–	–	–25
Change in value	477	720	–	–	1,197
Accumulated cost as of December 31, 2023	**18,694**	**10,388**	**72**	**602**	**29,756**
Exchange difference	–673	–	–4	–	–677
Additions	–	–	–	1,087	1,087
Change in value	587	1,073	2	–	1,662
Accumulated cost as of December 31, 2024	**18,608**	**11,461**	**70**	**1,689**	**31,828**
Accumulated impairment as of January 1, 2023	**1,941**	**–**	**–**	**602**	**2,543**
Reversal of impairments	–1,941	–	–	–	–1,941
Accumulated impairment as of December 31, 2023	**–**	**–**	**–**	**602**	**602**
Accumulated impairment as of December 31, 2024	**–**	**–**	**–**	**602**	**602**
Net carrying amount as of December 31, 2024	**18,608**	**11,461**	**70**	**1,087**	**31,226**
Net carrying amount as of December 31, 2023	18,694	10,388	72	–	29,154
Net carrying amount as of January 1, 2023	17,636	9,693	–	–	27,329

45. LIST OF GROUP SHAREHOLDINGS

4.117 — LIST OF GROUP SHAREHOLDINGS

Name and location	Equity interest in %*
A. FULLY CONSOLIDATED SUBSIDIARIES	
GERMANY	
BBS Automation GmbH, Munich[1, 2]	100.0
BBS Automation Blaichach GmbH, Sonthofen	100.0
BENZ GmbH Werkzeugsysteme, Haslach im Kinzigtal[1, 2]	100.0
Carl Schenck Aktiengesellschaft, Darmstadt[1, 2]	100.0
Cubanit Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, Mainz[4]	0.0
Dawandos Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, Mainz[4]	94.0
DUALIS GmbH IT Solution, Dresden[1]	100.0
Dürr Assembly Products GmbH, Püttlingen[1, 2]	100.0
Dürr Group Services GmbH, Stuttgart[1, 2]	100.0
Dürr International GmbH, Stuttgart[1, 2]	100.0
Dürr Somac GmbH, Stollberg/Erzgeb.[1, 2]	100.0
Dürr Systems AG, Stuttgart[1, 2]	100.0
Dürr Technologies GmbH, Stuttgart[1, 2]	100.0
Dürr thermea GmbH, Bietigheim-Bissingen[1, 2]	100.0
Grit Grundstücksverwaltungs-GmbH & Co. Verpachtungs-KG, Pullach im Isartal[4]	100.0
HEKUMA GmbH, Hallbergmoos[1]	100.0
HOMAG Automation GmbH, Lichtenberg/Erzgeb.[1, 2]	100.0
HOMAG Bohrsysteme GmbH, Herzebrock-Clarholz[1, 2]	100.0
HOMAG China Holding GmbH, Schopfloch[1, 2]	100.0
HOMAG GmbH, Schopfloch[1, 2]	100.0
Homag Group AG, Schopfloch[1]	67.7
HOMAG Kantentechnik GmbH, Lemgo[1, 2]	100.0
HOMAG Plattenaufteiltechnik GmbH, Calw[1, 2]	100.0
iTAC Software AG, Montabaur	100.0
Luft- und Thermotechnik Bayreuth GmbH, Goldkronach	100.0
Schenck RoTec GmbH, Darmstadt[1, 2]	100.0
SCHENCK TECHNOLOGIE- UND INDUSTRIEPARK GMBH, Darmstadt[1, 2]	100.0
SCHULER Consulting GmbH, Pfalzgrafenweiler[1, 2]	100.0
Sukzimit Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, Mainz[4]	0.0
tapio GmbH, Pfalzgrafenweiler[1, 2]	100.0
teamtechnik Maschinen und Anlagen GmbH, Freiberg a. N.	100.0
Techno-Step GmbH, Böblingen[1, 2]	100.0
Weinmann Holzbausystemtechnik GmbH, St. Johann[1, 2]	100.0

4.117 — LIST OF GROUP SHAREHOLDINGS

Name and location	Equity interest in %*
OTHER EUROPEAN COUNTRIES	
Accoris SARL, Lyon/France	100.0
ANT Sp. z o.o., Kraków/Poland	100.0
BBS Automation Lipany s.r.o., Lipany/Slovakia	100.0
BBS Winding S.r.l., Poggibonsi/Italy	100.0
CPM S.p.A., Beinasco/Italy	100.0
Datatechnic S.A.S., Uxegney/France	100.0
Dürr Group Services Sp. z o.o., Środa Wielkopolska/Poland	100.0
Durr Limited, Warwick/Great Britain	100.0
Dürr Poland Sp. z o.o., Radom/Poland	100.0
Dürr Systems AB, Gothenburg/Sweden	100.0
Dürr Systems Makine Mühendislik Proje Ithalat ve Ihracat Ltd. Sirketi, Izmit-Kocaeli/Turkey	100.0
Dürr Systems S.A.S., Lisses/France	100.0
Dürr Systems Spain S.A.U., San Sebastián/Spain	100.0
Dürr Systems spol. s r.o., Bratislava/Slovakia	100.0
Homag (Schweiz) AG, Höri/Switzerland	100.0
HOMAG AUSTRIA Gesellschaft m.b.H., Oberhofen am Irrsee/Austria	100.0
HOMAG DANMARK A/S, Galten/Denmark	100.0
HOMAG ESPAÑA S.A., L'Ametlla del Vallès/Spain	100.0
HOMAG France S.A.S., Schiltigheim/France	100.0
HOMAG Group Trading SEE EOOD, Plovdiv/Bulgaria	100.0
HOMAG ITALIA S.p.A., Giussano/Italy	100.0
HOMAG POLSKA Sp. z o.o., Środa Wielkopolska/Poland	100.0
HOMAG U.K. LTD., Castle Donington/Great Britain	100.0
Ingecal S.A.S., Lyon/France	100.0
Kahle Automation S.r.l., Caravaggio/Italy	84.7
Kallesoe Machinery A/S, Lem/Denmark	70.6
Olpidürr S.p.A., Novegro di Segrate/Italy	100.0
OOO "Homag Russland", Moscow/Russia	100.0
OOO Dürr Systems RUS, Moscow/Russia	100.0
Roomle GmbH, Linz/Austria	81.1
Schenck Italia S.r.l., Paderno Dugnano/Italy	100.0
Schenck S.A.S., Jouy-le-Moutier/France	100.0
System TM A/S, Odder/Denmark	100.0
Verind S.p.A., Rodano/Italy[3]	50.0
NORTH, CENTRAL AND SOUTH AMERICA	
BBS Automation Chicago Inc., Bartlett (Illinois)/USA	100.0
BBS Automation Guadalajara S. de R.L. de C.V., Santa Cruz de las Flores/Mexico	100.0
Cogiscan Inc., Bromont (Quebec)/Canada	100.0

