

# Sustainability Report

### **Our Company** in the Community



# The World is our Market



# OVER EUR **3.8** MILLION FOR TRAINING AND EDUCATION IN GERMANY



• Locations of the Equipment segment for which environmental data is collected

BAUER Resources GmbH built a geothermal heating system in Eschborn, southern Hesse, for the energy-efficient rehabilitation of an office building.



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### Foreword by the the Executive Board



#### Ladies and Gentlemen, partners and friends of our company,

"Sustainability or sustainable development means fulfilling the needs of the present in a way that does not limit the opportunities of future generations. In this process it is important to give equal weight to the three dimensions of sustainability – economic efficiency, social justice, environmental compatibility." – This statement can be read on the website of the German Federal Ministry for Economic Cooperation and Development (BMZ).

In the BAUER Group, we consider acting sensibly and sustainably to be a significant aspect of our entrepreneurial responsibility towards our employees, customers, partners and society. Our strategic and operational decisions, as well as our technical innovations, are oriented on their long-term effects and always factor in their consequences for humans and the environment. We pool together, coordinate and communicate all our sustainability activities under the name "B.sustainable".

In the 2021 financial year, the BAUER Group carried out a materiality analysis with the participation of the top management levels of the Group. This was based on the 17 Sustainability Development Goals of the United Nations. We used these to work out twelve sustainability aspects from the areas of environmental, social and governance values. We then subjected these to a materiality analysis. In this context, we considered two perspectives: On the one hand, we assessed the effects of the aspects on future business activity (opportunities and risks) and on the other hand, we analyzed the effects of our business activity on people and the environment (positive and negative impacts). We aim to establish our sustainability strategy based on the results of this analytical process.

In our Geotechnical Solutions, Equipment and Resources segments, our operating activities continually focus on further improvement when it comes to protecting the environment and climate. Our ongoing developments in the field of specialist foundation engineering aim to achieve noise reduction, lower material consumption and lower CO<sub>2</sub> emissions. We continually optimize the fuel consumption of our equipment and constantly work to advance electrification. Our electric drilling rig eBG 33 has already proven effective in operation on a site in London. Another step in the direction of sustainability is the battery-powered eBG 33 H all electric, which we presented at the Bauma trade fair in October 2022. With the additional electrification of the main consumers such as the rotary drive and main winch, this drilling rig defines new standards for energy efficiency. With our electric BAUER Dive Drill, we build foundations for offshore wind farms under the challenging conditions on the ocean floor and in deep waters. Noise reduction is an important concern in this context. Our Resources segment relies on a business model that is sustainable in itself. We aim to further expand this in the area of geothermal heat and with regard to methods for the preparation of raw materials.

Our passion for progress drives us forward. The prerequisite for progress and the foundation for our company's success are our employees. That's why at Bauer, we put people first. Only healthy, self-reliant, well-trained and satisfied employees can deliver high-quality results. The safety, health and satisfaction of our employees is one of the central goals of our corporate policy. To bring people together, we uphold many traditions: whether employee afternoons, communal sporting activities or concerts. We are always on the lookout for new initiatives to encourage personal interaction.

One important component of the company culture that we live by, and a cornerstone for our company's success, are our values: Responsibility, openness, appreciation, innovation and a down-to-earth attitude. These elements shape the way we interact. BAUER Group employees come from all over the world. Our staff included employees from 96 different nations in 2022. At our company, people from widely varying backgrounds pull together as a team. Across all continents, we are committed to achieving our goals together. Different outlooks and viewpoints, experiences and traits define the lively diversity and innovative spirit of our company.

Over the last months, we have made great strides and are optimistic for the future. Of course, the current global situation involves numerous risks – for people, the environment, the economy and for our company as well. It is very difficult to predict whether additional risks will arise or how the world will develop politically and economically in the future. We can face these uncertainties by making our company more sustainable and resilient. We are firmly convinced that we'll succeed. Sustainability is a key component on the path to a successful future.

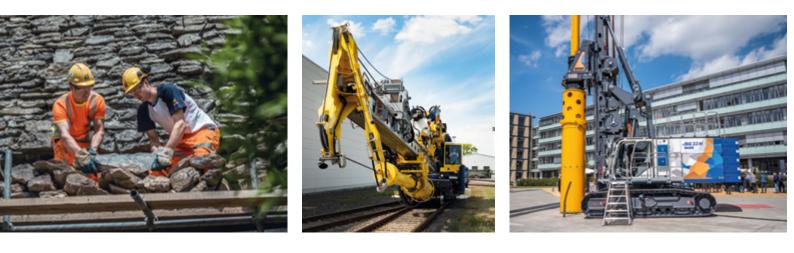
Our employees have demonstrated unbelievable dedication in 2022 once again and driven our company further forward. That's why I would like to extend my particular thanks to all our employees!

I hope you enjoy reading our latest Sustainability Report.

Yours sincerely,

Peter Hingott

### **Sustainability Milestones**



### 1980 - 1997

#### > 1980

- Safety and Environmental Protection department is established

#### > 1987

- Leisure, Sports and Cultural Committee is established

#### > 1988

 An integrated management system is created for covering quality, environmental protection, safety and health

#### > 1990

- BAUER und MOURIK Umwelttechnik GmbH is established as the first company to specialize in environmental technology

#### > 1991

- First Social Report is published
- Bauer is involved in the creation of various occupational profiles

#### > 1995

- First environmental statement is created
- First audit by an environmental auditor

#### > 1996

- Registration as an EMAS-certified company
- Company joins Bavarian Eco-Pact
- Founding member of the German Association for Ethics Management in the Construction Sector

#### > 1997

- Ethics management system is certified for the first time

### 2004 – 2010

#### > 2004

- BAUER Foundation is established

#### > 2005

- BAUER Umwelt GmbH is established as a holding company for the Group's environmental businesses

#### > 2006

- First employee satisfaction survey

#### > 2007

- Resources segment is established
- Company-wide master guideline is created for management strategies aimed at promoting a sustainable corporate culture
- First external certification of management system for occupational safety

#### > 2009

- First Sustainability Report is created
- Grand opening of new administration building in Schrobenhausen and Edelshausen plant
- Equipment manufacturing plant opens in Conroe, Texas, USA

#### > 2010

- First large-scale reed bed treatment plant is completed in the Sultanate of Oman
- BAUER Ausbildung Center opens
- Training circuit opens and BAUER Training Center GmbH is accredited to conduct drilling rig and pile driver operator's permit testing







# 2011 – 2017

#### > 2011

- Development and production of the Bauer Seabed Drill (BSD 3000)
- First mono-pile foundation for a tidal turbine
- Dual study programs offered for the first time

#### > 2012

- Employee suggestion system celebrates 40th anniversary
- The Group's global workforce exceeds 10,000 for the first time
- The 2011 Sustainability Report is the first report to adopt the GRI (Global Reporting Initiative) standard

#### > 2013

- Foundation work on what will be the tallest buildings in the world and in Europe
- Bauma Innovation Award for an underwater drilling technique
- KLEMM Bohrtechnik GmbH celebrates its 50th anniversary

#### > 2014

- MeBo 200 sea bed drilling rig is unveiled to the public
- Thai BAUER Co. Ltd. celebrates 25th anniversary

#### > 2016

- 25 years of SPESA Spezialbau und Sanierung GmbH
- BAUER Resources GmbH installs first solar-powered water treatment plant for fluoride removal in Ghana

#### > 2017

- BAUER Group commissioned to expand the largest reed bed treatment plant in the world in Oman

### 2018 - 2022

#### > 2018

- Bauer launches dual study program in Asia

#### > 2019

- CO<sub>2</sub> neutrality achieved at the world's largest constructed wetland in Nimr, Oman
- GWE GmbH celebrates 100th anniversary
- BAUER Maschinen GmbH and TU Dresden collaborate on 5G technology

#### > 2020

- The Nimr constructed wetland has treated 370 million m<sup>3</sup> of water in ten years
- 30 years environmental technology at BAUER Group
- BAUER Foundations Philippines, Inc. celebrates its 25th anniversary

#### 2021

- > Sustainability activities combined under B.sustainable
  - Employee survey carried out across Germany
  - Bauer presents its first electric drilling rig eBG 33 as well as a world first with the BAUER Cube System

#### > 2022

- Joint project Deep Sea Sampling of BAUER Maschinen GmbH receives the Bauma Innovation Award
- Bauer shows new products with alternative drive systems with the fully electric eBG 33 H and RTG Rg 19 T hybrid
- BAUER Resources GmbH participates in Carbo-FORCE

The BAUER Group is a leading provider of services, equipment and products related to ground and groundwater. With our powerful, innovative and highly efficient equipment, we execute the most difficult and largest foundation tasks around the world. 12,000 employees from around 100 nations generate total Group revenues of around 1.7 billion euros.

Bauer constructs the deepest bored piles ever executed in Vienna on the "Schottentor" connecting structure.



### Company

#### > Economic performance

By acting responsibly, we set the course for a successful future in which our company will continue to excel through its economic performance and commercial success. Commercial strength is based on responsible actions.

#### > Employment

We want to impress customers all around the world. Our corporate culture combines different world views and perspectives, experiences and ideas. We embody diversity and tolerance in our daily interactions. Together, we are committed to the values of responsibility, openness, appreciation, innovation and a down-to-earth attitude.

#### > Training and education

Our training for apprentices in trade professions is just as hands-on, varied and future-oriented as our training in technical or commercial professions. Every year, we train young people in around 20 different professions. Our employees are our greatest potential. We view their training and education as a decisive factor for our success. Digitalization in particular is leading to more complex production processes and increasing requirements.

