

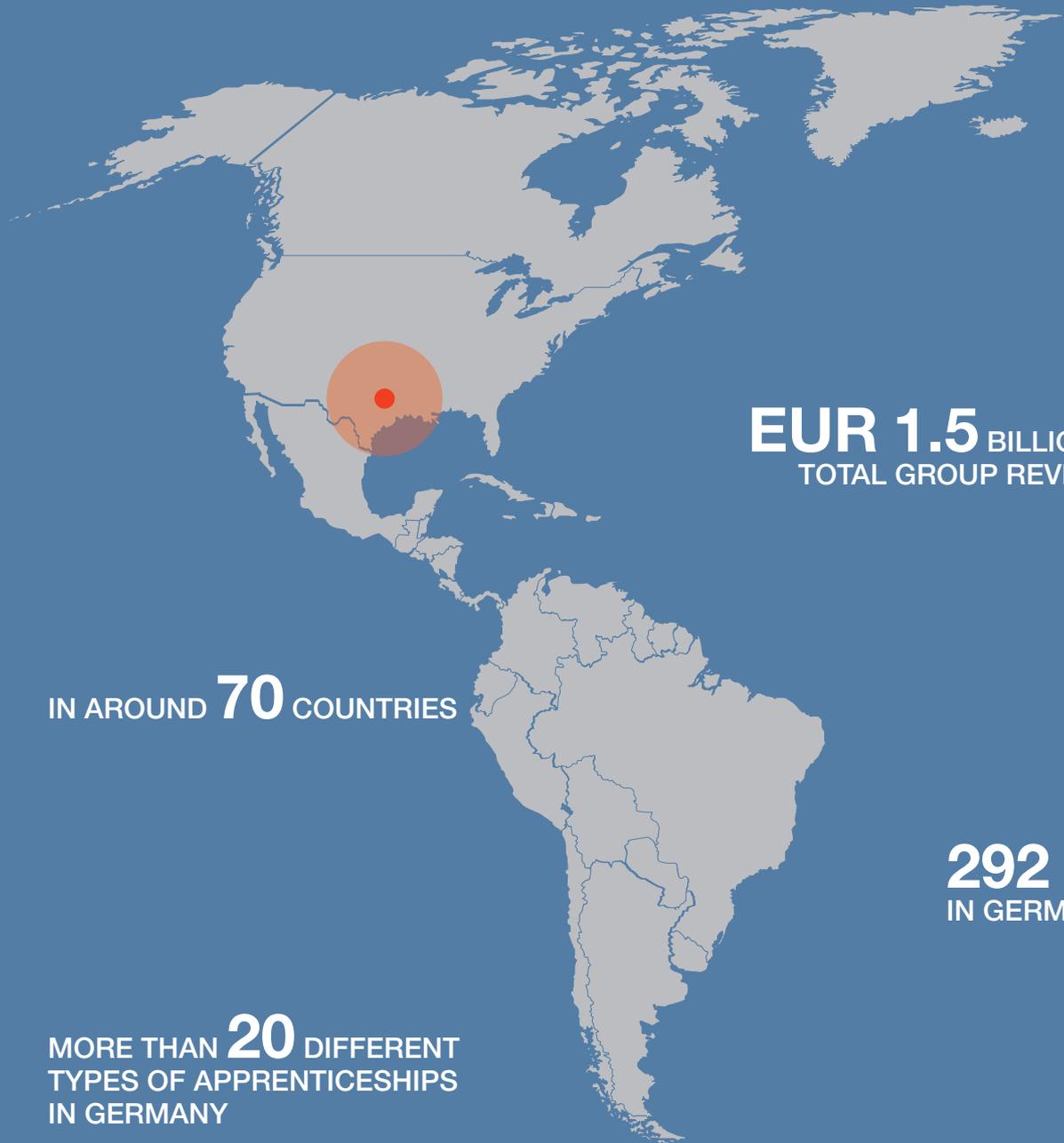
Sustainability Report 2020

Our Company
in the Community



The World is our Market

95 NATIONALITIES



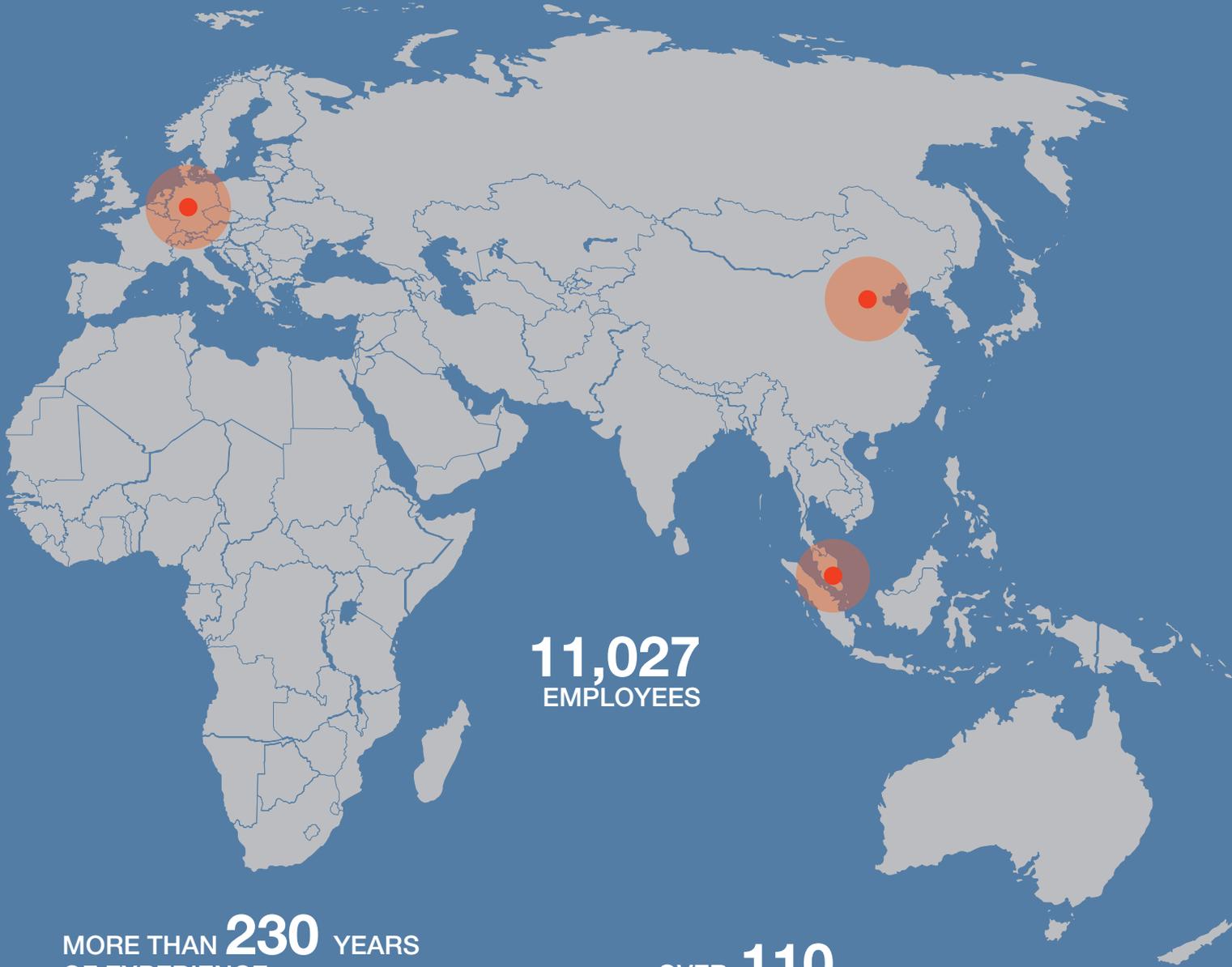
EUR 1.5 BILLION
TOTAL GROUP REVENUES

IN AROUND **70** COUNTRIES

292 APPRENTICES
IN GERMANY

MORE THAN **20** DIFFERENT
TYPES OF APPRENTICESHIPS
IN GERMANY

OVER EUR **2.6** MILLION FOR TRAINING
AND EDUCATION IN GERMANY



11,027
EMPLOYEES

MORE THAN **230** YEARS
OF EXPERIENCE

OVER **110**
GROUP COMPANIES

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



*Bauer employees on a site at headquarters –
Schrobenhausen, Germany*



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Foreword by the CEO



Ladies and Gentlemen, partners and friends of our company,

In our annual Sustainability Report, we provide information about the focus of our activities when it comes to ecological as well as social considerations. For the majority of people worldwide, 2020 was a very difficult year. The COVID-19 pandemic is a challenge that continues to impact us all. The question for our company is the following: How can we optimally protect the health of our employees while at the same time making our business activities as resilient as possible in the face of restrictions associated with the pandemic? Looking back, we successfully achieved both goals thanks to new rules for hygiene and conduct that were introduced globally as well as the outstanding flexibility and commitment of our employees. Unfortunately we had to report

several infections within the company, but were able to work successfully in nearly all locations. Nevertheless, we were significantly impacted by exit bans and travel restrictions. In addition, prevailing uncertainty in the global economy led to considerable changes in our customers' behavior when it came to investments and project awarding. Last but not least, our everyday routines were also affected. Every day we had to face new challenges, whether on sites, in production or at the office. It was often impossible to predict what changes we would have to deal with on the following day. In view of these enormous challenges, we were able to get through this year well.