4.117 — LIST OF GROUP SHAREHOLDINGS

Name and location	Equity interest in %*
CPM DO PERNAMBUCO MANUTENÇÃO DE MÁQUINAS E EQUIPAMENTOS LTDA., Goiana/Brazil	100.0
Dürr Brasil Ltda., São Paulo/Brazil	100.0
Dürr de México, S.A. de C.V., Santiago de Querétaro/Mexico	100.0
Durr Systems Canada Inc., Waterloo (Ontario)/Canada	100.0
Dürr Systems Inc., Southfield (Michigan)/USA	100.0
Durr Universal Inc., Stoughton (Wisconsin)/USA	100.0
Dürr Universal S. de R.L. de C.V., San Luis Potosi/Mexico	100.0
HOMAG CANADA INC., Mississauga (Ontario)/Canada	100.0
HOMAG INDÚSTRIA E COMÉRCIO DE MÁQUINAS PARA MADEIRA LTDA., Taboão da Serra/Brazil	100.0
Homag Machinery North America, Inc., Grand Rapids (Michigan)/USA	100.0
Kahle Europea, USA, Inc., Morristown (New Jersey)/USA	100.0
SCHENCK USA CORP., Deer Park (New York)/USA	100.0
STILES MACHINERY, INC., Grand Rapids (Michigan)/USA	100.0
teamtechnik Corp., Atlanta, Georgia/USA	100.0
Universal Silencer Mexico II LLC, Stoughton (Wisconsin)/USA	100.0
Universal Silencer Mexico LLC, Stoughton (Wisconsin)/USA	100.0
VERIND BRASIL SERVICOS E SOLUCOES LTDA. — EPP, Betim/Brazil[3]	100.0
AFRICA/ASIA/AUSTRALIA	
BBS (China) Automation Co., Ltd., Kunshan/PR China	100.0
BBS Automation (Kunshan) Co., Ltd., Kunshan/PR China	100.0
BBS Automation (Suzhou) Co., Ltd., Suzhou/PR China	100.0
BBS Automation (Tianjin) Co., Ltd., Tianjin/PR China	100.0
BBS Automation (Xian) Co., Ltd., Xian/PR China	100.0
BBS Automation India Private Ltd., Pune/India	100.0
BBS Automation Penang Sdn. Bhd., Penang/Malaysia	100.0
Dongguan Golden Field HOMAG Woodwork Machinery Trading Co., Limited, Dongguan/PR China	100.0
Dürr (Thailand) Co., Ltd., Bangkok/Thailand	100.0
Dürr Africa (Pty.) Ltd., Gqeberha/South Africa	100.0
Dürr India Private Limited, Chennai/India	100.0
Dürr Japan K.K., Funabashi/Japan	100.0
Dürr Korea Inc., Seoul/South Korea	100.0
Dürr Paintshop Systems Engineering (Shanghai) Co. Ltd., Shanghai/PR China	100.0
Dürr Systems Arabia for Contracting LLC, Jeddah/Saudi Arabia	100.0
Durr Systems (Malaysia) Sdn. Bhd., Petaling Jaya/Malaysia	100.0
Dürr Systems Maroc sarl au, Tangier/Morocco	100.0
DURR VIETNAM COMPANY LIMITED, Ho Chi Minh City/Vietnam	100.0
EPE Fund 3 (RF) (Pty) Ltd., Gqeberha/South Africa[3]	100.0
HOMAG Arabia FZE, Dubai/United Arab Emirates	100.0
Homag Asia (Thailand) Co., Ltd., Bangkok/Thailand	100.0

4.117 — LIST OF GROUP SHAREHOLDINGS

Name and location	Equity interest in %*
HOMAG ASIA PTE LTD, Singapore/Singapore	100.0
Homag Australia Pty. Limited, Sydney/Australia	100.0
Homag China Golden Field (Kunshan) Woodworking Machinery Co., Limited, Kunshan/PR China	100.0
HOMAG (China) Machinery Co., Ltd., Shanghai/PR China	100.0
Homag (Hong Kong) Limited, Hong Kong SAR/PR China	100.0
Homag India Private Limited, Bangalore/India	100.0
Homag Japan Co., Ltd., Higashiosaka/Japan	100.0
HOMAG KOREA CO., LTD., Seoul/South Korea	100.0
Homag Machinery (Shanghai) Co., Ltd., Shanghai/PR China	100.0
HOMAG TRADING AND SERVICES SDN. BHD., Kuala Lumpur/Malaysia	100.0
HOMAG VIETNAM COMPANY LIMITED, Ho Chi Minh City/Vietnam	100.0
Luhlaza Industrial Services (Pty) Ltd., Gqeberha/South Africa[3]	75.0
PT Durr Systems Indonesia, Bekasi/Indonesia	100.0
Schenck RoTec India Limited, Noida/India	100.0
Schenck Shanghai Machinery Corp. LTD, Shanghai/PR China	100.0
teamtechnik Production Technology (Suzhou) Ltd., Suzhou/PR China	100.0
B. NON-CONSOLIDATED SUBSIDIARIES	
Prime Contractor Consortium FAL China, Stuttgart/Germany	50.0
Unterstützungseinrichtung der Carl Schenck AG, Darmstadt, GmbH, Darmstadt/Germany	100.0
C. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	
GranIT GmbH Grafische und numerische Informationstechniken, Reutlingen/Germany	26.0
Nagahama Seisakusho Ltd., Osaka/Japan	50.0
D. OTHER FINANCIAL ASSETS	
Fludicon GmbH i.L., Darmstadt/Germany	0.6
Parker Engineering Co., Ltd., Tokyo/Japan	10.0
teamtechnik Production Technology Sp. z o.o., Skawina/Poland	7.0