#### > Occupational health and safety

We take on responsibility for the safety and protection of our employees. To minimize impacts as far as possible, we adopt preventive measures in the area of occupational safety and health protection. We strive to create a working environment that protects our employees against work-related dangers while enhancing their health and productivity.

#### Energy and emissions

Entrepreneurial responsibility means for us that we strive to keep our environmental footprint worldwide as small as possible. In order to achieve that, we continually improve our products and working methods, identify potentials for energy improvement and invest in modern technologies. Our employees are constantly searching for ways to use energy more efficiently, further reduce the fuel consumption of our equipment, prevent noise and conserve water.

#### > Compliance

Legally compliant, ethical and socially sustainable action is a fundamental principle for us. This underpins our commercial activities, the quality of our products and services as well as the sustainable development of our company. Compliance with social conventions, legal regulations and company rules as part of a responsible value management system is the top priority for our company.

#### The BAUER Group

When it comes to the largest construction projects in the world and complex specialist foundation engineering, Bauer is indispensable. We are a leading provider of services, equipment and products for ground and groundwater. Our Geotechnical Solutions, Equipment and Resources segments offer optimum solutions for the major challenges of today and tomorrow. With our subsidiaries, we operate a worldwide network on all continents.

Bauer has played a leading role in shaping the development of specialist foundation engineering. We carry out demanding and highly complex projects all over the world in the area of foundations, excavation pits, cut-off walls and soil improvement.

Bauer is a world market leader in the Equipment segment and provides the full range of equipment for specialist foundation engineering as well as for the exploration, mining and extraction of natural resources.

The Resources segment delivers highly innovative products and services and acts as a service provider with several business divisions and subsidiaries in the areas of drilling services and water wells, environmental services, constructed wetlands, mining and rehabilitation.

BAUER Aktiengesellschaft is the holding company of the Group. It provides central management and service functions for its affiliates. These specifically include human resources, accounting, financing, Group communications, legal and tax affairs, IT, strategic purchasing, facility management, and health, safety and environment (HSE).

The BAUER Group, which has its head office in Schrobenhausen, is a family business with a long tradition. With over 230 years of experience, Bauer today provides solutions for the biggest challenges of the future: urbanization, infrastructure, water and the environment.

#### Sustainability policy

The sustainability policy of the BAUER Group is oriented based primarily on the four objectives of corporate policy:

- Optimum efficiency (profitability)
- The confidence of our customers (quality)
- The safety, health and satisfaction of our employees (safety)

• The eco-friendliness of our actions and our products (environmental protection)

The Sustainability Policy is published on the website of the BAUER Group at www.bauer.de.

#### Organization

In 2021, the management of sustainability activities in the Group was reorganized. The prime responsibility for the sustainable development of the BAUER Group remains with the Group Executive Board and with the Managing Directors of the main companies in the Geotechnical Solutions, Equipment and Resources segments.

These individuals, together with the representatives from the areas of Sustainability, Corporate Communications and Group Accounting and Controlling, make up the Group CSR Steering Committee, which actively manages the key activities relating to sustainability. It is also planned to form structures with their own sustainability coordinators at the segment level in addition to the Group level.

#### Sustainability strategy

All sustainability activities in the BAUER Group have been combined and coordinated in a comprehensive strategy process under the name B.sustainable since the 2021 financial year. A next key step will be to develop a sustainability strategy for the Group and the segments. The significance of sustainability with all its different aspects is growing continuously for our business areas. This is why we bundle all our activities into a strategic organizational and operational structure. For many years, this has formed the cultural core of our business.

### **B**sustainable

#### Materiality analysis

In the 2021 financial year, the BAUER Group carried out a materiality analysis with the participation of the top management levels of the Group. This was based on the 17 Sustainability Development Goals (SDGs) of the United Nations. We used these to work out twelve sustainability aspects from the areas of environmental, social and governance values. We then subjected these twelve aspects to a materiality analysis. In this context, we differentiated between two perspectives: On the one hand, we clarified the effects of these aspects on future business activity (opportunities and risks) and on the other hand, we considered the effects of our business activity on people and the environment (positive and negative impacts).

We identified the following aspects with a higher significance at the group level: Energy and climate protection, adaptation to climate change, occupational health and safety, water resources, ethics management (corruption and bribery) as well as corporate governance.

In the further course of business, the respective current situation and the target level pursued for the individual aspects will be identified and defined. Based on these findings, a target formulation and a measurable package of measures will be worked out. In addition, work will continue on defining the Key Performance Indicators (KPI) and integrating these into our Group-wide reporting system. On this basis, we also developed the Group's external presentation and level of transparency.

Further information on this topic can be found in the 2022 Non-Financial Group Report, which is available to download on the website of the BAUER Group at www.bauer.de.

#### Occupational health and safety

Health, safety & environment (HSE) are central elements of the BAUER Group's business activities across the entire value chain. Global standards ensure a uniform HSE management system for all companies of the BAUER Group. By constantly reviewing our performance and comparing it with the targets we have set, we are able to make continuous improvements to our HSE system, which is associated with a consistent reduction of our accident and damage rates. We rely on a variety of preventive measures to structure and further develop our safety-relevant issues. The distinctions we received in 2022 have also confirmed our already solid position in the area of HSE. We strive to continually expand and reinforce our position.

#### Work-related accidents



\* LTIFR: Lost Time Incident Frequency Rate = work accidents and commuting accidents ≥ 1 day of absence per 1 million hours worked

\*\* Recordable work accidents (without commuting accidents) / 1 million hours worked

\*\*\* Source: BG BAU - Employer's liability insurance association for the construction sector

#### 11.5 12 10.6 10.7 10 8.8 7.0 8 6.6 6 46 45 3.8-3.8 4 2.6 2.7 2.4 1.72 0 2021 2022 2019 2020 Geotechnical 📕 Equipment 📕 Resources 📗 BAUER Solutions Group

### Work-related accidents by segment LTIFR \*

#### SAFETY DAY AT GWE

In 2022, GWE raised awareness for the topic of occupational safety among its employees with a Safety Day at several locations. For example, events were held in Nordhausen, Łódz and Mezöfalva. The goal of Safety Day was to reinforce the awareness of occupational safety among GWE employees. The Safety Day addressed the topic of occupational health and safety in the plant using a multifaceted approach. On site at the workstations, safety experts explained how employees can avoid hazardous work situations. Fire protection and first aid training offered practical exercises in appropriate reactions to hazardous situations. We are continually working on further improving our standards. It is crucial for occupational safety rules to be observed consistently in all our companies.



#### BAUER SPEZIALTIEFBAU RECEIVES THE INNOVATION AWARD FROM THE BAVARIAN CONSTRUCTION INDUSTRY FOR THE 2ND TIME IN A ROW

During the Entrepreneur Day for the construction industry in April, the 2022 Innovation Award from the Bavarian construction industry was presented. The first prize this year – for the second time in a row – went to BAUER Spezialtiefbau GmbH for its comprehensive digital tool set, which is now used on many of our sites. This includes the product catalog, from which different tools can be selected, 3D design tools for construction design, digital data recording of production using apps and b-project, all the way to preparation and visualization of the data in the BAUERdigital Portal and reintroduction of data into the BIM process.



#### BAUER RESOURCES GMBH PARTICIPATES IN CARBO-FORCE

On January 1, 2023, BAUER Resources GmbH acquired 50 % of the shares in Carbo-FORCE GmbH. For a long time now, there has been more CO<sub>2</sub> in the air than the natural cycle is able to neutralize. To resolve this problem, Carbo-FORCE GmbH has developed a groundbreaking plant that carbonizes biomass. The technology is based on the traditional principle of carbonization or pyrolysis. Biomass is heated to very high temperatures in an oxygen-free environment. This binds a large share of the carbon. The end product is biochar, which has a variety of possible uses: in agriculture for soil improvement, in livestock farming as feed charcoal, as an insulating material or as activated carbon filter. In this way, the Carbo-FORCE plant actively produces carbon credits as well as exhaust heat. Hardly any energy is required during operation, just at the start of the combustion process, so that far more energy is generated than consumed. The equipment is constructed by SCHACHTBAU NORDHAUSEN GmbH, a specialist in plant engineering with more than 30 years of experience in the field.

#### Research and development

Innovation is one of the core values of our company culture. After all, innovation means progress – and progress is essential in order to compete on the market. Our customers expect us to provide innovative solutions that are tailored to their specific needs. We develop these through our intensive research and development work. We continually optimize our equipment and services. Apart from this, we are engaged in testing and implementing new methods and technologies as part of countless research projects. The focus is on digitalizing and networking our developments.



#### New developments in equipment technology

In mid-2021, Bauer brought its first drilling rig with an electric drive on the market, the eBG 33. Then in 2022, the company opened up another chapter in electrification at Bauma, the world's leading trade fair for construction equipment. Bauer presented the new, fully battery-powered version of its electrical drilling rigs: the fully electric BAUER eBG 33 H all electric. With the additional electrification of the main consumers such as the rotary drive and main winch, the equipment defines new standards for energy efficiency. Locally  $CO_2$ -free operation with highly efficient energy use and low noise emission values has benefits for operators, residents and ultimately the environment as a whole.

RTG Rammtechnik GmbH also unveiled a true world first in 2022: the RG 19 T hybrid. The system capacity is achieved with a diesel engine and an additional electric drive, which considerably reduces the CO2 and noise emissions. With this model, RTG is setting standards in the telescoping leader segment. All RG models on the BS 55 RS and BS 65 RS base carriers can be offered with this hybrid technology in the future. The newly developed RTG Pile Driver app allows the operator to operate the equipment quickly and safely. In addition, complete service can be carried out on the equipment with the help of the app.