If we consider the topics of digitalization and technological transformation, we were already very well positioned even before the pandemic. For example, almost all of our construction sites are networked and transmit the progress of construction digitally. Thanks to our modern IT infrastructure worldwide, we were able to react quickly to the extremely sudden necessity of switching in-person events entirely to virtual formats. Communications within the company were hugely expanded with video conferences and it was largely possible to maintain dialogue with customers despite travel restrictions. Even contract negotiations and complex project coordination were able to continue successfully in this way. We have also increasingly used virtual reality and augmented reality to support our employees and customers, for example service employees were outfitted with data glasses, known as “Smart Glasses.”

During the pandemic, we have thoroughly addressed the opportunities and limitations of remote and virtual work. We are convinced that, although digital forms of communications will continue to complement our everyday work routines, we still absolutely need in-person human contact and a physical infrastructure in order to work productively and live our unique company culture.

For us, sustainability means future viability and in particular the question of how we can contribute to protecting the climate and adapting to climate change. Reducing CO₂ emissions and improving energy efficiency have been crucial components of our equipment innovations for some time now. At the last Bauma trade fair, we were able to show visitors our MC 96 duty-cycle crane with an electrically powered cutter unit. At the moment, we are working on the use of partially or fully battery-operated and fuel-cell-operated drilling rigs in specific applications. Here, we draw on our many years of experience with electrically powered equipment: The fully electrical “Dive Drill” for underwater drilling, electrical microdrilling rigs of the brand KLEMM for underpinning of basement levels or the new electrical BAUER Cube System, which was presented this year at our in-house exhibition, are just a few of the latest examples. In principle, electrification involves not only a reduction of CO₂ emissions, but also of noise emissions. We are also intensively analyzing how to better compare and reduce the carbon footprint for specialist foundation engineering. By obtaining the relevant certification for our CO₂-optimized

methods, we hope to persuade both public and private clients of the importance of this issue and to include the carbon footprint of specialist foundation engineering in the list of criteria for tenders. In the construction segment, even before the pandemic, we were involved in projects that address flood protection as a reaction to climate change or the exploitation of alternative forms of energy. Our sustainability concept thus extends across all areas of our company with the goal of creating a more livable future. With our products and services, we are building the foundation for future generations in the truest sense of the word.

Overall, we are now stronger and our outlook for the future is optimistic. High order backlog in the Construction segment that exceeds the previous year’s figures, new products and ideas in the areas of digitalization and sustainability, as well as the development of innovative equipment and the considerable opportunities offered by the Resources segment, mean that we are very well positioned.

Our employees have demonstrated incredible commitment and thereby not only upheld the values and sustainable actions that define our company culture, but also driven them forward. I would like to extend my particular thanks to our industrial employees, who were always present on site and showed remarkable strength and resilience in these unusual times. I am proud of the strong spirit of solidarity within our company.

I hope you enjoy reading our latest Sustainability Report.

Yours sincerely,



Michael Stomberg
CEO of BAUER AG

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 services
- 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 Schrobenhäusen 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 Training Center opens
- Training circuit opens and BAUER Training Center GmbH is accredited to conduct drilling rig and pile driver operator's permit testing



2011 – 2016

> 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 for what will be the tallest buildings in Europe and the world
- 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 its 25th anniversary

> 2016

- SPESA Spezialbau und Sanierung GmbH celebrates its 25th anniversary
- BAUER Resources GmbH installs first solar-powered water treatment plant for fluoride removal in Ghana

2017 – 2020

> 2017

- BAUER Group commissioned to expand the largest reed bed treatment plant in the world in Oman
- Bauer MeBo sea bed drilling rig sets new drilling depth record of 147.3 m

> 2018

- Bauer launches dual study program in Asia
- Employee survey at Schrobenhausen location

> 2019

- CO₂ neutrality achieved at the world's largest constructed wetland in Nimr, Oman
- GWE pumpenboese GmbH celebrates its 100th anniversary
- BAUER Maschinen GmbH and TU Dresden collaborate on 5G technology

> 2020

- The Nimr constructed wetland has treated 370 million m³ of water in ten years
- 30 years environmental services at BAUER Group
- BAUER MAT Slurry Handling Systems celebrates its 30th anniversary
- BAUER Foundations Philippines, Inc. celebrates its 25th anniversary

>> *We are a family business with a history going back more than 230 years. With around 11,000 employees in more than 70 countries around the world, we generate total Group revenues of approximately EUR 1.5 billion. Quality is the driving force for continuous enhancement of our performance capacity. We now provide solutions for the key challenges of the future: Urbanization, infrastructure, water and the environment – this is what the BAUER Group is known for worldwide.* <<



"Operaparken" Project – Copenhagen, Denmark

Company

> Economic performance

Economic performance and commercial success are the cornerstones of our activity. At the same time, we are aware that we can only maintain our economic strength in the long term if we demonstrate responsible conduct.

> Employment

Together with our dedicated employees, we create the basis for our success. We operate within a diverse and tolerant corporate culture that combines different world views and perspectives, experiences and ideas. We support our employees from day one and also emphasize digitalization, which is advancing new forms of work and dialogue between all areas, particularly during the COVID-19 pandemic.

> Training and education

Whether in the industrial, technical or commercial area – our apprentices can expect to receive a varied education that is practical and future-oriented. And because we know that our workforce is our greatest potential, continuing education plays an important role with us, right from the apprenticeship phase. Targeted training of our employees is becoming increasingly important. In view of digitalization, the production processes in our company are also becoming ever more complicated, and the demands placed on the functionality of our machines are getting higher and higher.

> Occupational health and safety

Healthy, efficient and motivated employees are the foundation for success of the BAUER Group. The responsibility we take for our employees is clearly demonstrated by our commitment in the area of occupational health and safety. Our goal is to keep the strain on our employees to a minimum, to prevent risks through preventive measures in order to prevent accidents and long-term sickness.

> Energy and emissions

Our corporate responsibility also includes continuously improving our products and working methods to keep our environmental footprint as minimal as possible. We are working tirelessly to achieve improvements in energy efficiency by reducing fuel consumption, avoiding noise, save water and using energy efficiently.

> Compliance

Legally compliant, ethical and socially sustainable action is the cornerstone of the BAUER Group's values management system. Compliance with social conventions and legal regulations is the top priority for our company and is a prerequisite for responsible action.



The BAUER Group

When it comes to the largest construction projects in the world and complex specialist foundation engineering, Bauer is indispensable. We are the leading provider of services, machinery and products for ground and groundwater. Our Construction, Equipment and Resources segments offer optimum solutions for the major challenges of today and tomorrow.

Bauer has played a leading role in shaping the development of specialist foundation engineering. In the Construction segment, we carry out demanding and highly complex projects all over the world.

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. Our areas of expertise include water extraction, brownfield remediation and waste management as well as water treatment and building rehabilitation.

BAUER Aktiengesellschaft is the Group's holding company and is listed on the Frankfurt Stock Exchange. It provides central management and service functions for its affiliates. These specifically include human resources, accounting, financing, legal and tax affairs, IT, strategic purchasing, facility management, and health, safety and environment (HSE). Group Internal Audit is performed by BAUER Aktiengesellschaft for the operating Group.

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.

HSE Management

Health, safety & environment 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 in these areas and consistently reduce 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 2020 have also confirmed our solid position in the area of HSE. Nevertheless, we strive to continually expand and reinforce our position.

RECOGNITION FOR SAFE CONDUCT

BAUER Spezialtiefbau GmbH constructed a total of 217 foundation piles with a diameter of 1,180 mm for a new data center in Frankfurt. Our foreman Martin Heinecke was pleased to win a very special award. Based on his exemplary behavior in terms of occupational safety, he received an award (Safety Incentive Scheme Reward) from the client, the Mercury company.

777 ACCIDENT-FREE DAYS IN PEINE

In early May 2021, colleagues at GWE pumpenboese GmbH in Peine had reason to celebrate the next milestone in occupational safety: 777 accident-free days! This broke the all-time record.



GWE pumpenboese GmbH celebrated 777 accident-free days.



SAFETY AWARD PRESENTED

"One Bangkok" is the name of a completely new district in the Thai capital. As part of an initial order for this project, Thai BAUER Co. Ltd. constructed around 700 bored piles up to a depth of 80 m as well as a diaphragm wall with a

total length of 466 m. This was followed by an additional order for the construction of 383 piles for an inner pile wall up to a depth of 35 m. Finally, in order to establish a connection between the "One Bangkok" complex and the adjacent Lumpini subway station, Thai Bauer was commissioned with the execution of another diaphragm wall. Nuttapong Sansomjai, who worked as safety officer on this large-scale project, was thrilled to receive very special recognition in mid-September 2020: Due to his extraordinary commitment and tireless efforts for occupational safety on the site, the client ONE BANGKOK Holdings Co. Ltd. presented him with the "Appreciation for Safety Contribution" award.

Research and development

When it comes to offering our customers innovative and coordinated solutions tailored to their needs, we rely on the crucial component of research and development work. Apart from optimizing our conventional equipment and services, we are engaged in testing and implementing new technologies as part of countless research projects. The focus is on digitalizing and networking these developments.