* Investment pursuant to Sec. 16 AktG
[1] Profit and loss transfer agreement or domination agreement with loss assumption with the respective parent company
[2] Exemption pursuant to Sec. 264 (3) HGB
[3] Controlling influence as a result of contractual arrangements to control the relevant activities
[4] Structured entity pursuant to IFRS 10 and IFRS 12

Bietigheim-Bissingen, Germany, March 26, 2025

Dürr Aktiengesellschaft
The Board of Management

Dr. Jochen Weyrauch | **Dietmar Heinrich**

INDEPENDENT AUDITOR'S REPORT

To Dürr Aktiengesellschaft, Stuttgart/Germany

Report on the audit of the consolidated financial statements and of the combined management report

AUDIT OPINIONS

We have audited the consolidated financial statements of Dürr Aktiengesellschaft, Stuttgart/Germany, and its subsidiaries (the Group) which comprise the consolidated statement of profit and loss and other comprehensive income for the financial year from January 1 to December 31, 2024, the consolidated statement of financial position as of December 31, 2024, the consolidated statement of cash flows and the consolidated statement of changes in equity from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the parent and the group of Dürr Aktiengesellschaft, Stuttgart/Germany, for the financial year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of the sustainability statement included in part 7 of the combined management report, which contains the disclosures on the consolidated non-financial statement pursuant to Sections 315b and 315c German Commercial Code (HGB), or the combined corporate governance statement pursuant to Sections 289f and 315d HGB referred to in the identically titled section 2.1 of the combined management report, including further corporate governance reporting contained in section 2.1. Moreover, we have not audited the content of the chapter "Statement Unrelated to the Management Report" contained in section 5.1, "Risks".

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the abovementioned sustainability statement, of the combined corporate governance statement, as well as the content of section 2.1, and of the abovementioned chapter "Statement Unrelated to the Management Report".

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Recoverability of goodwill of Production Automation Systems

2. Recognition of sales revenue over time and accounting for construction contracts

Our presentation of these key audit matters has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)

b) auditor's response

1. Recoverability of goodwill of Production Automation Systems

a) Goodwill of €653.2 million (13% of consolidated total assets) is recognized in the consolidated financial statements of Dürr Aktiengesellschaft as of December 31, 2024. Of this amount, €238.0 million is attributable to Production Automation Systems, which is a group of cash-generating units. This group comprises the BBS Automation Group and the Teamtechnik Group. As a result of the acquisition of the BBS Automation Group in the prior year, the goodwill of Production Automation Systems in the consolidated statement of financial position as of December 31, 2023 increased by €216.6 million to €238.0 million.

   Goodwill is subject to an annual impairment test by the executive directors at the end of each reporting period. The Company did not determine any need for impairment as a result of the conducted impairment tests.

   The impairment test was based on a business valuation of Production Automation Systems, for which the expected future cash flows were discounted using the weighted average cost of capital (WACC) as part of a discounted cash flow method. The forecasts of future cash flows are based on a detailed business plan prepared by the executive directors, which is based on a detailed planning period until 2032. This takes into account the market growth expected in automation in the medium term.

The cash flows after this period are extrapolated at a growth rate specific to Production Automation Systems, which is based on long-term inflation expectations. The business plan was examined and adopted by the executive directors of Dürr Aktiengesellschaft. The supervisory board of Dürr Aktiengesellschaft approved the budget planning for the financial year 2025 and acknowledged the planning for the subsequent years.

The measurement depended to a large extent on the executive directors' discretionary estimate for the future cash flows and the discount rate used by the executive directors and, therefore, was subject to significant uncertainty. In addition, as part of our risk assessment of the recoverability of goodwill of Production Automation Systems, we identified increased risks of impairment, which especially result from the small difference between the recoverable amount and the carrying amount as well as from budget deviations concerning the order intake planned in the prior year for the financial year 2024, sales revenue as well as cash inflows. As a result of the above, this matter was considered to be of particular significance in our audit.

The disclosures of the executive directors regarding the recognition and measurement policies applied to account for goodwill as well as regarding goodwill and the related accounting judgments are included in notes 7 and 19 of the notes to the consolidated financial statements.

b) During our audit, we obtained a detailed understanding of the impairment test process for Production Automation Systems. We evaluated the design and installation of selected audit-relevant internal control.

Involving our internal measurement specialists, we verified the performance of the impairment test by the executive directors, assessing to what extent the impairment test can be influenced by subjectivity, complexity or other inherent risk factors, and, if estimates are made by the executive directors, evaluating the methods applied, assumptions made and data used with regard to their reasonableness. In this context, we also examined whether the measurement method applied has been appropriate in terms of methodology and calculation. We compared the forecasts included in the measurement with the budget adopted by the executive directors of Dürr Aktiengesellschaft and approved by the supervisory board as well as the business plan approved and/or acknowledged by the supervisory board.

Moreover, we assessed the plausibility of the expected future cash flows used in the planning calculations, including the underlying material assumptions, based on macroeconomic and industry-specific market data.

In addition, we examined whether the plannings are consistent with the disclosures on the strategy and medium-term planning as well as on the reporting regarding the expected future development in the combined management report.

Furthermore, we evaluated the determination of the discount rate. To this end, with the support of the internal measurement specialists involved by us, we analyzed the parameters used by making comparisons with market data including inflation data and related expectations.