KLEMM Bohrtechnik GmbH also developed an electric model: The KR 806-3E features proven technology from the KR 806-3GS, however as an electrohydraulic, emission-free variant. The intelligent control system enables the use of batteries as a booster for drilling operation to reduce the required electricity load. Compared to the diesel-hydraulic variant, there are no restrictions when it comes to power and application. The electric equipment portfolio of the BAUER Maschinen Group is rounded off by the electrically powered duty-cycle crane from the MC series, as well as the innovative BAUER Cube System, which has been on the market since 2021. The cutting system, including hose drum system, fits into three conventional 20-foot high cube containers. As a result, it can be easily used in 3 x 3 m diameter tunnels, which is a major advantage for cutting projects in densely populated large cities. The impact of construction sites on traffic, businesses, and residents (in particular) are minimized with the BAUER Cube System. Last but not least, the electric drive system considerably reduces the ecological disturbance of a cutting site.



#### **BAUMA INNOVATION AWARD 2022**

The winners of the Bauma Innovation Award were announced on the evening before the 2022 Bauma opened. First, a professional jury selected 15 candidates for the final round. These were nominated for the Innovation Award in five categories. In the Research category, the first prize went to the Deep Sea Sampling cooperative project, which BAUER Maschinen GmbH is involved in. In the Building category, the process tracking system b.navigate from BAUER Spezialtiefbau GmbH achieved second place. The German machine and plant manufacturing association (VDMA), the Munich Trade Fair Center and the top associations for the German construction sector present the Innovation Award at each Bauma. With this award, the event organizers honor research and development teams from companies and universities which focus on introducing practical high-end technology onto the market for the construction, materials

and mining industry while remaining concerned about resources, the environment and people.



The interests and needs of our stakeholders are key guiding principles for our business activities. We rely on an ongoing productive dialogue with all parties involved. In order to encourage this, we regularly invite stakeholders to events and pursue social commitments.

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At Bauma, Bauer welcomed numerous guests to the completely redesigned and certified climate-neutral exhibition stand with an urban character.



# **Stakeholders**

#### > Customers and partners

We engage with our customers and partners on an equal footing. Obtaining clarity about their goals and requests and being able to fulfil them: this is what drives us to do our best. We strive to find solutions for the most urgent tasks of the future: urbanization, infrastructure, water and the environment.

#### > Employees

With their dedication, our employees lead our company to success. They operate within a trust-based work environment. This includes taking into account the different life phases of the individual employees. A wide variety of projects and initiatives have been introduced to strengthen solidarity and team spirit within our company.

#### > Shareholders

Open communication with our shareholders is as important to us as fair and appropriate participation. We want our shareholders to be satisfied with our services.

#### > Suppliers

Our procurement network extends over the entire world. Together with our suppliers and subcontractors, we take on responsibility. That's because we can only manage to fulfil quality requirements through close cooperation with our business partners. Personal responsibility, reliability and correct behavior are the cornerstones of our activity. Integrity is the benchmark we set for ourselves and our suppliers.

#### > Research and science

We cooperate closely with research and science institutions to promote twoway knowledge transfer and learn from one another. After all, digitalization also has an effect on technological competition. We engage in continuous dialog with research institutions and universities. By having many of our employees also bring their knowledge to universities and give lectures, we live up to our entrepreneurial responsibilities.

#### > Region and community

We believe that it is our responsibility to strengthen people's social cohesion and to improve their quality of life wherever our company operates. This is true for our locations in Germany as well as in the rest of the world. We are the largest employer at our headquarters in Schrobenhausen. In order to give something back to society, we are committed to social concerns. We support local associations, organizations and unions. It makes us proud that many of our employees also get involved on a voluntary basis.

#### WELDER TRAINING IN MONGOLIA

Schachtbau not only has extensive expertise in mining, but also in welding technology. For 30 years now, the company has maintained an internal welding training center. This knowledge has now contributed to the establishment of an internationally recognized education and training center for welding in Mongolia - a project implemented by the "Deutsche Gesellschaft für Internationale Zusammenarbeit" (German Agency for International Cooperation, GIZ) and funded by the German Federal Ministry for Economic Cooperation and Development (BMZ). The goal of this joint development cooperation is to raise the level of welder training in Mongolia to an internationally recognized standard. Specifically, this means: Schachtbau Nordhausen provides support through the creation of a welding training center, quaification of welding instructors, known as master welders, and the establishment of a national inspection authority in Mongolia based on the ISO standard. On site, the trainers are qualified as welding instructors so that they can subsequently train the welders on a standardized basis in the individual training centers and proceed to qualification with an internationally acknowledged test certificate. The implementation process took almost two years. In May, the welding training center in Erdenet, Mongolia was officially opened, with representatives in attendance from all cooperation partners as well as representatives from the German Embassy and the Mongolian Ministry of Economic Affairs. Together with the equipment financed by Schachtbau and the additionally organized equipment from Kleve, a total of 16 welding cabins were set up in the training center for the welding techniques of shielded metal arc welding, metal inert gas welding and tungsten inert gas welding. An additional cabin was equipped with machine technology for plasma cutting.

#### WELCOMING NEW APPRENTICES

Once again on September 1, 2022, many young people began a new phase of their lives by starting their professional careers. At BAUER AG, the new apprentices were welcomed with a varied introductory program to get to know the company and their colleagues. A total of 38 young people started their training at Bauer. They were joined by two dual-degree students. "We are thrilled to say that we were able to fill all open apprentice positions," reports Training Manager Gerhard Piske. "Training is highly valued at Bauer. As a rule we aim to tailor our training opportunities based on the current demand. This is why some professions are only offered every two years, like draftsman or electronics technician." In Nordhausen, 26 young people started their training at SCHACHTBAU NORDHAUSEN GmbH and SPESA Spezialbau und Sanierung GmbH. Furthermore, at BAUER Spezialtiefbau GmbH, seven young people started their training in the construction professions of construction equipment operator and specialist foundation engineer. Their training is also conducted in Nordhausen. All in all, 33 apprentices started their professional careers at Schachtbau Nordhausen in 2022.





#### OPEN HOUSE AT BAUER EQUIPMENT AMERICA

In May, Bauer Equipment America welcomed a number of customers and representatives from across the United States to the first Open House. Apart from many exhibits, guests were also treated to interesting presentations and exciting live demonstrations. The event concluded with a southern Texan dinner and live music – sales employee Chris Sanchez and his band Redlight Switch took to the stage with a local singer and delighted the audience. Feedback from guests at the end of the day was very positive.

#### ANOTHER SUCCESSFUL TALENT DAY

Digital, informative, interactive – at the virtual Talent Day 2022, interested parties obtained very personal insight into the BAUER Group, all from their computers at home. Participants were able to engage in dialog with employees from the Geotechnical Solutions, Equipment and Resources segments. The event is primarily directed at students. However, this time there were even some experienced professionals involved. Information was provided about the range of products at Bauer Maschinen and the advantages of the latest control technology and assistance systems. Furthermore, innovation and sustainable work in specialist foundation engineering were presented along with the Bauen Digital portal. Another exciting topic was networking individual objects in the Internet of Things (IoT). Finally, there were tips about the application process and the application procedure in the digital age.



From exciting participatory activities to informational presentations and demonstrations of impressive construction equipment in the evening: Once again, there was a lot on offer at BAUER AG's Training Night in September. Numerous young people and their family members visited the teaching workshop in Schrobenhausen and learned about the training opportunities at Bauer. The focus was particularly on personal dialog with trainers and apprentices. On the training circuit in Aresing, visitors were able to see heavy equipment live in action.





### PRESENTATION ON POTASSIUM MINING AT THE SCIENCE NIGHT

As a vital mineral, salt was more valuable than gold for centuries. Salt mining has existed since time immemorial. As part of the Science Night, Dipl.-Ing. Danny Bodenstab from SCHACHTBAU NORDHAUSEN GmbH gave a lecture at Nordhausen University on the topic "The Legacy of Salt Mining – Long-term Safeguarding of Shafts and Mines in Potassium Mining". What made this event unique: The audience was not made of specialists, but rather interested parties unconnected with the mining sector.



#### 34 TREES PLANTED

The goal of World Environment Day, which has been celebrated for the last half-century in many countries around the world, is to raise awareness about protecting the environment. In India as well, environmental issues are gaining importance. In the city of Singtam on the Teesta River, BAUER Engineering India Private Limited is carrying out the specialist foundation engineering works for the Teesta VI hydropower project. To celebrate World Environment Day, the Bauer team welcomed representatives from the client Lanco Teesta Hydro Power Limited (LTHPL) as well as from the customer Jai Prakash Associates (JAL) onto the project site. Together, they planted a number of trees. The Bauer team tends to the saplings until they are large enough and no longer require care. The goal is to reduce the site's carbon footprint. "Our most important duty is to work together as individuals and as an organization to protect our earth to the best of our abilities. This is why it is important to remind every employee that we only have one earth. We have to make sure that the next generation has an opportunity to grow up in a safe and clean environment," explains Purushothaman Yogeshwaran, Project Manager of Teesta VI.



#### NEXT LEVEL OPERATOR TRAINING

Safety is an immensely important issue on construction sites. It is of crucial importance that equipment operators are well trained and able to safely control their machines. The topic of sustainability and the question of which business trips are avoidable also plays a decisive role. Based on these considerations, Bauer developed the Next Level Operator application together with Usaneers GmbH. The only prerequisites are a stable internet connection and augmented reality glasses (AR glasses) with the corresponding software. This digital training solution delivers an enormous gain in safety on the site due to regular training. Furthermore, it ensures a better utilization of the equipment's technical possibilities, and increases operating efficiency. This is associated with lower downtimes, as damages can be prevented through better equipment knowledge. In addition, training can be individually adapted to the knowledge level of the individual equipment operator. And last but not least, the trainer does not need to be on site. Particularly when a variety of sites are involved, trainers can therefore support a far larger number of colleagues. This saves travel costs for all parties and protects the environment. This future-oriented technology made it to the finalists' round for this year's Bauma Innovation Award.