OFFSHORE FOUNDATION: DIVE DRILL DD 40 U FOR WIND PARKS

In the area of technologies for offshore foundations, the mechanical and process engineering of the Dive Drill, which was originally developed to carry out relief drilling for the pile-driven foundations of offshore wind farms, was enhanced to provide a continuous drilling system for universal application. Thanks to its low-vibration, noise-reduced operation, the DD 40 U Dive Drill is a suitable system for creating foundations for offshore wind farms in sensitive marine ecosystems.

THE MIP METHOD: MORE EFFICIENT, MORE SUSTAINABLE AND MORE EFFICIENT WITH RESOURCES

The Mixed-in-Place method (MIP) patented by Bauer, has been used successfully for more than 25 years to create retaining structures for foundation measures and for flood

control. What makes this method unique: In contrast to conventional specialist foundation engineering methods that require soil removal, the MIP method involves producing the construction material on-site using the existing soil, which takes on the role of the aggregate material. This significantly reduces the quantity of construction material delivered while also cutting back on the quantity of excavation material removed. Due to high productivity levels, this method also results in relatively fast execution times. This has made it possible to significantly reduce the large flow of materials that was previously produced/required when manufacturing products, both during transport to the site and during disposal. In the area of the MIP method, this enables strategic enlargement of the constructed wall cross-section thanks to an innovative enhancement of the mixing tools. This will make it possible to construct walls in larger excavation pit dimensions with a significantly higher load-bearing capacity in the future. These solutions can be applied for particularly challenging projects, even on international sites. The MIP method is characterized not only by its sustainability but also by its resource efficiency. Furthermore, the use of industrially manufactured pre-fabricated elements in the construction of excavation walls (diaphragm walls) has already been successfully implemented in a site test in Frankfurt. The advantage of pre-fabricated elements is their ability to achieve a comparatively high load-bearing capacity with low material use.

TEN YEARS OF NIMR WATER TREATMENT PLANT: IMPROVED EFFICIENCY, LOWER EMISSIONS

The impressive transformation of a desert landscape into an ecosystem with approximately 1.5 billion reed plants can be witnessed in the middle of the desert in Oman: For more than ten years, BAUER Nimr LLC, a local subsidiary of BAUER Resources GmbH, has been operating the largest commercial reed bed treatment plant in the world here. The plant is not only unique because of its enormous size of 13,5 km² and excellent cleaning performance; its sustainable operating method also delivers the first realistic option for a more environmentally friendly form of oil production. Compared with conventional deep well disposal, it was possible to reduce the environmental footprint to an unexpected degree by avoiding the use of energy for water treatment. A total of roughly 1.275 million tons of CO₂ emissions have been saved over the last ten years. By the end of operation in 2044, estimates predict that 4.5 million tons of CO₂ will be saved. In 2018, this gave Bauer Resources the opportunity to get involved in emissions trading with this unique project and sell the saved emissions to European oil and gas companies. Three transactions have already been secured to offset carbon emissions: In 2019, certificates were sold for 114,000 tons of CO₂, and in 2020 nearly 200,000 tons of CO₂ were sold. Similar emissions savings are calculated over the coming years.



Bauer Nimr completed the first phase of the constructed wetland in 2011. With an area of 13.5 km², the plant is now roughly the size of 1,600 football fields.

BIOLOGICAL GROUNDWATER TREATMENT USING ECOVERT® TECHNOLOGY

The EcoVert® method developed by Bauer Resources is used to clean contaminated ground water at brownfield sites such as refineries, former gas works, gas stations, tank farms, or contaminated deposits. The centerpiece is based on a biofilm sorption method, the first application of its kind in brownfield remediation. Bauer Umwelt recognized the method's potential for groundwater treatment at contaminated sites and further

developed the method for this application. This green and sustainable technology has already been used successfully in multiple pilot projects across northern and eastern Germany, and it debuted in a modified form in the East German City of Leuna: A large-scale plant has been operating continuously since 2014 to clean approximately 22 m³ per hour of groundwater from an old refinery polluted with hydrocarbons, aromatic hydrocarbons, and MTBE (Methyl tert-butyl ether). The on-site success of this method compared with conventional equipment speaks for itself: Operating costs have been reduced by approx. 30 to 35% and power savings of approx. 70% have been achieved. "With EcoVert® we have developed a technology that is not only economically beneficial but also significantly reduces the negative environmental impact of conventional methods," says Jens Gross, Head of Sales for the northern region of the Bauer Umwelt environmental division of BAUER Resources GmbH.



Bauer employees on a site in Leuna where the EcoVert® plant is operated on a large scale.

INNOVATIVE HEAT STORAGE SOLUTION FOR ENERGY-EFFICIENT REHABILITATION OF RESIDENTIAL NEIGHBORHOODS

The question of how to best reconcile sustainable technologies in built-up areas with affordable living space is being examined in the East German City of Jena. As part of a research project, the regional growth initiative "smood – smart neighborhood" is working on innovative solutions for the energy-efficient rehabilitation of older neighborhoods. For this purpose, Bauer Resources, in collaboration with Bauer Spezialtiefbau, developed a standardized and cost-efficient specialist foundation engineering method for the construction of a cut-off wall for geothermal heat storage. After conducting extensive preliminary ground surveys, the Mixed-in-Place method (MIP) developed by Bauer proved to be particularly suitable for this project. Compared to the jet grouting method, this achieves a significant reduction in the amount

of construction materials as well as a substantial decrease in the need for disposal of excavation material. For the first time, a viable option is in place for a sustainable and economical heat supply of existing neighborhoods, not just making an important contribution to the energy revolution but also to climate protection.

FIRST SITE WITHOUT PRINTED PILE PLAN

The progressive networking of equipment is also being felt in specialist foundation engineering. In this context, the development of communication between the desk and the drilling rig was further expanded in 2020: With Data2Rig, the first site was successfully established without a printed pile plan, relying instead on a digital model of the site and an associated list of tasks for the equipment operator. This step enabled a continuous flow of information from pile design to pile documentation, without requiring manual transfers. This not only facilitated the flow of information, but also made it faster.



Operator with digital site model and linked list of tasks.



DIGITALIZATION FOR “SMALL” SPECIALIST FOUNDATION ENGINEERING PROJECTS

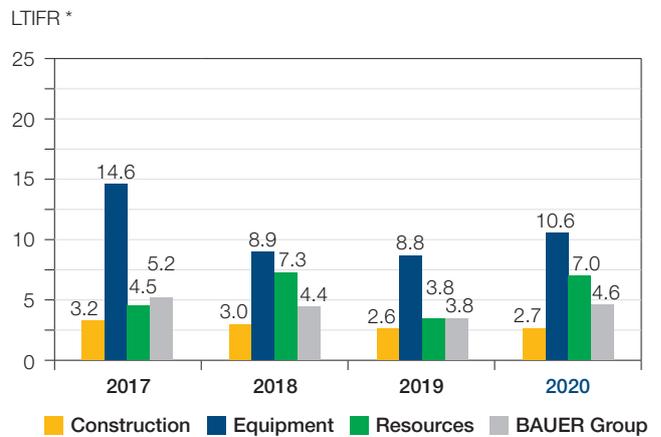
BAUER Spezialtiefbau GmbH has created a new innovative platform, BAUERdigital portal, to streamline processes and day-to-day operation at the site. In addition to general information such as project name, order number, address, and coordinates, additional weather information and the location via Google Maps are also available. The centerpiece of the BAUERdigital portal is made up of various application tiles that provide access to different digital tools. These applications make it possible to digitally record reports that previously needed to be painstakingly written by hand, to collect, process and analyze data, and to digitally display processes.

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: DGUV according to BG Bau

Work-related accidents by segment





The interests and needs of our stakeholders are very important to us. This is why we rely on open and active dialogue, which is even more important in these times than ever before. Despite the current COVID-19 pandemic, we make an effort to actively involve our stakeholders with various events and social activities.



Stakeholders

> Customers and partners

We attach a great importance to the development of innovative equipment and services. Our aim is to know exactly what our customers want and how to deliver it. We focus on solutions for the key tasks of the future: Urbanization, infrastructure, water, environment, resources and climate change.

> Employees

We owe the success of our company to the commitment of our employees. We set a high value on a work environment that considers the different life phases of our employees and encourages a trusting collaboration. A wide variety of projects and initiatives have been introduced to strengthen solidarity within our company.

> Shareholders

We maintain open communication with our shareholders and offer them fair participation. Our dividend policy aims at continuity, meaning that we strive to pay out a dividend to our shareholders even in difficult years.

> Suppliers

Personal responsibility, reliability and correct behaviour are our essential values; integrity is the basis of our actions. This also applies for interactions with our suppliers, whom we treat fairly and properly. We depend on reliable suppliers who operate in accordance with our ethical and legal principles.

> Research and science

Scientific expertise plays an important role in keeping pace with the technological competition. For this reason, we maintain a close and ongoing dialogue with research institutions and universities. Apart from involvement in research projects, our employees also give lectures at various universities. In this way we not only make a social contribution, but also live our corporate responsibility.

> Region and community

As the largest employer in Schrobenhausen, Germany, we believe that it is our responsibility to strengthen people's social cohesion and to improve their quality of life. This also applies to our other locations in Germany and around the world. Through the support of associations, organizations, unions and political parties, we try to give something back to society. Many of our employees are also active in social institutions, which makes us very proud as an employer.