Finally, we examined as to whether the disclosures made by the executive directors in the notes to the consolidated financial statements, including the sensitivity disclosures, are complete and correct.

2. Recognition of sales revenue over time and accounting for construction contracts

a) In the financial year 2024, realized consolidated sales revenue recognized over time from construction contracts totaled €2,698.3 million (63% of consolidated revenue).

Sales revenue from customer-specific construction contracts is recognized over time unless there is an alternative possibility of use and right to payment of the services already rendered. Pursuant to IFRS 15, sales revenue and the expected contract margin are accounted for according to the percentage of completion of a contract. The percentage of completion is calculated on the basis of the costs incurred in relation to the total estimated costs of a contract.

The recognition of sales revenue over time and accounting for construction contracts under IFRS 15 is a matter of particular importance in the scope of our audit, as this requires to a large extent judgment by the executive directors, especially with regard to the total costs of a contract, the determination of the percentage of completion and consideration of adjustments and risks to the contract.

The disclosures made by the executive directors regarding the recognition of sales revenue over time and the recognition and measurement policies applied to the recognition of construction contracts are included in the notes 2, 7 and 8 of the notes to the consolidated financial statements.

b) During our audit we obtained a detailed understanding of the underlying processes from the bid to the execution phase of construction contracts and assessed to what extent the processes and related data can be influenced by subjectivity, complexity or other inherent risk factors. In this context, we assessed whether the requirements for sales revenue recognition over time under IFRS 15 for construction contracts were met and analyzed the quality of planning costs in the past. We evaluated the design and implementation of audit-relevant internal control to ensure the correct recognition of construction contracts in the consolidated financial statements. For the majority of the sales revenue recognized over time, we examined the effectiveness of selected controls and relied on internal control. In order to audit the other revenue recognized over time, for which we did not rely on internal control, we extended the scope of our substantive procedures in accordance with our audit plan.

   For selected construction contracts, we performed substantive procedures. We

- analyzed the originally planned contract costs used for the determination of the percentage of completion of the individual construction contracts and the updated planning costs used for the consolidated financial statements;
- analyzed the development of margins in the course of the year for anomalies and in comparison with the prior year and took into account the findings obtained on this basis in the audit of changes in planned costs and contract values;
- verified whether the materials and labor overhead recorded on the respective construction contract was allocated properly and in the correct period using orders, proof of performance and supplier invoices;
- obtained evidence from third parties for selected projects and assessed their recognition in the consolidated statement of financial position;
- verified that the sales revenue had been entered in the right amount by comparing the underlying transaction prices with their applicable contractual bases;
- obtained and evaluated assessments of the percentage of completion and project risks for material projects from the project managers specified by the executive directors;
- assessed the appropriate presentation of construction contracts in the consolidated statement of financial position and verified the recognition of any provisions for impending losses.

OTHER INFORMATION

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the remuneration report pursuant to Section 162 German Stock Corporation Act (AktG),
- the sustainability statement,
- the combined corporate governance statement referenced in section 2.1 of the combined management report, including the further corporate governance reporting contained in that section,
- the chapter "Statement Unrelated to the Management Report" contained in section 5.1,
- the executive directors' confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report which is expected to be presented to us after the date of this auditor's report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the combined corporate governance statement, as well as for the remuneration report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group’s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group’s financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

AUDIT OPINION

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value d3e4c25a6edb7e6f4d6ec 9d8e32b5aa5f2e71a598db3d561b1ead7ede4e7e9ca meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

BASIS FOR THE AUDIT OPINION

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The executive directors of the Parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Parent are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

GROUP AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the general meeting on May 17, 2024. We were engaged by the supervisory board on October 1, 2024. We have been the group auditor of Dürr Aktiengesellschaft, Stuttgart/Germany, without interruption since the financial year 2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Jan Bühler.

Stuttgart/Germany, March 26, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Jan Bühler Wirtschaftsprüfer (German Public Auditor)	**Christoph Bartels** Wirtschaftsprüfer (German Public Auditor)

REPORT OF THE INDEPENDENT AUDITOR

To Dürr Aktiengesellschaft, Stuttgart/Germany

We have audited the accompanying remuneration report of Dürr Aktiengesellschaft, Stuttgart/Germany, ("the Company") for the financial year from January 1 to December 31, 2024, including the related disclosures, which has been prepared to comply with Section 162 German Stock Corporation Act (AktG).

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND OF THE SUPERVISORY BOARD

The executive directors and the supervisory board of Dürr Aktiengesellschaft, Stuttgart/Germany, are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

AUDITOR'S RESPONSIBILITIES

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). These Standards require that we fulfill the professional responsibilities and that we plan and perform the audit so that we obtain reasonable assurance as to whether the remuneration report, including the related disclosures, is free from material misstatements.

An audit involves performing audit procedures in order to obtain audit evidence for the amounts stated in the remuneration report, including the related disclosures. The choice of the audit procedures is subject to the auditor's professional judgment. This includes assessing the risk of material misstatements, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the system of internal control, which is relevant to preparing the remuneration report, including the related disclosures. Our objective is to plan and perform audit procedures that are appropriate in the circumstances, but not to express an audit opinion on the effectiveness of the Company's system of internal control. An audit also comprises an evaluation of the accounting policies used, of the reasonableness of accounting estimates made by the executive directors and the supervisory board as well as an evaluation of the overall presentation of the remuneration report, including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AUDIT OPINION

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2024, including the related disclosures, complies, in all material respects, with the accounting principles of Section 162 AktG.

OTHER MATTER – FORMAL AUDIT OF THE REMUNERATION REPORT

The content audit of the remuneration report described in this report comprises the formal audit of the remuneration report required under Section 162 (3) AktG including the issuance of a report on this audit. Since our audit opinion on the content audit of the remuneration report is unmodified, this audit opinion includes that the disclosures required under Section 162 (1) and (2) AktG are contained, in all material respects, in the remuneration report.