#### ANYONE CAN CHANGE A SINGLE PERSON'S WORLD

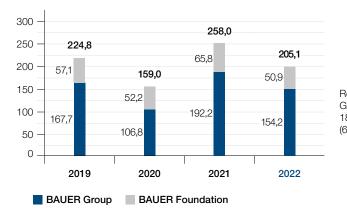
Irina Engelbrecht and Birgit Leone are not only colleagues at BAUER Technologies South Africa (PTY) Ltd, they are also united by the same concern: assuaging the need of the most impoverished people around them. For example, "Cultivate Love" is the name of the Christmas initiative which Bauer's South African subsidiary supported under the leadership of Irina Engelbrecht in December. "We are proud to be part of this initiative. The smiles and joy we saw in 200 orphans who received toys, sweets, writing supplies and some clothing from us was priceless," she reports. Birgit Leone also knows that many people in South Africa lack the most basic necessities all too often. In the first year of the COVID-19 pandemic, when many South Africans lost their jobs, she put together a local soup kitchen at short notice. Up to 90 children receive one to two meals per week here - for them, this is often the only meal of the day. Birgit Leone also organizes food packages for multiple families, helps to provide supplies for school children or arranges small Christmas presents for the children at the soup kitchen. Financing is predominantly through donations. "We know that we cannot change the entire world, but each of us can change a single person's world. We are glad to give back to the society around us," say the colleagues in unison.

#### "BAUER GROUP HELP FOR UKRAINE" FUNDRAISING CAMPAIGN

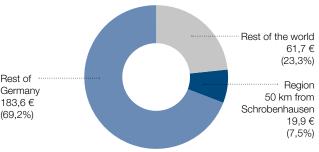
Many people were shocked when the first reports and pictures of war in Ukraine went around the world. The precarious situation of people in Ukraine as well as refugees who have had to flee their homes has led to a wave of willingness to help from people in many countries. Many employees in the BAUER Group also wanted to help. In March 2022, the Group therefore cooperated with "Aktion Deutschland Hilft" (Germany's Relief Coalition), a coalition of German relief organizations that is based in Bonn, to launch a fundraising campaign "BAUER Group Help for Ukraine." The result: After two weeks EUR 100,000 was collected, including the amount contributed by the company.

#### BAUER Group and BAUER Foundation donations

in EUR thousand



### BAUER Maschinen GmbH purchasing according to region in EUR million





TRICT

und

CUTTING

Exploring

BAUER MC 96

14

JER MC 96

Shaping the future together – that's what drives our employees.



### Employees

#### > Diversity

Around 12,000 employees from around 100 countries worked at the BAUER Group in 2022. This diversity shapes our company culture. The varying skills of our employees are a cornerstone of our success. Together, we aim to shape the future.

#### > Equal opportunities

Each of our employees, whether with or without disabilities, receives equal and fair opportunities. We do not tolerate discriminatory behavior. Innovative solutions can only be generated in a company culture where every employee feels welcome with their ideas and strengths. An inspiring environment is the basis for all our innovation processes.

#### > Work-life balance

Family is a high priority for us. We find individual solutions to protect work-life balance, such as reintroduction programs, flexible working hours and job-sharing models. Our rules regarding mobile work contribute to flexibility and an appropriate balance between virtual work and the in-person attendance which we view as important.

#### > Company benefits

We take on responsibility for our employees. We find the right solutions to safeguard against the risk of incapacity to work. We also offer company retirement pensions. Furthermore, we assist with a flexible transition from working life into retirement. Bike leasing is also a component of our company services.

#### > Development opportunities

The training and development of our employees is a central component of our success. We systematically advance the process of digitalization in our company. To this end, we also rely on digital learning formats such as e-training and webinars.

#### > Health, sports and leisure

We care about the personal well-being of our employees. Apart from programs and presentations on preventive care, fitness, nutrition and health, we support our employees with occupational checkups, preventive measures all the way to workplace design.

#### > Apprenticeships and studies

For a company to be viable in the future, it has to secure a sufficient number of skilled workers. We train our specialists in around 20 different apprenticeship professions. Our student employees can complete a combined degree program which allows them to start their careers with a bachelor's degree and a vocational qualification that is fully recognized by the Chamber of Industry and Commerce (IHK). We also employ interns, working students, dual students and trainees.

# WE CAN HANDLE TECHNOLOGY – YOUNG WOMEN IN VOCATIONAL TRAINING

Bauer has always employed young women in vocational training programs. In the past ten years, the company has seen a noticeable increase in female applicants. There is a growing interest in vocational training for assembly and on sites. Common professions include electronics technician, industrial and cutting machine technician or construction materials inspector. Schachtbau Nordhausen is also proud to report growing interest among female students. Nevertheless, young women are still in the minority among vocational apprentices.

#### FIRST TRAINED APPRENTICES AT BAUER EQUIPMENT MALAYSIA

The dual study program, traditional to Germany, is eagerly adopted in many parts of the world - last but not least, by foreign subsidiaries of German companies. BAUER Equipment Malaysia Sdn Bhd, a subsidiary of BAUER Maschinen GmbH near Kuala Lumpur, first hired three apprentices in 2018. After three and a half years, they have successfully completed their training as mechatronics engineers. "The apprenticeship in Malaysia is identical to the apprenticeship in Germany, it is divided into theory and practical application," reports Arnold Nestler. The trained mechatronics engineer for motor vehicles has been with Bauer Equipment Malaysia for more than 10 years and became the training manager there in 2018. While the practical training was conducted on the company's premises, lessons were held at the German Malaysia Institute (GMI). There, lessons strictly followed the curriculum of the German vocational school. After passing the Chamber of Industry and Commerce (IHK) exam, the Malaysian colleagues received their apprenticeship diplomas. "We are very pleased with our first graduating class and would like to warmly congratulate our three colleagues," remarks Robert Neukäufer, Managing Director at Bauer Equipment Malaysia, who has lived in Malaysia for more than 25 years.



### BIKE LEASING: PASSING THE MILESTONE OF ONE THOUSAND

Why buy when you can lease? Many Bauer employees had this same thought and are already using the Bauer bike leasing program. "We've already broken the sound barrier of 1,000 bikes," reports Frank Seitz, Contact in the HR Department of BAUER AG. Employees who switch to a company bike are doing something good not only for themselves, but also for the environment. An example calculation: If a commuter travels a 5 km commute by bike instead of by car, this can save around 310 kg of CO2 emissions per year.

#### **500 KM IN FIVE DAYS**

Just in time for the start of this year's bike tour from Nordhausen to Schrobenhausen in May, the sun came out to shine. In five stages, the eight cyclists traveled from Thuringia to Bavaria. The individual stage targets for the 523 km long route were Schwabhausen, Trostadt, Fürth, Eichstätt and Schrobenhausen. Every day, the participants traveled between 80 and 125 km on their bikes.



#### **INGOLSTADT HALF-MARATHON 2022**

In May 2023, the 22<sup>nd</sup> edition of the Ingolstadt Half-Marathon was held. This varied route, exactly 21.0975 km long, passes over natural sections like the Danube dam, the Baggersee lake or the Glacis park, as well as the center of the city. Apart from this, the numerous spectators made this race into a one-of-a-kind spectacle. With more than 1,500 participants from all over Germany, the half marathon is the Ingolstadt running highlight of the year. Of course, some eager employees participated in the race on Bauer's behalf as part of the "BAUER Maulwürfe."

#### BAUER EMPLOYEE AFTERNOON

The Bauer employee afternoon is traditionally held on the grounds of the head office in Schrobenhausen – and the same was true in May 2023. A lot of activities were offered: for example a carousel, face painting, bouncy castle, Bobby car track and goal-shooting contest. The weather was fitting for the gentle month of May, so visitors were able to relax comfortably in the beer garden as well as the tent. In particular, the small guests made ample use of the opportunities to sit in one of the drilling rigs that was still set up after the in-house exhibition. Starting early is the key to success!



#### 2022 MOTORCYCLE TOUR TO THE ZILLERTAL VALLEY

On a Sunday in June, eleven Bauer bikers started their motorcycle tour in Schrobenhausen organized by the leisure, sports and culture committee. Their destination was the beautiful Zillertal Valley, where the bikers explored the Zillertal High Alpine Road. One highlight and at the same time the highest point on the tour: a break at an altitude of 2,003 m.



#### FAMILY DAY AT KLEMM

A varied program attracted numerous Klemm employees and their families in August. Visitors were thrilled to get a glimpse behind the scenes and get to know the areas where their family members work in a relaxed atmosphere. There was lots to discover: Drilling rigs were presented, a 3D printer produced dinosaurs and butterflies, children were able to cut their names onto metal plates at the processing center and a large bouncy castle awaited clamoring young guests at the washing station.

#### HONORING MANY YEARS OF SERVICE AT THE COMPANY

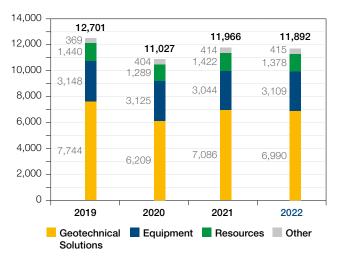
Not only at the headquarters in Schrobenhausen but all around the world, there are employees who have dedicated themselves to Bauer's success over decades. At BAUER Malaysia , 13 employees were honored for their 25th and 30th anniversaries at Bauer in 2022. Mikko Gastager, Director Asia Pacific at Bauer Spezialtiefbau, thanked the honorees for their many years of commitment.