TRAINING CALLED “WITHOUT BORDERS”

In January 2020, BAUER Training Center GmbH welcomed a group of agricultural machinery mechanic trainees from Switzerland. They were first given an overview of the Group and the product portfolio of BAUER Maschinen GmbH. The program then continued with a practical training, during which two BGs

were used to practice driving and drilling skills on the training site in Aresing, and a tour of the plant that provided the guests with good insight into the machine production process. Finally, participants learned more about the areas of electronics and hydraulics by attending a theoretical training.

INSPIRING NEW TALENTS VIRTUALLY

Keeping potential new employees up to date and remaining in contact with them was the goal of the first virtual Talent Day held by the Bauer HR department in September 2020. Exciting presentations from all three business segments awaited the 27 participants, from areas such as civil engineering, mechanical engineering, geotechnics, construction engineering, environmental engineering and digitalization. Another highlight of the event was a dialogue with the BAUER AG Executive Board member Peter Hingott, who participants could ask questions. Feedback from participants after the event was very positive. The career information days for vocational preparation in the East German Kyffhäuserkreis, an event

which the SCHACHTBAU Group traditionally attends, was also held virtually in 2020. In a virtual exhibition hall regional companies, institutions, universities, technical colleges and training providers were able to present their offers for training, internships and study programs.



SUSTAINABILITY IN SPECIALIST FOUNDATION ENGINEERING

On November 12, 2020, BAUER Spezialtiefbau GmbH held its first interactive webinar with live stream and it was a resounding success. The online event, “Sustainable concepts are needed in construction – Setting new benchmarks for specialist foundation engineering,” was broadcast from the Bavarian representatives in Berlin with an average of around 700 viewers accessing from their screens. Hans-Joachim Bliss, a member of the management of BAUER Spezialtiefbau GmbH, acted as moderator for the event. Renowned guests from the construction sector contributed to

the panel discussion: Dr. Christine Lemaitre, CEO of the German Sustainable Building Council, Prof. Dr. Lamia Messari-Becker, Professor of Building Technology and Construction Physics at the University of Siegen and member of the Club of Rome, as well as Prof. Thomas Bauer, President of the European Construction Industry Federation (FIEC) and Chairman of the Supervisory Board of BAUER AG. A mutual consensus among the guest speakers was evident: Many of the necessary technologies and methods already exist – it is just a matter of actively using them in order to bring about a permanent transition to sustainable construction.



Webinar of BAUER Spezialtiefbau GmbH on the topic of sustainability in Berlin.

A STRONG START TO TRAINING EVEN DURING THE COVID-19 PANDEMIC

2020 is a training year that will be remembered for a long time. The good news: Despite the COVID-19 pandemic, the number of young people starting their professional careers with BAUER AG on September 1, 2020 was approximately the same as in previous years: 44 apprentices and three students in dual-degree programs. “Bauer offers excellent apprenticeship options and very dedicated training officers who act as strong partners for the training of young people despite COVID-19,” says training manager Gerhard Piske. To provide the young talents at Bauer



The Executive Board and the Managing Directors welcome the new apprentices and dual students of BAUER AG.

with the best possible start to this new phase of their lives, the training team set up a comprehensive concept adapted to the pandemic situation: “Early on, we developed a plan for how to comply with the company’s social distancing and hygiene rules even during the initial phase of getting to know one another,” says Gerhard Piske. The SCHACHTBAU Group had already welcomed 35 new apprentices to Nordhausen in August, who benefit from well-organized training systems with master trainers and practical counselors in the specific areas while helping to ensure a sufficient number of skilled employees on the long term.



New apprentices of the SCHACHTBAU Group



KNOCKED OFF YOUR SOCKS

The internal campaign by the Marketing Department of BAUER Maschinen GmbH provided entertainment for many employees and generated all sorts of creative responses. In addition around 3,000 pairs of socks were sent to customers and partners – and the response was also positive here. “We received fantastic photos from all around the world that were taken in all kinds of situations. People wore our Bauer socks on sites, during business trips, while working at home, playing sports and even at weddings,” reports Ramona Forster from the Marketing Department of BAUER Maschinen GmbH. The winning photo, taken by an employee at a Dutch customer, was selected by lottery.



Prof. Thomas Bauer, Chairman of the Supervisory Board of BAUER Aktiengesellschaft

DONATIONS FOR SOUP KITCHEN IN SOUTH AFRICA

Due to the global COVID-19 pandemic and associated restrictions in public life, an urgent problem has arisen in South Africa: After losing their jobs, hundreds of thousands of people in the region are suffering from hunger. Birgit Leone, who has worked at BAUER Technologies South Africa for more than eight years, spontaneously decided to start a soup kitchen in August 2020 together with two fellow helpers. Since then, countless children have enjoyed one warm meal a day. A spontaneous private donation campaign among the marketing, product management and acquisition staff of BAUER Maschinen GmbH raised a considerable sum of 1,000 euros. Thanks to additional generous donations from the Rotary Club Schrobenhausen-Aichach and the Lion's Club Schrobenhausen-Aichach, an impressive total of 3,000 euros was transferred to South Africa.



The soup kitchen in South Africa gives countless children one warm meal a day.

“ I am honored to accept this position at such a difficult time for Europe ”

THOMAS BAUER ELECTED NEW PRESIDENT OF THE FIEC

Prof. Thomas Bauer, Chairman of the Supervisory Board at BAUER AG and member of the executive committee of the Hauptverband der Deutschen Bauindustrie e.V. (Federation of the German Construction Industry) was unanimously elected as the President of the European Construction Industry Federation (FIEC) at the annual general meeting on May 22, 2020. Thomas Bauer took on this position at a difficult time, as the COVID-19 pandemic has had serious impacts on the construction sector in Europe. Nevertheless, Thomas Bauer says he is approaching this new task with a great deal of optimism.

1,150,000 STEPS FOR A GOOD CAUSE

In 2020, the local newspaper in Peine, Germany once again organized their “Peine is on the move” campaign. For a full week, the 41 participating teams from local companies and associations were engaged in: Counting steps and using this as an opportunity to win prize money for social projects and also for their own health. Once again this time, two five-person teams from the GWE Group took part. In one week, they managed to take 1,150,000 steps.



During the “Peine is on the move” campaign, GWE was able to win prize money for a good cause with 1,150,000 steps.



Bauer is delighted with the active support of its employees, whose help made it possible to bring joy to food bank visitors with the wish tree initiative. Just before Christmas, the families accepted the donated gifts.



Bauer Technologies South Africa makes an important contribution with private fundraising activities as part of the charity project "Spread the Kindness."

FUNDRAISING ACTIVITIES DURING THE CHRISTMAS SEASON

BAUER AG has a long-standing tradition of foregoing Christmas gifts to customers and business partners, and instead supporting social institutions in the region. "Now, more than ever, we need to come together," said Harmut Beutler, CFO of BAUER AG, during presentation of the donations. The same tradition is also celebrated by KLEMM Bohrtechnik GmbH, with impressive Christmas season donation packages that support regional institutions and organizations. In addition, the SCHACHTBAU Group supported various projects, community organizations and individuals with considerable funding. Numerous Bauer employees also made a valuable contribution through private fundraising activities: The employees of BAUER Technologies South Africa Ltd. once again participated in the "Spread the kindness" charity project and brought smiles to the faces of countless orphaned children with presents and personalized letters. Following its successful introduction last year, Bauer

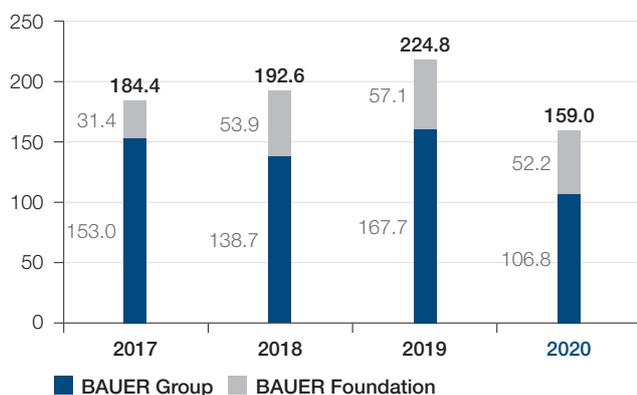
also organized another wish tree initiative in 2020: Bauer employees granted a total of 157 wishes for visitors to the Schrobenhausen food bank.

BAUER FOUNDATION SUPPORTS SCHROBENHAUSEN FOOD BANK

Community food banks collect excess food that is still of good quality and distributes it to individuals who are socially or economically disadvantaged, in accordance with the motto: "Living together, caring for each other – distributing food where it belongs". In 2020, the Schrobenhausen food bank was delighted to receive a donation of 12,000 euros from the BAUER Foundation. This made it possible to support numerous people in need from the region. This assistance was particularly crucial during the COVID-19 pandemic, when less food could be collected than in normal times.