INTENDED USE OF THE REPORT

We issue this report as stipulated in the engagement letter agreed with the Company. The audit has been performed for the purposes of the Company and the report is solely intended to inform the Company about the result of the audit.

LIABILITY

This report is not intended to be used by third parties as a basis for any (asset) decision. We are liable solely to Dürr Aktiengesellschaft, Stuttgart/Germany, and our liability is also governed by the engagement letter dated September 30, 2024 agreed with the Company as well as the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" promulgated by the Institut der Wirtschaftsprüfer (IDW) in the version dated January 1, 2024 (IDW-AAB). However, we do not accept or assume liability to third parties.

Stuttgart/Germany, March 27, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Jan Bühler
Wirtschaftsprüfer
(German Public Auditor)

Christoph Bartels
Wirtschaftsprüfer
(German Public Auditor)

ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR

on a limited assurance engagement in relation to the consolidated sustainability statement included in the combined management report

To Dürr Aktiengesellschaft, Stuttgart/Germany

ASSURANCE CONCLUSION

We have conducted a limited assurance engagement on the consolidated sustainability statement of Dürr Aktiengesellschaft, Stuttgart/Germany, included in the reporting segment 7 Sustainability Statement of the combined management report on the parent and the group (hereinafter referred to as "Sustainability Statement") for the financial year from January 1 to December 31, 2024. The Sustainability Statement was prepared to fulfill the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Sections 315b and 315c German Commercial Code (HGB) for a consolidated non-financial statement.

References to information of the Company outside of the combined management report were not subject to our assurance engagement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe

- that the accompanying Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in chapter "7.1.4 Materiality Assessment" of the Sustainability Statement, or

- that the disclosures in the Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

We do not express an assurance conclusion on the above-mentioned parts of the Sustainability Statement that were not covered by our assurance engagement.

BASIS FOR THE ASSURANCE CONCLUSION

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

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

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Sustainability Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE SUSTAINABILITY STATEMENT

The executive directors are responsible for the preparation of the Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a sustainability statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Sustainability Statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Sustainability Statement.

INHERENT LIMITATIONS IN PREPARING THE SUSTAINABILITY STATEMENT

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Sustainability Statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Sustainability Statement.

GERMAN PUBLIC AUDITOR'S RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT ON THE SUSTAINABILITY STATEMENT

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

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

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

SUMMARY OF THE PROCEDURES PERFORMED BY THE GERMAN PUBLIC AUDITOR

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

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Sustainability Statement.

- inquired of the executive directors and relevant employees involved in the preparation of the Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Sustainability Statement, and about the internal controls relating to this process.

- evaluated the reporting policies used by the executive directors to prepare the Sustainability Statement.

- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.

- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Sustainability Statement.

- considered the presentation of the information in the Sustainability Statement.

- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

RESTRICTION OF USE

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

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

Stuttgart/Germany, March 26, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Jan Bühler
Wirtschaftsprüfer
(German Public Auditor)

Christoph Bartels
Wirtschaftsprüfer
(German Public Auditor)

RESPONSIBILITY STATEMENT BY MANAGEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Dr. Jochen Weyrauch **Dietmar Heinrich**

Bietigheim-Bissingen, March 26, 2025

GLOSSARY

Technology, products and sustainability

A

Advanced Analytics
Refers to a subfield of data processing that focuses on analyzing business information or business processes. In contrast to Business Intelligence (BI) procedures, which are restricted to the evaluation of historical data, Advanced Analytics (AA) aims at making predictions for the future.

Application technology
General term for all products related to the application of paint and high-viscosity materials, e.g. painting robots, paint atomizers, and color change systems.

B

Balancing technology
Rotating components such as wheels and turbines must be tested for imbalances. Any imbalance is then removed since it would otherwise cause vibrations or oscillations.

C

Calendering machines
Calendering machines are used for coating electrode films for lithium-ion batteries. Their two steel rollers press the cathode and anode materials onto the film by applying high pressure.

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

CO_2 equivalent (CO_2e)
This unit of measurement indicates the climate impact of different greenhouse gases compared with that of carbon dioxide (CO_2).

Corporate Sustainability Reporting Directive (CSRD)
An EU directive that provides a standardized framework for the reporting of non-financial data for the first time. It obliges companies to disclose detailed information on sustainability topics.

D

Dip coating
Process for applying the first prime coat that protects against corrosion. To coat the interior of the body as well, it is immersed. The coating is applied with the aid of an electric field.

E

Electrode coating
Anode and cathode material is applied to both sides of a metal foil as a thin paste and then dried. The material layers produced in this way are responsible for storing energy in a lithium-ion battery cell, while the metal foil acts as an electrode that conducts the electricity to and from the storage material.

Engineering
Development and design of machinery and plants. At Dürr, engineering often involves developing technical solutions that are geared to customers' specific production goals.

Environmental, Social and Governance (ESG)
ESG is frequently used as an equivalent to "sustainability".

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

F

Filling technology
Equipment designed for filling vehicles with the necessary operating media (e.g. brake fluid, refrigerant) in the course of their final assembly. Filling systems are also employed for charging refrigerators, air conditioners and heat pumps with refrigerant.

Finger jointing
A joining technique in which two pieces of wood are designed with matching wedge-shaped fingers and glued together to create a strong joint. It is commonly used in woodworking to produce very long wooden components or to remove knots, for example.

G

Gluing
Manufacturing process in which parts such as the sheet-metal components of a car are joined together by means of adhesives.

Greenhouse Gas Protocol (GHG Protocol)
Leading standard for the measurement and management of greenhouse gas emissions in organizations.

H

High-speed rotary atomizer
Atomizers ensure a uniform distribution of the spray jet in paint application processes. High-speed rotary atomizer rely on a bell-shaped disk revolving at up to 70,000 r.p.m. Due to this design, the paint fed to the center of the disk is accelerated and separated into fine threads which dissolve into minuscule droplets as they are propelled off the disk.

P

Predictive maintenance
An anticipatory approach for the proactive maintenance of machines and systems based on measured values and data serving to minimize failures that cause unplanned downtimes.