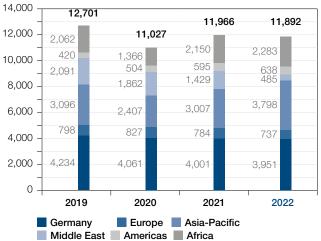
#### BAUER APPRECIATION SYSTEM

At Bauer, value-oriented company culture is a core component of the company's identity. One of the key pillars of this culture is appreciation. Every effort is made to live up to this value in everyday interactions at all levels. Nevertheless, even at Bauer, there are services essential to the company's success and outstanding examples of expertise that sometimes remain invisible. To show appreciation, recognition and gratitude for employees who are not in the spotlight despite their outstanding services, the BAUER Appreciation System was introduced in 2018. In total, 23 employees have been honored so far. In 2022, five employees from Germany, Senegal, Malaysia and Saudi Arabia received the BAUER Appreciation Award.

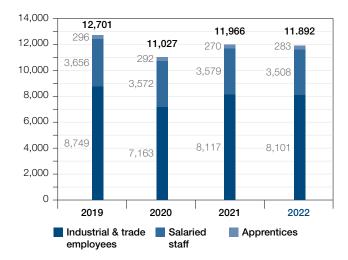
#### Employees by segment



#### Employees by region

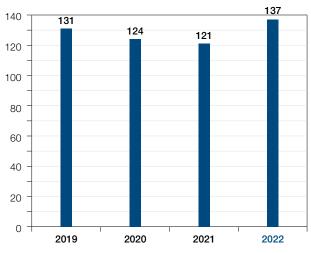


#### Employees by employment type



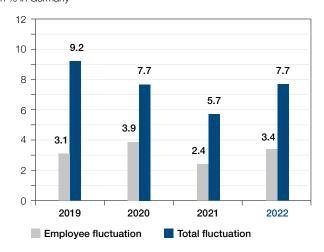


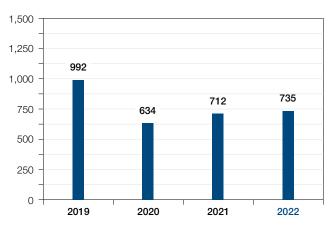
in Germany



#### Fluctuation rate

in % in Germany



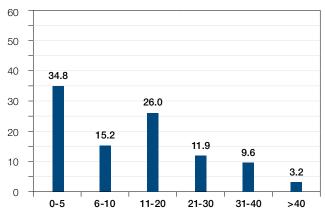


#### Submitted improvement recommendations

in Germany

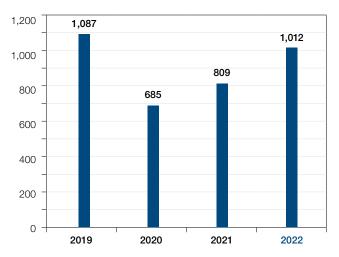
#### Length of employment

in % in Germany

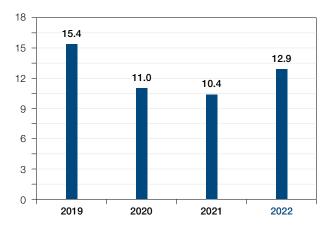


#### Number of seminars

in Germany

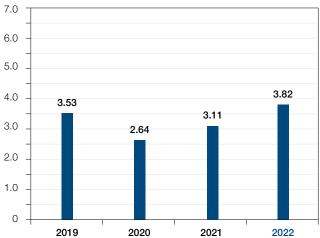


### Average number of training hours per employee in hrs. in Germany



#### Continuing education costs

in EUR million in Germany



From the very beginning, our company has been characterized by its great capacity for innovation. We use this capacity for innovation to continually reduce our environmental footprint. Sustainability is the benchmark for our business activities. With our BAUER eBG 33, we have developed the world's first electric large rotary drilling rig. In this way, we could demonstrate that heavy, electrically powered construction equipment can accomplish the same tasks as conventional equipment.

First specialist foundation engineering project in Liechtenstein Bauer carries out remedial actions to safeguard a dam.

### Environment

#### > Environmental management

We aim to minimize the environmental impacts of our business activity as far as possible. That is why our environmental management system has been established in the company for many years now as the basis for achieving our targets. We structure our organizational and decision-making processes around aspects related to the environment. Other central areas of action in our corporate HSE strategy are health and safety. We ensure responsible conduct using our standards and guidelines. We regularly conduct internal HSE audits on these standards in order to review target values and prevent negative developments.

#### > Raising awareness

Continually advancing environmental protection in all company divisions is a matter of course for Bauer as a responsible business. Target achievement falls under the area of responsibility of the managing directors of the individual companies. They coordinate environmental goals, strategies and measures in an open dialog with employees. The central assistance, coordination and review of implementation is carried out by the HSE department. The HSE department also conducts activities and training to reinforce the environmental awareness of all employees.

#### > Many approaches to environmental protection

Many small individual activities can have a large effect overall. For this reason, we have used company vehicles with consumption and emission-optimized drive systems for years now. The percentage of electric vehicles used for internal traffic on our premises is continually growing. The BAUER eBG 33 is the world's first electric large rotary drilling rig. It relies on electrical power, so it does not require any more fossil fuels. Another step in the direction of sustainability is the battery-powered eBG 33 H all electric, which we presented at the Bauma in 2022. For our diesel-powered large rotary drilling rig, we use HVO 100 instead of conventional diesel in the Aresing plant since mid-2022. HVO 100 is composed of hydrotreated residual cooking fats and oils, and has a considerably improved environmental footprint for particles, nitrogen oxide and CO<sub>2</sub>.

Our ongoing developments in the area of digitalization are also reducing  $CO_2$  emissions. Through the use of modern communication methods and worldwide video conference systems, we avoid long trips and reduce the impact on the environment.



# Environmental Statement for the Schrobenhausen Location

#### **REPORTING BASIS AND LIMITS**

This updated environmental statement, in accordance with the requirements of EMAS III, is an integral part of the 2022 Environmental Statement and outlines major changes, trends in consumption and key figures, as well as the status of environmental goals at the Schrobenhausen location. This location is the headquarters of the company and is home to the largest machine production facility. It consists of the buildings of the head office as well as the Schrobenhausen, Aresing, and Edelshausen plants. The main companies located here are BAUER AG, BAUER Spezialtiefbau GmbH, BAUER Maschinen GmbH, BAUER Resources GmbH and BAUER Offshore Technologies GmbH. The Schrobenhausen site has approximately 196,467 m<sup>2</sup> of built-up land. The Nordhausen location includes SCHACHTBAU NORDHAUSEN GmbH and SPESA Spezialbau und Sanierung GmbH. Compliance with the European Union's EMAS environmental management standards was reconfirmed at the Schrobenhausen location after successful validation of the consolidated environmental statement in August 2023. Bauer has now been registered as an EMAS-certified company for over 20 years - a testament to the continual improvement of our environmental performance.

#### TREND IN ENERGY CONSUMPTION

After an increase in the previous year, energy consumption at the Schrobenhausen location decreased significantly again in 2022. At the Schrobenhausen plant, two existing oil and gas heating systems were replaced by two new energy-efficient gas heating systems. At the Aresing plant and the head office, geothermal plants generate energy. A photovoltaic system has been installed in Edelshausen that generated more than 362.65 MWh of energy during 2022, which were fully fed into the supply grid.

#### TREND IN EMISSIONS

 $NO_{x}$ ,  $SO_{2}$ , and  $CO_{2}$  emissions were calculated on the basis of electricity, heating oil, natural gas, and fuel consumption. The installation of geothermal energy systems in the head office building in Schrobenhausen and the Aresing plant, combined with the dismantling of heating oil systems, is having a positive impact in terms of preventing sulfur oxide emissions. The share of emissions at the Schrobenhausen location as well as the

two plants in Aresing and Edelshausen further decreased when compared with the previous year. The increase in the previous years was attributable to COVID-19 measures. A little more heating was required due to regular ventilation. There was also a longer heating period as a result of the harsher winter. Some fossil fuels have been replaced by environmentally-friendly and low-emission energy sources. The geothermal energy systems installed in the Aresing plant and at the head office resulted in total savings of 31 t CO<sub>2</sub> for 2022 (previous year: 43 t). In 2022, the photovoltaic system in Edelshausen saved 81 t of CO<sub>2</sub> (previous year: 83 t).

#### WATER CONSUMPTION

Water consumption at the head office and the Aresing plant further decreased in 2022 compared to 2021. At the Edelshausen plant, on the other hand, water consumption increased significantly again in 2022. In the figure on page 29, the fresh water consumption corresponds to the waste water volume.

#### SOLVENT EMISSIONS

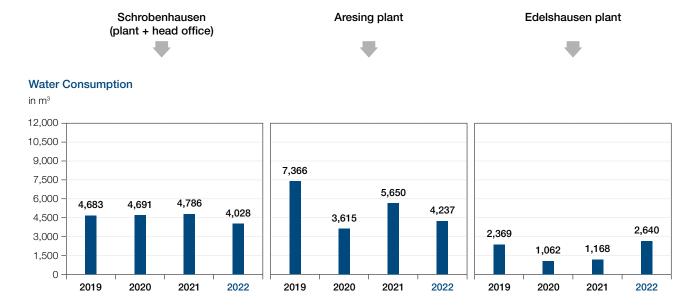
The introduction and increased use of low-solvent water-based paints in 2009 with a solvent content of only three to six percent, about a tenth of that of conventional paints, helped us greatly to reduce our VOC emissions compared to the previous year. The Aresing plant recorded an increase in solvent emissions in 2022 to 7.3 t (previous year: 5.9 t).