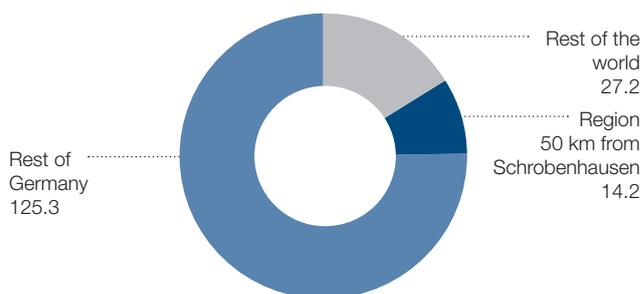
BAUER Group and BAUER Foundation donations

in EUR thousand



BAUER Maschinen GmbH purchasing according to region

in EUR million



Social cohesion and a strong team spirit are what make our company culture unique – this is clear particularly during the COVID-19 pandemic. Our employees have impressively demonstrated how new challenges can be overcome with innovative strength.



Bauer employees at the "Willigisbrücke" construction project – Aschaffenburg, Germany

Employees

> Diversity

As a global company, in 2020 the BAUER Group employed around 11,000 staff in around 70 countries. Roughly 60 % of them worked outside of Germany. Our success is based on this strong international team and a diverse workforce that drives us forward.

> Equal opportunities

We are confident that the best way to develop innovative solutions is to encourage our employees' strengths and integrate their ideas into the process of innovation. That's why we are committed to a company culture that rejects any form of discriminatory behavior and offers equal opportunities for all employees. People with disabilities are a natural part of our company.

> Work-life balance

Work-life balance has been firmly rooted in our company culture for many years now. For example, we offer suitable and practical opportunities to employees who take parental leave as well as job sharing models. A mobile working regulation introduced in 2020 creates an important basis for the right balance between "virtual" working and presence, which is important for corporate culture.

> Company benefits

In addition to a company retirement pension with the option of supplementing the pension individually through deferred compensation, we offer a flexible transition from working life into retirement. We also provide our employees with an appropriate solution under excellent conditions to manage the risk of occupational disability.

> Development opportunities

Digital learning formats such as e-learning or webinars are more important now than ever before. For this reason, the systematic advancement of digitalization in the company is one of the focuses of our training and development opportunities.

> Health, sport and leisure

These topics involve many aspects at Bauer – from occupational health care to individual prevention and workplace design itself. For example, the weekly Be Fit fitness program has also been held in virtual form since 2021.

> Apprenticeships and studies

Meeting the need for specialist workers is a central topic for the future viability of our company. Alongside more than 20 different training professions, we also offer talented students a combined degree course with a bachelor's degree and a vocational qualification that is fully recognized by the Chamber of Industry and Commerce (IHK).

GETTING THROUGH THE COVID-19 CRISIS AS A TEAM

The COVID-19 crisis is a challenge that impacts and demands a lot from all of us. It has also affected the economy, and thus our company, with tremendous speed. From logistics or customer service to personnel deployment and production; every division of the company worked hard to develop solutions for the challenges created by the pandemic. At the same time, digitalization and technological transformation have made enormous progress yet again. These processes were important to us even before the COVID-19 pandemic, but digital work has gained momentum during the pandemic and we were able to optimize these areas in many ways.

Within a very short time, our IT department established the necessary infrastructure to allow our employees to work easily at home or on the go. Since early 2020, there has been a dedicated COVID-19 committee under the direction of the Executive Board, which addresses all measures including the current regulations concerning remote work and then communicates their decisions accordingly. This was particularly important at the start of the pandemic, to provide constant information to employees concerning hygiene and safety measures as well as changes to the work flow.

Using new communication formats such as virtual employee meetings, we were able to reach our employees quicker and more easily. In addition, some areas in our company have introduced initiatives such as “virtual coffee breaks” to stay in contact despite our spatial separation.

The annual international meeting of our Parts & Service business division was held entirely virtually for the first time



ever, with more than 50 participants from around the world. We also welcomed more than 700 viewers to the first interactive webinar of BAUER Spezialtiefbau GmbH in November on the topic of “Sustainable concepts in specialist foundation engineering.” Even our internal Group meeting, which brings together more than 200 executives from around the world each year, was conducted entirely virtually for the first time ever. Using a digital tool, viewers were given the chance to ask questions about current issues or participate in voting. In the same manner, many of our subsidiaries applied lots of enthusiasm and perseverance to developing new concepts and formats at very short notice in order to remain in contact with their customers and business partners.

“Virtual” working can bring many advantages. Yet we have also learned where there are limitations. The longer the situation lasts, the clearer it becomes that personal contact cannot be replaced. Face-to-face interaction and togetherness remain crucial components of our company culture.



TRAVELING WITH A MEMBER OF THE EXECUTIVE BOARD IN THE EAST

It all started when 19-year-old Theresa Gruenwald won a trip with a member of the Executive Board of BAUER AG during a raffle at the 2019 summer celebration. The following Monday, it was suggested that she accompany Peter Hingott on a three-day trip to Oman. Then in early 2020, it was time: After a six-hour flight to Oman's capital Muscat, Theresa Gruenwald was given a very warm welcome and was able not only to participate in a shareholder meeting but also gain a great deal of insight into traditional Omani culture through sightseeing tours, and joint lunches and dinners. It was an impressive trip that she will remember for a long time.



Theresa Gruenwald redeemed her raffle winnings before the COVID-19 restrictions and accompanied Executive Board Member Peter Hingott on his business trip to Oman.

INNOVATIVE 3D PRINT TECHNOLOGY IN TRAINING

The Bauer apprentices aren't new to 3D printing innovations. As early as 2018, they presented a 3D printer at the "Training Night" that they had independently planned and manufactured as part of their project work. This printer has now not only been presented at a variety of trade fairs such as the Bauma in Munich, but also used for many internal company projects. For this reason, those responsible for training at Bauer have now purchased a second model. The "pro version" type BCN3D will in future be used primarily in the training of electronics technicians. "However we can also supply our production or other company divisions that need 3D printed components, and do so worldwide," says Bauer's Training Manager Gerhard Piske.

"With their long-time experience, their expert knowledge and their passion, our long-serving employees not only make a significant contribution to the company's success, they also serve as an example for our young talents."

**Stefan Reindl, HR
Director of BAUER
Aktiengesellschaft**



MANY YEARS WITH THE COMPANY: NUMEROUS EMPLOYEES CELEBRATE THEIR 40TH ANNIVERSARY

For the Bauer company, it is truly special when an employee remains loyal to a company for more than 40 years. In 2020, a total of 23 employees celebrated their 40th anniversary at Bauer in Germany. When they started at Bauer in 1980, most of them as apprentices, the company had 901 employees and generated an annual revenue of approximately DM 200 million. But even given the size of the company today, employee anniversaries are traditionally celebrated with a special ceremony multiple times a year. Due to the COVID-19 pandemic, the festivities in 2020 had to be cancelled or postponed in some cases, but they will be rescheduled for a later date. After all, such an important anniversary should also be celebrated in a fitting way.



THE SCHACHTBAU FAMILY CYCLES FOR THE CLIMATE

From June 27 to July 17, 2020, Nordhausen was “Cycling for a good climate” once again during the annual city cycling campaign. As one of 43 teams, Schachtbau Nordhausen participated with 22 active cyclists and finished solidly in fifth place with 6,018 kilometers cycled. Apart from enjoyment and exercise, the initiative also had a positive effect on the climate: 885 kg CO₂ were saved in the campaign, an excellent result for the Schachtbau team.



The Schachtbau Nordhausen team participated in the annual city cycling campaign for a good climate.

MORE MODERN, MORE UP-TO-DATE, AND INFORMATIVE: THE NEW INTRANET B.INSIDE

Since July 2020, Bauer employees have access to a new intranet, which features a new design along with some new content and features. The goal was to make this platform the central source of information at Bauer. The result is an intranet that is very user-friendly. The homepage combines current company news, quick links, dates and events at a glance. Employees can also access all sorts of information and content that might be of particular interest to them. Of course, the intranet will be continually developed.



30 YEAR ANNIVERSARY OF BAUER UMWELT

Over the past 30 years, what is now the Bauer Umwelt business division of BAUER Resources GmbH has developed from a two-person operation into a leading company for environmental services with 177 employees. This successful trajectory ultimately began by addressing the requirements of specialist foundation engineering, namely how to handle contaminated areas on construction sites. Today, the environmental division Bauer Umwelt is one of the leading remediators of contaminated sites both domestically and internationally. Its services include rehabilitation of contaminated sites, disposal of contaminated waste from construction and industry, and purification of groundwater and site water. Since it was not possible to hold a large celebration with customers and employees due to the pandemic, Bauer Umwelt looked back on 30 successful years with a video. The video can be found easily on YouTube by searching for the keywords “30 Year Anniversary Bauer Umwelt” (only available in German).

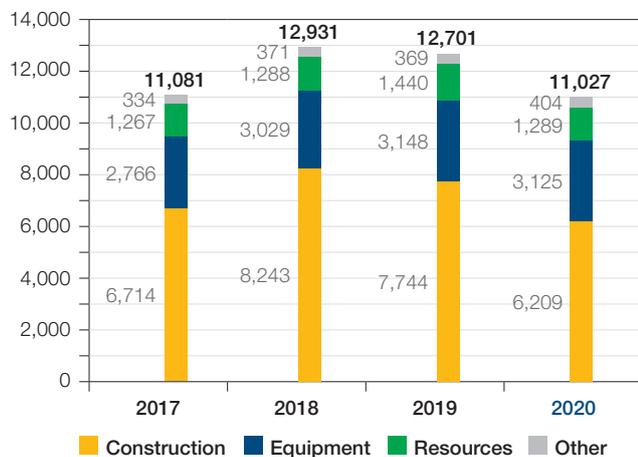


Bauer Umwelt celebrated its 30 year anniversary.