Process mining
Designates a technology for the systematic analysis and evaluation of business processes.

R

Robotic process automation (RPA)
With robot-supported process automation, repetitive and time-consuming office tasks are transferred to bots. This relieves employees, giving them more time for more demanding tasks.

S

Sealing
Process for sealing welding seams created when car body parts are joined. Sealing also includes the application of an undercoating that protects against rock impact.

Series construction
Designates construction on the basis of standardized, industrially prefabricated modules. In contrast to site-built construction, components are pre-manufactured so that they only need to be assembled at the construction site. Serial construction enables an accelerated construction process and is mainly applied in timber house construction.

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

T

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

Thermal oxidation
Thermal oxidation is a process for exhaust-air purification. The polluted waste air is burned in a combustion chamber.

Transition plan for climate change mitigation
Transition plan for climate change mitigation outlines a company's targets, actions, and resources for transitioning to a low-carbon economy, including actions such as reducing its greenhouse gas emissions in line with the target of limiting global warming to 1.5°C and achieving climate neutrality.

Financial

A

Asset coverage
A ratio that indicates the extent to which shareholders' equity covers non-current assets.

$$\frac{\text{equity}}{\text{non-current assets}} \times 100\ (\%)$$

Asset intensity
A ratio that indicates the relative weight of non-current assets in total assets. High asset intensity means high fixed costs and high levels of capital tied up.

$$\frac{\text{non-current assets}}{\text{total assets}} \times 100\ (\%)$$

C

Carve-out
Refers to split-off of parts of a company (e.g. individual business units) to form a legally independent entity, or their divestment. A carve-out is often executed to refocus a company on its core business.

D

Days sales outstanding
This metric indicates the number of days during which capital is locked up in receivables.

$$\frac{\text{Receivables} \times 360}{\text{Sales}}$$

Days Working Capital (Working Capital Turnover Period)
This metric indicates the number of days during which capital is locked up as Net Working Capital.

$$\frac{\text{Net Working Capital} \times 360}{\text{Sales}}$$

E

Equity/assets ratio
A ratio that indicates the extent to which shareholders' equity and non-current liabilities cover non-current assets.

$$\frac{\text{equity + non-current liabilities}}{\text{non-current assets}} \times 100\ (\%)$$

F

Framework agreement ratio
Framework agreements are long-term agreements between a company and a supplier in which terms and prices for certain goods or services are defined. The framework agreement ratio refers to the proportion of the purchasing volume that is covered by such agreements.

Free cash flow
Free cash flow is the cash flow from operating activities remaining after deducting capital expenditures, net interest paid and received and the repayment of leasing liabilities, and represents the amount of cash that is freely available to pay a dividend, make acquisitions and pay off debt.

G

Gearing
This is the ratio of net financial debt to shareholders' equity and net financial debt. The higher the relative weight of net financial debt, the higher the reliance on external lenders. However, a high gearing is not necessarily negative if the interest paid does not reduce profits excessively.

I

Interest coverage
An interest coverage ratio of <1 indicates that the company is not able to meet its interest payments from operating earnings.

$$\frac{\text{earnings before tax + net interest expense}}{\text{net interest expense}}$$

Inventories Turnover Period
This metric indicates the number of days during which capital is locked up in inventories.

$$\frac{\text{Inventories} \times 360}{\text{Sales}}$$

L

Liquidity ratios: cash ratio and quick ratio
These two liquidity ratios show the degree to which current liabilities are covered by cash and cash equivalents (and other current assets). They serve to measure a company's solvency.

$$\frac{\text{cash and cash equivalents}}{\text{current liabilities}} \times 100\ (\%)$$

$$\frac{\text{cash and cash equivalents + short-term trade receivables}}{\text{current liabilities}} \times 100\ (\%)$$

N

Net financial status
This represents the balance of the financial liabilities reported in the balance sheet after deducting liquid funds. If a company's liquid funds exceed its financial liabilities, it is de facto debt free.

$$\text{financial liabilities} - \text{liquid funds}$$

Net Working Capital (NWC)
This is a measure of the net funding required to finance current assets. Negative NWC is beneficial since it implies that sales are prefinanced by suppliers and customers. For the Dürr Group, the prepayments received from customers are an important factor affecting NWC.

$$\text{inventories} + \text{contract assets} + \text{trade receivables} - \text{contract liabilities} - \text{trade payables}$$

R

Return on Capital Employed (ROCE)
This measures the rate of return on the capital tied up in a company's operating assets (for instance in machinery and equipment, inventories, accounts receivable) and is the ratio of earnings before interest and taxes (EBIT) to capital employed.

$$\frac{\text{EBIT}}{\text{capital employed}} \times 100\ (\%)$$

Return on Equity (ROE)
This is the rate of return earned on shareholders' equity. It should exceed the rate of return on a comparable investment.

$$\frac{\text{earnings after taxes}}{\text{shareholders' equity}} \times 100\ (\%)$$

Return on Investment (ROI)
This ratio serves to measure how efficiently a company employs the total resources at its disposal.

$$\frac{\text{earnings after taxes + interest expense}}{\text{total assets}} \times 100\ (\%)$$

TEN-YEAR SUMMARY

5.1 — TEN-YEAR SUMMARY DÜRR GROUP[1,2]