#### WASTE VOLUME

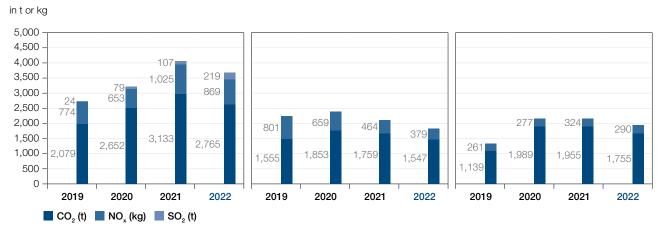
The amount of hazardous and non-hazardous waste at the Schrobenhausen location increased in 2022 to 6,745 t (previous year: 5,062 t). More than 99% of waste is now recycled.

#### MATERIAL EFFICIENCY

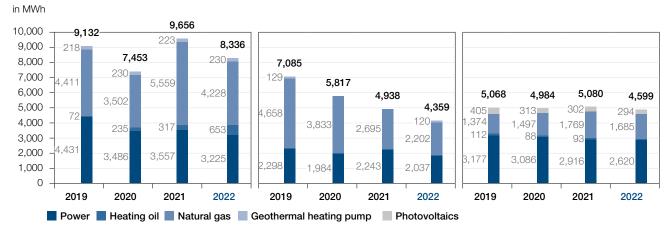
The core indicator of material efficiency refers to the environmental impact directly related to the materials used in machine production. In 2022, this value was 5,763 t (previous year: 4,304 t).

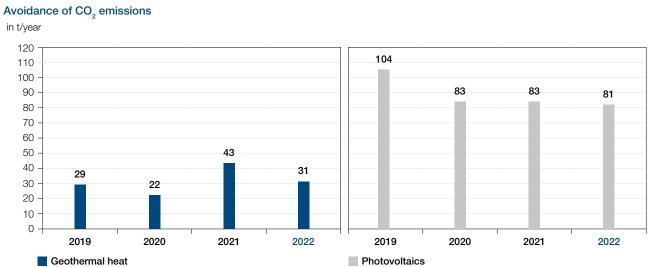


#### Emissions



#### **Energy Consumption**





Edelshausen plant

#### Core indicators of EMAS III in relation to gross value added

Aresing plant

➡

	2	020	2	021	20	22
	Core indicator	Core indicator/ gross value added	Core indicator	Core indicator/ gross value added	Core indicator	Core indicator/ gross value added
Built-up area (m²)	196,467	1038.60	196,467	878.70	196,467	1586.13
		Inpu	ut			
Water (m <sup>3</sup> )	9,368	49.51	11,608	51.91	10,905	88.03
Power (MWh)	8,556	45.22	8,716	38.98	7,882	63.63
Natural gas (MWh)	8,832	46.68	10,023	44.82	8,113	65.49
Fuel (MWh)	2,023	10.69	2,093	9.36	2,149	17.35
Heating oil (MWh)	323	1.70	410	1.83	653	5.27
Geothermal heat (MWh)	543	2.87	689	3.08	No available statement	Meter defective
Metal boards (t)	2,906	15.36	3,712	16.60	5,218	42.12
Paints (t)	39	0.20	51	0.22	31	0.25
Lubricants (t)	302	1.59	377	1.68	354	2.86
Acetylene (t)	6.7	0.03	7.2	0.03	7.2	0.06
CO <sub>2</sub> (t)	36	0.19	22	0.09	22	0.18
Argon (t)	56	0.29	65	0.29	66	0.53
Oxygen (t)	54	0.28	70	0.31	65	0.52
		Outp	out			
Non-hazardous waste (t)	814	4.31	1,020	4.56	3,307	26.69
Hazardous waste (t)	115	0.60	58	2.59	120	0.96
Scraps and metals (t)	2,646	13.98	3,984	17.81	3,318	26.79
CO <sub>2</sub> emissions (t)	6,630	35.00	6,846	30.61	6,067	48.98
SO <sub>2</sub> emissions (t)	78	0.41	107	0.47	219	1.76
NO <sub>x</sub> emissions (t)	929	4.91	1,349	6.03	1,537	12.40
Gross value added (in EUR thousand)	189,183		223,587		123,866	

#### Other machinery manufacturing plants

#### **REPORTING BASIS AND LIMITS**

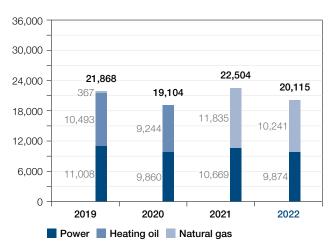
This section presents the environmental performance indicators of key machinery manufacturing plants around the world. Olbersdorfer Guß GmbH was sold in the 2022 financial year and is therefore no longer included in the environmental performance indicators. The previous years were adjusted accordingly.

#### TREND IN ENERGY CONSUMPTION

At the other machinery manufacturing plants, energy consumption was reduced in 2022 compared to the previous year.

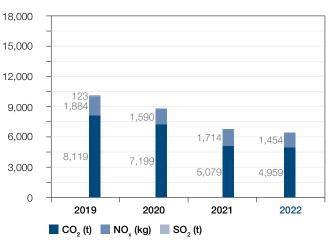
#### **Energy Consumption**

Other machinery manufacturing plants in MWh



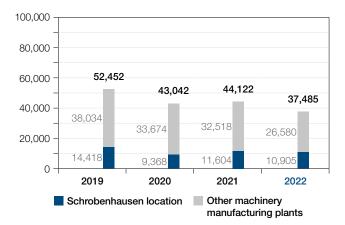
#### Emissions

Other machinery manufacturing plants in t or kg



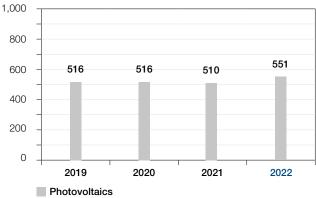
#### Water Consumption

Other machinery manufacturing plants in m<sup>3</sup>



#### Avoidance of CO<sub>2</sub> emissions

Other machinery manufacturing plants in MWh/year



#### TREND IN EMISSIONS

 $NO_x$ ,  $SO_2$ , and  $CO_2$  emissions were calculated on the basis of electricity, heating oil, natural gas, and fuel consumption. At SCHACHTBAU NORDHAUSEN GmbH, the breakdown of an existing natural gas boiler was covered by an oil-powered heating system in 2019, which caused an increase. At the other machinery plants, however, a decrease was recorded again for 2022 compared to the previous year.

#### WATER CONSUMPTION

In 2022, another decrease to 37,485 m<sup>3</sup> was recorded compared to the previous year.

#### SOLVENT EMISSIONS

In 2022, VOC emissions were produced primarily by painting work at KLEMM Bohrtechnik GmbH, SCHACHTBAU NORDHAUSEN GmbH and EURODRILL GmbH. VOC emissions at the other machinery plants totaled 10.3 t in 2022 (previous year: 20.5 t).

#### 2022 environmental data

			Energy	consumption	(in MWh)	Emis	sions	
	Revenues (EUR million	Employees )	Power	Natural gas	Heating oil	CO <sub>2</sub> (t)	NO <sub>x</sub> (kg)	Water (m³)
Schrobenhausen location	1,009.5	2,360	7,882	8,113	653	3,884	1,537	10,905
Nordhausen location	157.8	818	4,056	5,334	-	3,276	917	9,069
KLEMM Bohrtechnik GmbH	54.9	255	894	2,294	-	951	395	1,451
EURODRILL GmbH	27.8	91	221	310	-	176	53	650
BAUER MAT Slurry Handling Systems *	23.4	81	162	516	-	193	89	1,108
Total Germany	1,273.4	3,605	13,215	16,567	653	8,480	2,991	23,183
BAUER Equipment America Inc. + BAUER Manufacturing LLC	177.9	169	2,575	178	-	1,200	-	1,999
BAUER Tianjin Technologies Co. Ltd.	29.1	152	1,408	1,785	-	1,050	-	7,955
BAUER Equipment Malaysia	22.2	144	558	-	-	315	-	4,348
Total International	229.2	465	4,541	1,963	-	2,565	-	14,302
Total key figures recorded	1,502.6	4,070	17,756	18,530	653	11,045	2,991	37,485
as a % of the Group	86.0	34.2	n/a	n/a	n/a	n/a	n/a	n/a
BAUER Group	1,748.1	11,892	n/a	n/a	n/a	n/a	n/a	n/a

\* Branch office of BAUER Maschinen GmbH

Using the "Pump and treat" method, Bauer cleans polluted water of contaminants such as polycyclic aromatic hydrocarbons (PAH), the volatile aromatic hydrocarbons benzene, toluene, ethylbenzene and xylene (BTEX), as well as heterocycles and cyanides. BMU

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# Status of Sustainability Goals

#### Status of sustainability goals in the company

Goals/Actions	Situation	Status	Implementation
Expand management systems	Management systems such as HSE will be introduced and certified at other companies in the Group.	•••••	continuous
Improve ESG reporting	The goal is to continually improve data quality and expand reporting to other companies in the BAUER Group.	•••••	continuous

#### Status of sustainability goals in health and safety

Goals/Actions	Situation	Status	Implementation
Improve HSE culture throughout the Group	In 2011, senior management adopted a Group-wide health, safety and environmental policy. The policy defined goals and fundamental principles. A key goal is to continue our extensive efforts to improve this safety policy. Efforts to raise employee awareness will focus on behavior recognition, feedback and communication as well as evaluating insights and defining personal goals based on these insights.		continuous