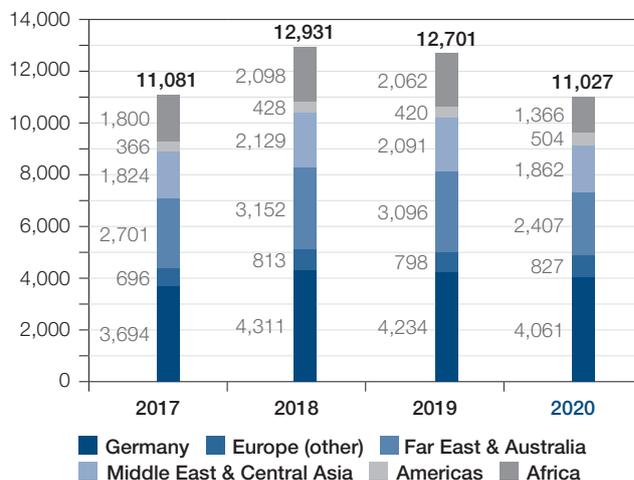
FIRST BAUER DAY FOR TRADITIONAL BAVARIAN OUTFITS

Since the COVID-19 pandemic scuttled plans for the in-house exhibition, Oktoberfest and more, Bauer held its first day for traditional Bavarian outfits on September 24. Dressed in dirndls or lederhosen, traditional hats or other Bavarian accessories, the employees had a great deal of fun and the atmosphere was festive. Many employees participated in the photo initiative by presenting their favorite photo in a traditional Bavarian outfit.

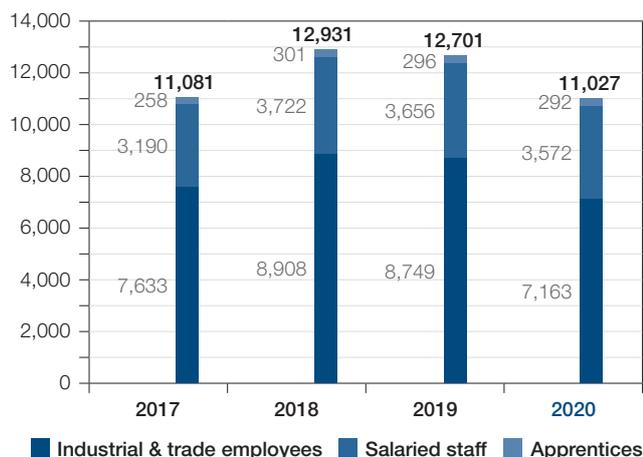
Employees by segment



Employees by region

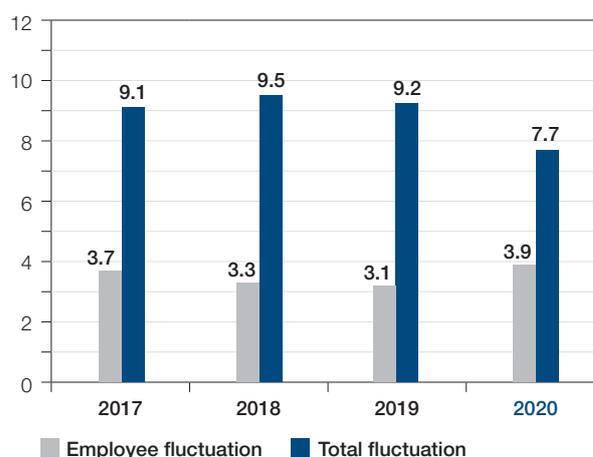


Employees by employment type



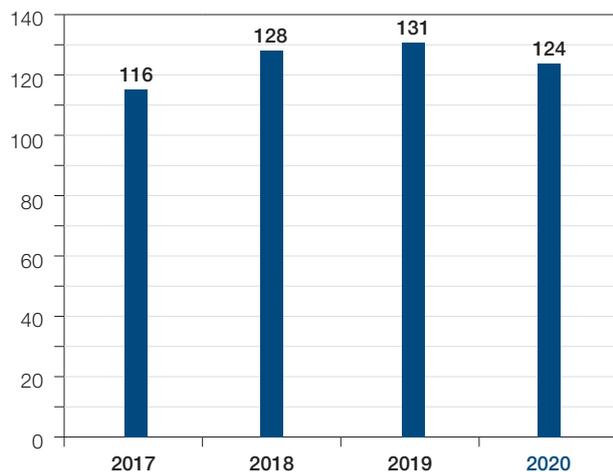
Fluctuation rate

in % in Germany



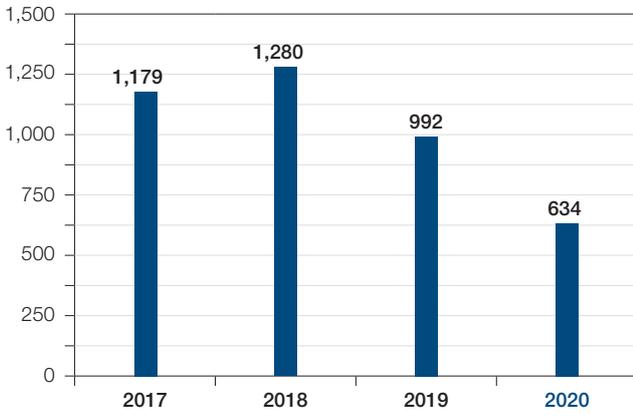
Number of employees with disabilities

in Germany



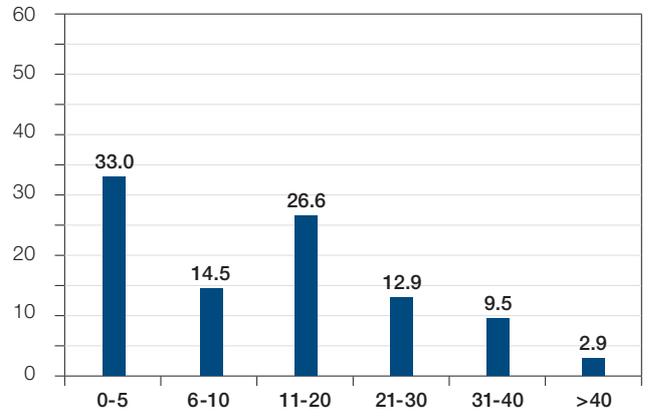
Submitted improvement recommendations

in Germany



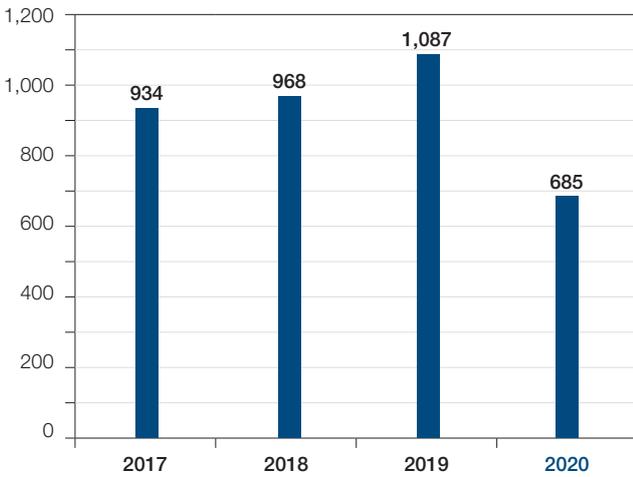
Length of employment

in % in Germany



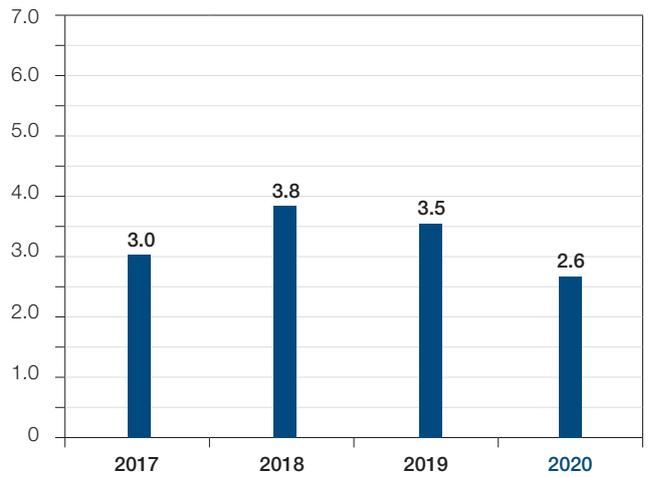
Number of seminars

in Germany



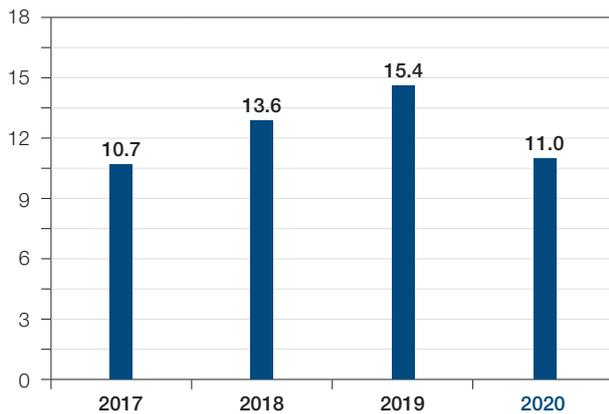
Continuing education costs

in EUR million in Germany



Average number of training hours per employee

in hrs. in Germany





Construction of a retaining structure during the "Willigisbrücke" project - Aschaffenburg, Germany

>> *As an international company, our understanding of sustainability includes a commitment to minimize the impact of our commercial activities on our environment. As a company, we are tackling the challenges of protecting the environment and climate with energy-efficient equipment, new technologies, and careful use of resources. We are aware of our responsibility and therefore use the power of innovation to reduce our ecological footprint.* <<



Renaturation of the River Em-scher – Oberhausen, Germany

Environment

> Environmental management

In order to achieve our goals, it is crucial to firmly anchor environment-related issues in our organization and decision processes. The basis is our environmental management system, and has been established in the company for many years. Along with the central areas of health and safety, our environmental management forms an integral component of our overarching HSE policy. Regular internal HSE audits help to achieve target values and prevent potential negative developments.