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Incoming orders	€ million	4,745.7[3]	4,182.8[3]	5,008.4	4,291.0	3,283.2	4,076.5	3,930.9	3,803.0	3,701.7	3,467.5
Orders on hand (Dec. 31)	€ million	4,160.6[3]	3,886.9[3]	4,014.0	3,361.0	2,556.7	2,742.8	2,577.2	2,449.4	2,568.4	2,465.7
Sales revenues	€ million	4,290.9[3]	4,196.0[3]	4,314.1	3,536.7	3,324.8	3,921.5	3,869.8	3,713.2	3,573.5	3,767.1
Gross profit on sales	€ million	903.0[3]	901.3[3]	938.7	819.4	596.3	838.2	855.5	857.2	858.3	828.0
Overhead costs (incl. R&D costs)	€ million	–770.0[3]	–759.7[3]	–736.7	–657.6	–585.9	–639.0	–612.9	–601.8	–605.5	–566.4
EBITDA	€ million	307.5[3]	261.9[3]	337.5	299.4	125.3	308.5	326.9	367.7	360.3	348.2
EBIT before extraordinary effects	€ million	196.0[3]	224.3[3]	232.2	199.1	99.5	263.1	274.9	283.7	286.4	294.3
EBIT	€ million	152.4[3]	139.8[3]	205.9	175.7	11.1	195.9	233.5	287.0	271.4	267.8
Financial result	€ million	–40.0[3]	–20.9[3]	–17.8	–43.1	–29.7	–21.2	–13.8	–19.8	–13.3	–23.3
EBT	€ million	112.4[3]	118.9[3]	188.1	132.6	–18.5	174.7	219.7	267.3	258.1	244.5
Income taxes	€ million	–50.0[3]	–47.9[3]	–53.9	–47.6	4.7	–44.9	–56.2	–67.6	–70.3	–78.0
Net income/loss	€ million	62.4[3]	71.0[3]	134.3	84.9	–13.9	129.8	163.5	199.6	187.8	166.6
Profit/loss attributable to Dürr AG shareholders	€ million	101.5	112.0	131.0	83.0	–15.8	124.1	157.1	192.6	181.9	161.6
STOCK											
Earnings per share (basic)	€	1.47	1.62	1.89	1.20	–0.23	1.79	2.27	2.78	2.63	2.34
Earnings per share (diluted)	€	1.41	1.55	1.81	1.16	–0.23	1.79	2.27	2.78	2.63	2.34
Dividend per share	€	0.70[4]	0.70	0.70	0.50	0.30	0.80	1.00	1.10	1.05	0.93
Book value per share (Dec. 31)	€	17.62	16.91	16.17	14.45	13.06	14.89	14.12	12.80	11.70	10.07
Operating cash flow per share	€	5.55	4.15	3.83	3.71	3.11	2.48	2.34	1.73	3.29	2.50
Closing price (Dec. 31)	€	21.44	21.38	31.52	40.12	33.40	30.38	30.53	53.28	38.18	36.80
Number of shares (weighted average)	thousand	69,202	69,202	69,202	69,202	69,202	69,202	69,202	69,202	69,202	69,202
Market capitalization (Dec. 31)	€ million	1,484	1,480	2,181	2,776	2,311	2,102	2,113	3,687	2,642	2,547
INCOME STATEMENT											
Gross margin	%	21.0[3]	21.5[3]	21.8	23.2	17.9	21.4	22.1	23.1	24.0	22.0
EBITDA margin	%	7.2[3]	6.2[3]	7.8	8.5	3.8	7.9	8.4	9.9	10.1	9.2
EBIT margin before extraordinary effects	%	4.6[3]	5.3[3]	5.4	5.6	3.0	6.7	7.1	7.6	8.0	7.8
EBIT margin	%	3.6[3]	3.3[3]	4.8	5.0	0.3	5.0	6.0	7.7	7.6	7.1
EBT margin	%	2.6[3]	2.8[3]	4.4	3.7	–0.6	4.5	5.7	7.2	7.2	6.5
Interest coverage		3.8[3]	5.7[3]	10.8	4.1	0.5	7.3	11.5	13.4	13.7	10.7
Tax rate	%	44.5[3]	40.3[3]	28.6	35.9	25.2	25.7	25.6	25.3	27.2	31.9
CASH FLOW											
Operating cash flow	€ million	352.0[3]	210.9[3]	264.7	257.0	215.0	171.9	162.3	119.8	227.4	173.0
Free cash flow	€ million	129.6[3]	60.9[3]	117.1	120.8	110.7	44.9	78.4	14.3	129.9	62.8
Capital expenditure (property, plant & equipment and intangible assets)	€ million	188.7	157.1	138.5	107.8	76.4	102.6	74.4	88.0	81.9	102.3
Change in net financial status	€ million	120.4	–470.3	53.1	–50.5	50.3	–24.9	–144.0	17.6	47.1	–38.4
BALANCE SHEET											
Non-current assets (Dec. 31)	€ million	1,838.3	1,916.3	1,482.3	1,464.7	1,315.6	1,322.4	1,244.3	1,110.1	1,125.3	1,182.0
Current assets (Dec. 31)	€ million	3,140.1	3,239.7	3,048.6	2,689.0	2,563.2	2,560.0	2,370.1	2,401.4	2,223.2	1,804.6
of which cash and cash equivalents (Dec. 31)	€ million	831.6	1,037.1	716.1	583.1	769.2	662.0	655.0	659.9	724.2	435.6