#### Status of sustainability goals for research and development

Goals/Actions	Situation	Status	Implementation
Reduce noise emissions, save energy, increase safety while boosting productivity	Bauer strives to win over and impress its customers, employees and business partners for the future by delivering a top-quality range of premium products and services. Sustainable considerations provide orientation and allow partners to contribute. After an electrically pow- ered MC 96 duty-cycle crane was presented for the first time at Bauma 2019, additional equipment with electric drive technology is now in use. As part of the Saint-Brieuc project for the creation of offshore wind turbines, for example, a total of four hydraulic power packs (HE) 1400 are being used to supply the Dive Drill C40 U with energy. The eBG 33 drilling rig, also purely electrically driven, has successfully completed its first applications on sites in England. At Bauma 2022, Bauer shows new products with alternative drives: the eBG H all electric and RTG RG 19 T hybrid.		continuous
Digitalization in the BAUER Group	For many years now, the BAUER Group has been a driving force behind digitalization. Digitalization officers have been appointed and a Group-wide committee has been established. In the area of specialist foundation engineering, digitalization is being promoted in research as well as practical site application. The focus in this context is primarily on the digitalization of site data and the accompanying processes. Material optimization through artificial intelligence is also increasing. Digital collection of production data with mobile application, equipment data evaluation, measurement data transfer with IoT and the creation of digital planning models with BIM methods are now standard practice for large-scale projects. Access to these data is provided to the parties involved in construction via the BAUER Spezialtiefbau GmbH to optimize its production and thereby avoid wasting resources. The B-Tronic system was extended to include additional components for networking construction sites. The new generation B-Tronic 5 was presented to the customers at Bauma 2022. Thanks to active collaboration in the consortium Machines in Construction MiC4.0, the digitalization of construction equipment and sites is being further advanced.		continuous

#### Status of sustainability goals for research and development

Goals/Actions	Situation	Status	Implementation
Developments to increase the efficiency of our construction methods	We strategically apply the developments that are continually achieved in sensor technology, equipment technology as well as process analysis methods in order to analyze potentials for improving efficiency in our construction methods. The strategic instrumentation of our tools, such as the deep vibrator or a tremie pipe for inserting concrete into the shaft, allows us on the one hand to analyze the efficient use of energy during the construction of elements using the deep vibrator, or to reduce the quantity of excess concrete generated when inserting the concrete thanks to precise recording of the concrete level. Moreover, by analyzing process data, which is accomplished using the sensors on our equipment as well as recording with our own tool, we have identified numerous optimizations in the process flow.	•••••	continuous

#### Status of sustainability goals with regard to stakeholders

Goals/Actions	Situation	Status	Implementation
Support of volunteer activities	Community involvement and projects initiated by our employees are selectively and actively supported, while volunteering continues to be backed by flexible arrangements to facilitate participation. We assist associations and organizations through material donations and by offering our expertise and ideas.		continuous
Expand regional partnerships with universities and research organizations	To strengthen the region, we aim to work even more closely with local academic and research institutions. Bauer offers a dual study option with the universities in Ingolstadt and Augsburg. Throughout Germany, we deliver guest presentations at various universities, award research projects and dissertations, and offer trips to construction sites and plants.		continuous

#### Status of sustainability goals in human resources

Goals/Actions	Situation	Status	Implementation
Expand "Be Mobil" program across the Group	The "Be Mobil" program allows employees the opportunity to experience another country and expand their personal horizons. To provide optimum preparation for working abroad, individual development goals have been set in close cooperation between the human resources department, the employee in question and their line manager. In future, greater emphasis will be placed on developing and strengthening professional, methodical and social skills as well as enabling employees to successfully manage their responsibilities and take on new challenges. Despite the pandemic, we were again able to deploy employees internationally and have continued the program.		continuous
Development of young employees	The human resources department implemented a program for the continuous professional development of young employees, including workshop days and ongoing coaching. The concept has been further developed and adapted to the needs of management. Because of the pandemic, it was possible to develop additional digital measures that now offer our young employees a solid and beneficial selection of digital and in-person opportunities for further development.		continuous

#### Status of sustainability goals in human resources

Goals/Actions	Situation	Status	Implementation
Expanding skills through digital learning	Managers should use e-learning to expand their skills and achieve positive development for the digitalized future. Every employee has the opportunity to draw on e-learning programs to prepare for the future progress of digitalization. E-learning has now become firmly established throughout the entire Group to a large degree. Digital skills have increased again considerably, meaning that the latest and innovative methods are used, in particular during training for customers and partners. With the HR portal, a platform for digital learning is now available.		completed

#### Status of environmental sustainability goals

Goals/Actions	Situation	Status	Implementation
Optimize outdated heating and lighting systems	Existing heating and lighting systems will be inspected and continuously replaced at the Schrobenhausen location. In the past, switching to the new LED lighting was not economically viable, but investing in this technology now pays off both from an ecological and economic point of view. Therefore, by 2023, modern LED lighting will predominantly be used at the company. Insulation in older office and factory buildings will also be inspected.		2023
Effective recycling and waste management	As the volume of waste increases, it is essential to establish effective sorting and recycling logistics at our company in order to ensure sustainable recycling of materials. In the future, small waste and residual materials will be sorted and placed only in the designated recycling containers in all assembly departments at the Schrobenhausen site. The sorting instructions on the waste and residual material signs are clearly visible to make the recycling process as easy as possible for our employees. This standard was successfully implemented at other locations. The cardboard compactor at the Schrobenhausen plant was upgraded and a film press was added.		continuous
Software for hazardous substance management	A software program for hazardous substance management will be used to map dangerous substances centrally and make the data accessible to all relevant employees on demand. Initially, the program will be introduced at the Schrobenhausen site. The long-term goal is to ensure consistent measures and documentation throughout the company.		continuous
Trial of new cleaning methods	The HSE department will test the use of a new cleaning fluid for painting systems. Waste volume and solvent emissions were reduced by using products multiple times. New cleaning agents are also being tested for the area of the washing station to enable cleaning of machines and construction components without chemicals.	•••••	2023

# The Group at a Glance

#### Group key figures 2019 - 2022 (summarized)

IFRS in EUR million	2019	2020	2021	2022	Changes 2021/2022
Total Group revenues	1,594.7	1,453.6	1,537.6	1,748.1	13.7%
of which Germany	518.7	416.9	463.2	536.5	15.8%
International	1,076.0	1,036.8	1,074.4	1,211.6	12.8%
of which Geotechnical Solutions	668.8	669.0	682.4	787.4	15.4%
Equipment	713.6	610.7	681.5	747.8	9.7%
Resources	274.9	268.8	272.5	299.2	9.8%
Sales revenues	1,470.9	1,343.2	1,433.1	1,630.1	13.7%
Cost of materials	783.1	626.1	729.7	876.9	20.2%
Personnel expenses	418.8	394.9	430.4	463.4	7.7%
EBIT	33.7	55.5	36.0	-68.0	n/a
Earnings after tax	-36.6	-8.2	4.0	-94.0	n/a
Employees (Reporting date)	12,701	11,027	11,966	11,892	-0.6%
of which Germany	4,234	4,061	4,001	4,045	1.1%
International	8,467	6,966	7,965	7,847	-1.5%

#### Consolidated Balance Sheet (abbreviated)

Assets in EUR thousand	Dec. 31, 2021 Dec. 31, 2022	
Intangible assets	15,944	16,837
Property, plant and equipment	506,381	481,743
Investments accounted for using the equity method	81,881	58,581
Participations	10,803	2,106
Deferred tax assets	65,421	33,218
Receivables	8,540	1,056
Other non-current assets	9,221	8,292
Other non-current financial assets	23,920	35,747
Non-current assets	722,111	637,580
Inventories	457,489	499,004
Less advances received for inventories	-10,770	-8,995
	446,719	490,009
Receivables and other assets	423,709	443,603
Effective income tax refund claims	4,287	4,156
Cash and cash equivalents	41,297	44,607
Non-current assets held for sale Assets	1,370	-
Current assets	917,382	982,375
	1,639,493	1,619,955

Equity and liabilities in EUR thousand	Dec. 31, 2021	Dec. 31, 2021 Dec. 31, 2022	
Equity of BAUER AG shareholders	478,069	383,941	
Non-controlling interests	3,007	18,370	
Equity	481,076	402,311	
Provisions for pensions	149,054	102,461	
Financial liabilities	299,860	115,321	
Provisions	8,001	-	
Other non-current liabilities	7,523	9,341	
Deferred tax liabilities	18,409	10,729	
Non-current debt	482,847	237,852	
Financial liabilities	238,680	443,859	
Other current liabilities	381,139	453,129	
Effective income tax obligations	22,159	35,314	
Provisions	33,592	47,490	
Current debt	675,570	979,792	
	1,639,493	1,619,955	

### About this Report

The BAUER Group Sustainability Report is intended for our present and former employees, shareholders, customers and suppliers, public policymakers, the public at large in the regions where we operate, friends of the company and anyone else who may be interested.

To make reading easier, we use the term employees to refer to all employees regardless of gender.

#### **REPORTING PERIOD**

This report covers the fiscal year from January 1, 2022, to December 31, 2022. In certain cases, information from other periods may be provided. The editorial deadline was July, 2023. The sustainability report, published separately but independently of the non-financial consolidated statement, is published annually.