> Raising awareness

The managing directors of the individual Group companies are responsible for achieving the prescribed goals. Maintaining an open dialog, they work together with our employees to continually develop and improve environmental protection in all areas of the company. The central HSE provides support, coordinates, and reviews implementation. HSE training is also held regularly to raise environmental awareness among our employees.

> Many approaches to environmental protection

In choosing our company vehicles, we opt for the most fuel-efficient and low-emission engines and see potential for savings as a result. Since 2019, the number of electric vehicles used for internal plant transportation has continued to grow.

Especially during the COVID-19 pandemic, we have sustainably contributed to environmental protection using modern means of communication. In particular the use of worldwide video conference systems enables us to avoid long trips. The high degree of digitalization in the BAUER Group contributes significantly to the reduction of CO₂ emissions.



Environmental Statement for the Schrobenhausen Location

REPORTING BASIS AND LIMITS

This environmental statement, in accordance with the requirements of EMAS III, is an integral part of the Sustainability Report 2020 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 and BAUER Resources GmbH. The Schrobenhausen site has approximately 196,467 m² of built-up land. The Nordhausen location mainly includes SCHACHTBAU NORDHAUSEN GmbH, SCHACHTBAU NORDHAUSEN Bau GmbH and SCHACHTBAU NORDHAUSEN Stahlbau 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 July 2021. 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 a slight increase for the previous year, energy consumption at the Schrobenhausen location decreased somewhat in 2020. 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 313 MWh of energy during 2020, which were fully fed into the supply grid.

TREND IN EMISSIONS

NO_x, SO₂, and CO₂ 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 increase at the Schrobenhausen location and in the Aresing and Edelshausen plants compared to the previous year can be attributed 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 22 t CO₂ for 2020 (previous year: 29 t). In 2020, the photovoltaic system in Edelshausen saved 83 t (previous year: 104 t) of CO₂.

WATER CONSUMPTION

Water consumption at the head office and the Schrobenhausen plant remained nearly the same in 2020 compared to 2019. At the Aresing and Edelshausen plants, water consumption decreased in 2020. In the figure on page 31, 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 was also successful in reducing solvent emissions again in 2020 to 5.7 t (previous year: 7.5 t).

WASTE VOLUME

The amount of hazardous and non-hazardous waste at the Schrobenhausen location was reduced in 2020 to 3,575 t (previous year: 4,861 t). Now almost no waste is disposed of: more than 99% of waste is recycled.

MATERIAL EFFICIENCY

The core indicator of material efficiency refers to the environmental impact directly related to the materials used in machine production. In 2020, this value was 3,400 t (previous year: 4,725 t).

Schrobenhausen
(plant + head office)