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Equity (including non-controlling interests) (Dec. 31)	€ million	1,223.7	1,177.0	1,124.2	1,005.6	908.1	1,043.4	992.2	900.5	831.0	714.4
Non-current liabilities (Dec. 31)	€ million	1,343.6	1,225.3	957.9	1,056.8	816.2	1,056.4	786.1	787.3	843.3	585.0
of which pension obligations (Dec. 31)	€ million	33.0	40.4	36.4	50.9	58.1	59.0	50.1	49.8	51.8	49.7
Current liabilities (Dec. 31)	€ million	2,411.0	2,753.7	2,448.9	2,091.2	2,154.4	1,782.6	1,836.2	1,823.8	1,674.2	1,687.2
Financial liabilities (Dec. 31)	€ million	1,348.5	1,554.0	862.6	937.4	718.3	923.1	623.3	622.6	654.5	350.9
Total assets (Dec. 31)	€ million	4,978.4	5,156.0	4,530.9	4,153.6	3,878.8	3,882.3	3,614.4	3,511.6	3,348.5	2,986.7
Net financial status[5] (Dec. 31)	€ million	–396.2	–516.6	–46.4	–99.5	–49.0	–99.3	32.3	176.3	176.5	129.4
Net financial debt/EBITDA[5]		1.3[6]	1.6	0.1	0.3	0.4	0.3	–	–	–	–
Gearing (Dec. 31)	%	24.5[6]	30.5	4.0	9.0	5.1	8.7	–3.4	–24.3	–27.0	–22.1
Net working capital (Dec. 31)	€ million	421.3[6]	545.3	415.9	427.9	382.6	502.7	441.4	373.7	194.4	236.8
Days working capital	days	35.3[6]	42.4	34.7	43.6	41.4	46.1	41.1	36.2	27.2	22.6
Days sales outstanding	days	46.8[6]	49.2	49.6	59.8	55.2	53.8	56.1	51.7	47.3	51.9
Inventory turnover	days	52.6[6]	60.8	71.1	70.1	55.1	46.7	49.8	44.4	40.4	37.0
Equity assets ratio (Dec. 31)	%	66.6[6]	61.4	75.8	68.7	69.0	78.9	79.7	81.1	73.8	60.4
Degree of asset depreciation (Dec. 31)	%	48.5[6]	48.2	49.3	47.6	48.3	45.1	38.5	36.1	34.3	32.1
Depreciation expense ratio	%	7.0[6]	6.8	6.9	7.0	7.7	7.6	6.4	6.5	6.7	6.4
Asset coverage (Dec. 31)	%	139.7[6]	125.4	140.5	140.8	131.1	158.8	142.9	152.0	148.8	109.9
Asset intensity (Dec. 31)	%	36.9[6]	37.2	32.7	35.3	33.9	34.1	34.4	31.6	33.6	39.6
Current assets to total assets (Dec. 31)	%	57.5[6]	62.8	67.3	64.7	66.1	65.9	65.6	68.4	66.4	60.4
Cash ratio (Dec. 31)	%	37.2[6]	37.7	29.2	27.9	35.7	37.1	35.7	36.2	43.3	26.4
Quick ratio (Dec. 31)	%	60.9[6]	59.4	52.1	54.6	58.2	69.1	66.5	64.8	89.8	80.8
Equity ratio (Dec. 31)	%	24.6	22.8	24.8	24.2	23.4	26.9	27.4	25.6	24.8	23.9
Return on equity	%	8.3	9.4	11.9	8.4	–1.5	12.4	16.5	22.2	22.6	23.3
Capital Employed[7] (CE) (Dec. 31)	€ million	1,715.9[3]	1,517.3[3]	1,189.3	1,132.8	991.5	1,160.6	971.9	738.9	670.6	590.6
ROCE[7]	%	11.4[3]	14.8[3]	17.3	15.5	1.1	16.9	24.0	38.6	41.1	45.3
Weighted average cost of capital (WACC)	%	9.28	9.87	10.58	7.43	7.44	8.42	9.00	7.88	7.20	6.98
Dürr Group Value Added (DGVA)	€ million	–20.6	–24.1	18.3	38.8	–66.0	39.4	76.0	142.7	142.5	146.2
EMPLOYEES/R&D											
Employees (Dec. 31)		18,604[3]	19,320[3]	18,514	17,802	16,525	16,493	16,312	14,974	15,235	14,850
Cost per employee (year average)	€	–74,192[3]	–73,076[3]	–72,463	–68,154	–64,399	–69,055	–67,188	–68,725	–67,100	–67,000
Sales per employee (year average)	€	227,113[3]	231,222[3]	237,441	205,943	203,552	238,201	248,176	250,772	237,000	260,000
R&D ratio	%	3.2[3]	3.5[3]	3.2	3.5	3.2	2.8	3.1	3.1	3.0	2.6
R&D employees (Dec. 31)		953[3]	998[3]	971	922	795	789	782	713	695	667
R&D expenditure	€ million	–136.6[3]	–148.1[3]	–136.5	–123.9	–107.7	–110.8	–121.0	–116.7	–105.9	–97.1
R&D cost capitalized	€ million	34.4	33.9	23.6	21.5	18.1	19.0	14.5	9.6	12.4	11.5
Amortization of R&D cost capitalized	€ million	–18.1[3]	–14.5[3]	–12.9	–10.7	–10.0	–9.1	–9.9	–12.7	–13.1	–10.4

All figures according to IFRS.
[1] Please note the information on page 30 concerning the figures.
[2] Key figures take into account the entire Group unless otherwise stated.
[3] Key figure only takes into account the continued operations (excluding environmental technology business).
[4] Dividend to be proposed at the annual general meeting.
[5] Up until 2018 the Dürr Group had a positive net cash balance. Since 2019 leasing liabilities have been recognized in the net financial status in accordance with IFRS 16.
[6] Excluding assets held for sale and liabilities related to assets held for sale.
[7] The values for 2024 and 2023 were determined on the basis of a new calculation approach (cf. "Explanatory notes on the figures").

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Forward-looking statements

This annual report includes forward-looking statements about future developments. As is the case for any business activity conducted in a global environment, such forward-looking statements are always subject to uncertainty. Our information is based on the convictions and assumptions of the Board of Management of Dürr AG, as developed from the information currently available. However, the following factors may affect the success of our strategic and operating measures: geopolitical risks, changes in general economic conditions (especially a prolonged recession), exchange rate fluctuations and changes in interest rates, new products launched by competitors and a lack of customer acceptance for new Dürr products or services, including growing competitive pressure. Should any of these factors or other imponderable circumstances arise, or should the assumptions underlying the forward-looking statements prove incorrect, actual results may differ from those projected. Dürr AG undertakes no obligation to provide continuous updates of forward-looking statements and information. Such statements and information are based upon the circumstances as of the date of their publication.

FINANCIAL CALENDAR

March 28, 2025
Publication of the annual report 2024

May 13, 2025
Interim statement for the first quarter of 2025

May 16, 2025
Annual general meeting

August 7, 2025
Interim financial report for the first half of 2025

November 13, 2025
Interim statement for the first nine months of 2025

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