#### **REPORTING BASIS AND LIMITS**

The reporting basis and limits are explained in each section. Because the data is collected from various departments, its scope and range varies. The 2022 Sustainability Report is based on international Group accounting data and specific surveys. All data is acquired through internal surveying of individual companies in the Group. It is not always possible to collect data uniformly due to the complex structure of the Group. We always indicate the company to which the data relates.

The table below lists the companies whose personnel data is included in the "Employees" section of this report. This will give readers an idea of the range of information presented.

Our goal is to improve the quantity and quality of data in order to increase the informative value of the key figures.

Despite exercising all due diligence, we cannot guarantee that the information contained herein is complete and correct in every detail.

Company	Total Group revenues in 2022 (in EUR million)	Employees in 2022
Schrobenhausen location	1,003.1	2,270
Nordhausen location	157.8	818
KLEMM Bohrtechnik GmbH	54.9	255
EURODRILL GmbH	27.8	91
BAUER MAT Slurry Handling Systems *	23.4	81
Olbersdorfer Guß GmbH**	6.4	90
Total Germany	1,273.4	3,605
BAUER Equipment America Inc. + BAUER Manufacturing Inc.	177.9	169
BAUER Tianjin Technologies - 30103 IDL-#	29.1	152
BAUER Equipment Malaysia - 30105 IDL-#	22.2	144
Total International	229.2	465
Total key figures recorded	1,502.6	4,070
as a % of the Group	86.0	34.2
BAUER Group	1,748.1	11,892

\* Branch office of BAUER Maschinen GmbH

\*\* Company was sold in 2022; no longer included in the environmental performance indicators

### **GRI Index**

Our 2022 Sustainability Report is based on the template provided by the Global Reporting Initiative (GRI), 2016 GRI standards version. The Global Reporting Initiative is a multi-stakeholder foundation based in Amsterdam, Netherlands, which supports organizations in drafting sustainability reports. To that end, the GRI has established a comprehensive reporting framework as well as guidelines that outline the principles and indicators that companies can use to measure their economic, environmental and social performance. These guidelines are continuously improved and updated.

The options indicate how well the company in question has applied the reporting framework and how many standard disclosures and indicators for each material aspect are contained in the Sustainability Report. Based on our own appraisal, our 2022 Sustainability Report fulfills the requirements of the "Core" option.

#### Indicator and Description

#### Link/Note

GRI standards 102: General information		
Organizational	profile	
102-1	Name of the organization	p. 10
102-2	Brands, products, and services	p. 10
102-3	Location of headquarters	p. 10
102-4	Countries and main production sites	Front cover
102-5	Ownership and legal form	p. 10
102-6	Markets served	Front cover, p. 10
102-7	Scale of the organization	p. 37
102-8	Total number of employees by type	p. 24
102-9	Description of the organization's supply chain	Depth of detail not significant
102-10	Changes to the size, structure and ownership of the organization or its supply chain during the reporting period	No material changes
102-11	Precautionary principle or approach	AR p. 40-50. p. 51-54
102-12	Charters, principles, or other initiatives to which the organization subscribes or which it endorses	p. 9-13, p. 15-19, p. 21-23, p. 27-28
102-13	List of memberships in associations	p. 15
Strategy		
102-14	Statement from CEO	р. 4-5
102-15	Key impacts, risks, and opportunities	p. 4-5; AR p. 40-50
Ethics and inte	grity	
102-16	Values, principles, standards, and norms of behavior for the organization	p. 9-11, p. 15, p. 21, p. 27
Governance		
102-18	Governance structure of the organization	p. 10, AR p. 13-14, p. 170-171
Stakeholder ei	ngagement	
102-40	List of stakeholder groups	p. 15-19
102-41	Percentage of all employees covered by collective bargaining agreements	Metric is not relevant for governance
102-42	Basis for determining and selecting integrated stakeholders	p. 15-19
102-43	Approach to stakeholder engagement	p. 15-19
102-44	Key topics and concerns raised by stakeholders as well as reactions	p. 15-19

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Reporting p		
102-45	Entities included in the consolidated financial statements	AR p. 177-181
102-46	Procedure for selecting report contents	p. 4-5, p. 9, p. 15, p. 21, p. 27
102-47	Material topics	p. 9
102-48	Effects of and reasons for restatements of information	p. 31-32, p. 38
102-49	Important changes to the scope and limitations of aspects compared to previous reporting periods	p. 31-32, p. 38
102-50	Reporting period	p. 38
102-51	Date of the most recent previous report	p. 38
102-52	Reporting cycle	p. 38
102-53	Contact point for questions regarding the report	p. 43
102-54	Claims of reporting in accordance with GRI standards and selected index	p. 39
102-55	GRI content index	p. 39-41
102-56	External audit	No reference
GRI standaı	rds 200: Economic topics	
Economic p	erformance	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9
103-3	Evaluation of the management approach	p. 4-5, p. 9
201-1	Direct economic value generated and distributed	p. 15-19, p. 37
GRI standa	ds 300: Environmental topics	
Energy		
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9, p. 27
103-3	Evaluation of the management approach	p. 4-5, p. 9
302-1	Energy consumption within the company	p. 28-32
302-4	Reduction of energy consumption	p. 28-32
Water		
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9, p. 27
103-2 103-3	The management approach and its components Evaluation of the management approach	p. 4-5, p. 9, p. 27 p. 4-5, p. 9
103-3	Evaluation of the management approach	p. 4-5, p. 9
103-3 303-1	Evaluation of the management approach Total water withdrawal	p. 4-5, p. 9 p. 28-32
103-3 303-1 303-3	Evaluation of the management approach Total water withdrawal	p. 4-5, p. 9 p. 28-32
103-3 303-1 303-3 Emissions	Evaluation of the management approach Total water withdrawal Water recycled and reused	p. 4-5, p. 9 p. 28-32 p. 28-32
103-3 303-1 303-3 Emissions 103-1	Evaluation of the management approach         Total water withdrawal         Water recycled and reused         Explanation of material topics and their boundaries	p. 4-5, p. 9 p. 28-32 p. 28-32 p. 9
103-3 303-1 303-3 Emissions 103-1 103-2	Evaluation of the management approach         Total water withdrawal         Water recycled and reused         Explanation of material topics and their boundaries         The management approach and its components	p. 4-5, p. 9 p. 28-32 p. 28-32 p. 9 p. 4-5, p. 9, p. 27
103-3 303-1 303-3 Emissions 103-1 103-2 103-3	Evaluation of the management approach         Total water withdrawal         Water recycled and reused         Explanation of material topics and their boundaries         The management approach and its components         Evaluation of the management approach	p. 4-5, p. 9 p. 28-32 p. 28-32 p. 9 p. 4-5, p. 9, p. 27 p. 4-5, p. 9

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Wastewate	er and waste	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9, p. 27
103-3	Evaluation of the management approach	p. 4-5, p. 9
306-1	Effluents and waste	p. 28-32
Complianc	e	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9, p. 21
103-3	Evaluation of the management approach	p. 4-5, p. 9, p. 21
307-1	Fines and sanctions due to non-compliance with environmental laws and regulations	None
GRI standa	ards 400: Social topics	
Employme	nt	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 9
103-3	Evaluation of the management approach	p. 4-5, p. 9
401-1	New employee hires and employee turnover	p. 21, p. 24-25
Occupatio	nal health and safety	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, 9-12
103-3	Evaluation of the management approach	p. 4-5, 9-12
403-1	Workers represented by occupational health and safety committees	Metric is not relevant for governance
403-2	Types of injury and rates of injury	Depth of detail not significant
Training ar	nd education	
103-1	Explanation of material topics and their boundaries	p. 9
103-2	The management approach and its components	p. 4-5, p. 21
103-3	Evaluation of the management approach	p. 4-5, p. 21
404-1	Average hours of training per year per employee	p. 25
402-2	Programs for upgrading employee skills and transition assistance programs	p. 21-23

AR = 2022 Annual Report



# **Environmental Verifier's Declaration**

on verification and validation activities according to Annex VII of Regulation (EC) No 1221/2009 and according to Amendment Regulations (EU) 2017/1505 and 2018/2026

Reinhard Mirz with EMAS environmental verifier registration number DE-V-260 accredited for the scope 28.9 (NACE Code Rev. 2) and Georg Wellens EMAS with EMAS environmental verifier registration number DE-V-0118, accredited for the scope 43 (NACE-Code Rev. 2) declare to have verified whether the sites as indicated in the consolidated environmental statement of the organisations

#### **BAUER AG**

#### BAUER Maschinen GmbH BAUER Spezialtiefbau GmbH

Bauer-Straße 1 86529 Schrobenhausen

with the plants

Schrobenhausen, Bürgermeister-Götz-Straße 36, 86522 Schrobenhausen Aresing, Sonnenhamer Straße 55, 86561 Aresing Edelshausen, In der Scherau 14, 86529 Schrobenhausen

#### Reg.-No.: DE-155-00006

meet all requirements of Regulation (EC) No 1221/2009 of the European Parliament and of the Council of November 25, 2009 with Amendment Regulations 2017/1505 and 2018/2026 on the voluntary participation by organisations in a joint system Eco-Management and Audit Scheme (EMAS).

By signing this declaration, it is I declared that:

- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009,
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with applicable legal requirements relating to the environment,
- the data and information of the updated environmental statement of the organisation -pages 8 to 36
  of the sustainability report 2022- reflect a reliable, credible, and correct image of all site activities,
  within the scope mentioned in the environmental statement.

This document is not equivalent to EMAS registration. EMAS registration can only be granted by a Competent Body under Regulation (EC) No 1221/2009. This document shall not be used as a stand-alone piece of public communication.

Nuremberg, August 10, 2023

Reinhard Mirz **Environmental Verifier** 

Environmental Verifier

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