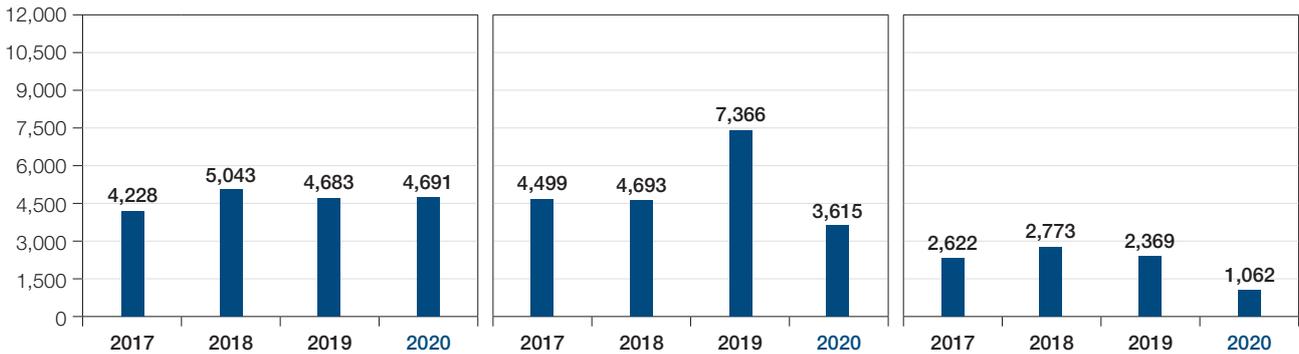
Aresing plant

Edelshausen plant



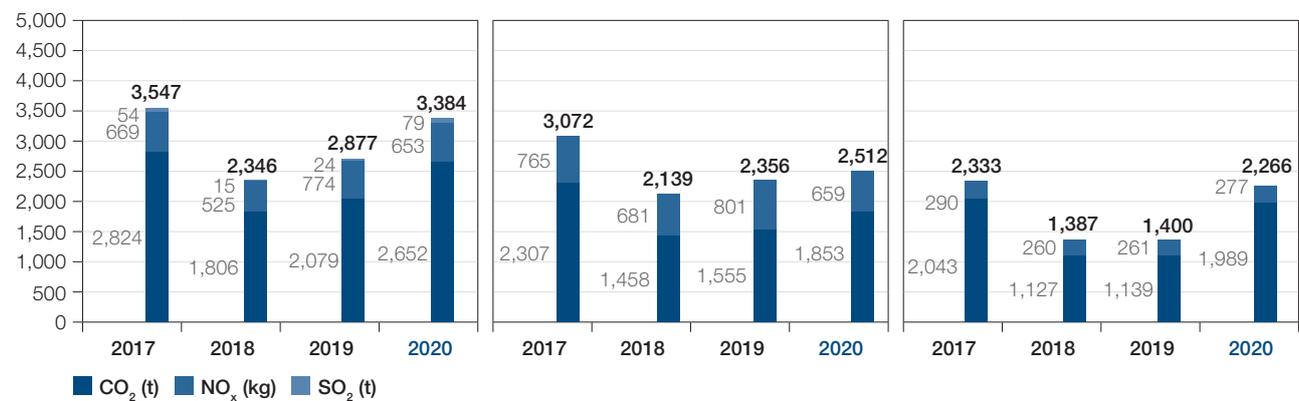
Water Consumption

in m³



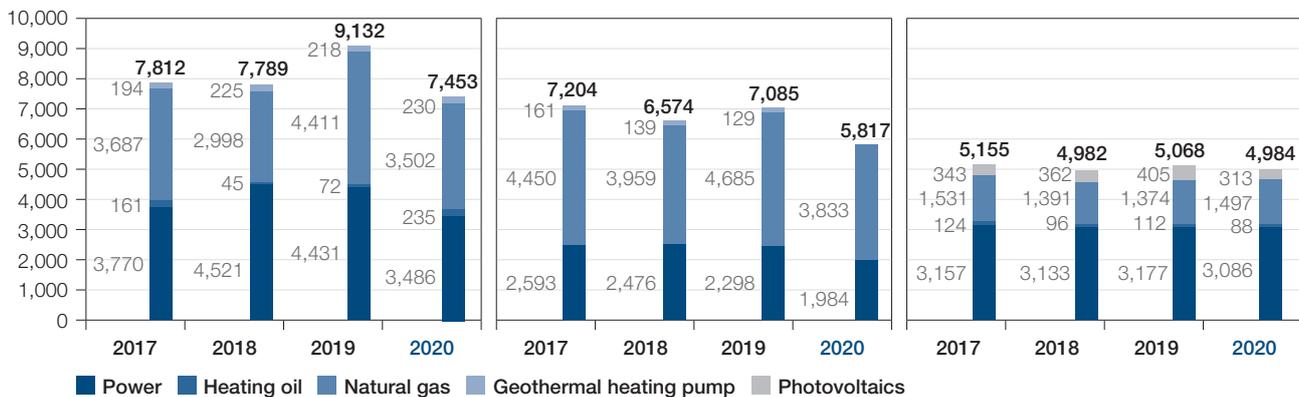
Emissions

in t or kg



Energy Consumption

in MWh



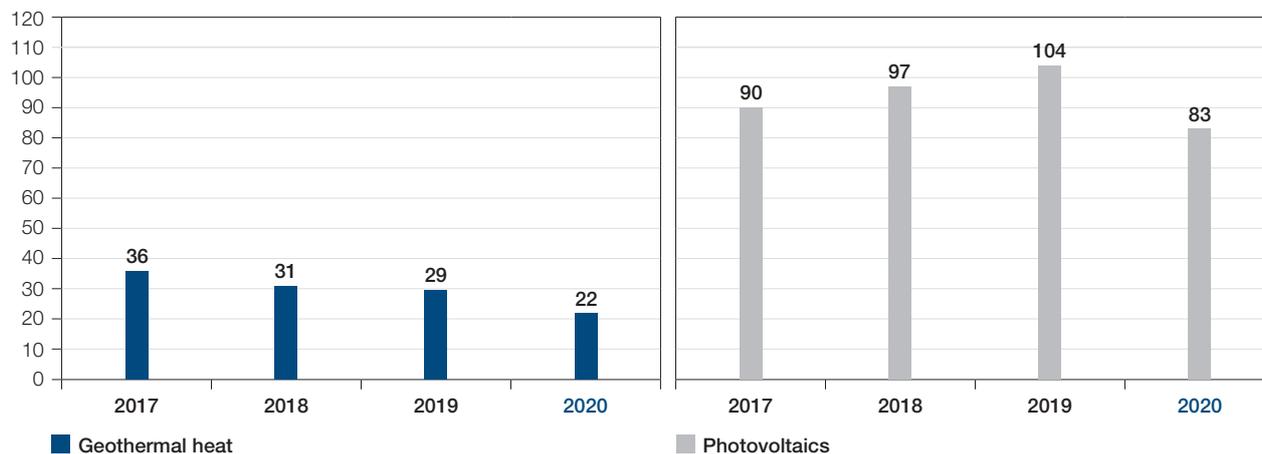
Aresing plant



Edelshausen plant

Avoidance of CO₂ emissions

in t/year



Core indicators of EMAS III in relation to gross value added

	2018		2019		2020	
	Core indicator	Core indicator/ gross value added	Core indicator	Core indicator/ gross value added	Core indicator	Core indicator/ gross value added
Built-up area (m ²)	196,467	799.82	196,467	928.06	196,467	1,038.60
Input						
Water (m ³)	12,509	50.92	14,418	68.1	9,368	49.51
Power (MWh)	10,130	41.24	9,906	46.7	8,556	45.22
Natural gas (MWh)	8,348	33.98	10,470	49.45	8,832	46.68
Fuel (MWh)	8,546	34.79	1,753	8.28	2,023	10.69
Heating oil (MWh)	141	0.57	184	0.8	323	1.7
Geothermal heat (MWh)	1,075	4.38	751	3.5	543	2.87
Metal boards (t)	7,528	30.65	4,006	18.9	2,906	15.36
Paints (t)	92	0.37	86	0.4	39	0.2
Lubricants (t)	921	3.75	421.56	1.99	302.34	1.59
Acetylene (t)	23	0.04	11	0	6.7	0.03
CO ₂ (t)	44	0.18	25	0.1	36	0.19
Argon (t)	140	0.57	89	0.4	56	0.29
Oxygen (t)	170	0.69	87	0.4	54	0.28
Output						
Non-hazardous waste (t)	4,425	18.01	1,739	8.2	814	4.31
Hazardous waste (t)	174	0.71	176.9	0.8	115	0.6
Scraps and metals (t)	2,893	11.78	2,945	13.9	2,646	13.98
CO ₂ emissions (t)	4,391	17.88	5,959	28.14	6,630	35
SO ₂ emissions (t)	47	1.85	24	0.00	78	0.41
NO _x emissions (t)	1,466	5.97	1,035	4.8	929	4.91
Gross value added (in EUR thousand)	245,639		211,695		189,183	

Other machinery manufacturing plants

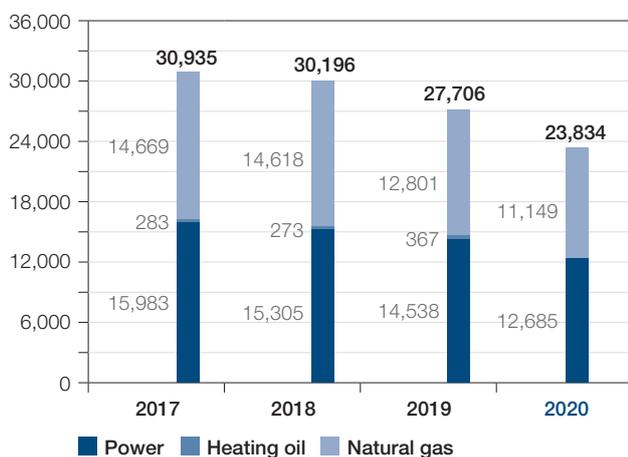
REPORTING BASIS AND LIMITS

This section presents the environmental performance indicators of key machinery manufacturing plants around the world. It also includes our shareholding in Olbersdorfer Guß GmbH, a foundry that mainly produces small castings and therefore has very high energy requirements. Its environmental performance indicators

have been fully included. The location of PRAKLA Bohrtechnik GmbH was closed and Esau & Hueber GmbH was sold; for this reason, the environmental performance indicators of these two companies are no longer listed in 2020.

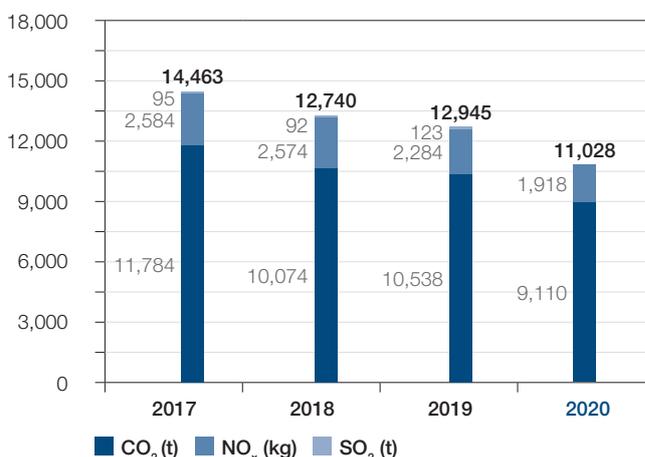
Energy Consumption

Other machinery manufacturing plants in MWh



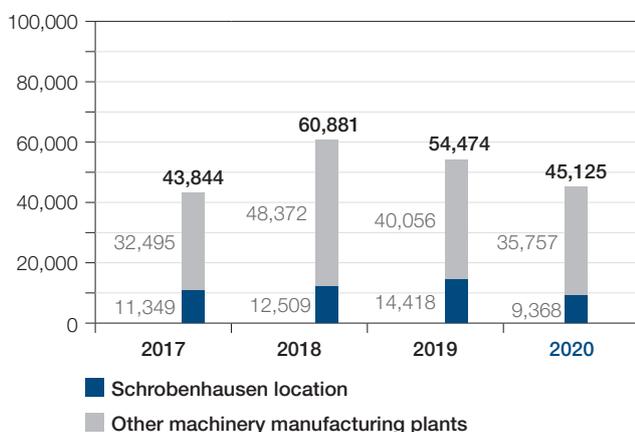
Emissions

Other machinery manufacturing plants in t or kg



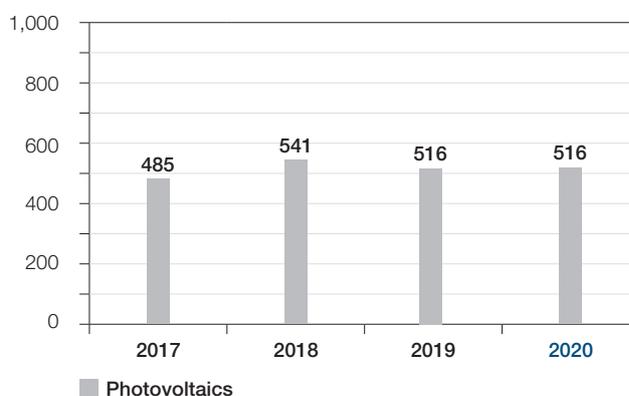
Water Consumption

Other machinery manufacturing plants in m³



Avoidance of CO₂ emissions

Other machinery manufacturing plants in MWh/year



TREND IN ENERGY CONSUMPTION

At the other machinery manufacturing plants, energy consumption was once again slightly reduced in 2020 compared to the previous year. The reduction is primarily due to lower consumption at the international plants.

TREND IN EMISSIONS

NO_x, SO₂, and CO₂ 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 in increases here in the previous year. At the other machinery plants, however, a decrease was recorded for 2020 compared to the previous year.

WATER CONSUMPTION

In 2019, the unusually low order situation at BAUER Manufacturing LLC led to lower water consumption at the other machinery plants. In 2020, an overall decrease was once again recorded.

SOLVENT EMISSIONS

In 2020, VOC emissions were produced primarily by painting work at KLEMM Bohrtechnik GmbH, SCHACHTBAU NORDHAUSEN GmbH, EURODRILL GmbH, Bauer Tianjin Technology Co., Ltd., at BAUER Equipment America Inc. and BAUER Manufacturing LLC. VOC emissions at the other machinery plants totaled 16.7 t in 2020 (previous year: 16.8 t).

2020 environmental data

	Revenues (EUR million)	Employees	Energy consumption (in MWh)			Emissions		
			Power	Natural gas	Heating oil	CO ₂ (t)	NO _x (kg)	Water (m ³)
Schrobenhausen location	818.5	2,228	8,556	8,832	323	6,630	929	9,368
Nordhausen location	112.1	866	3,966	3,258	-	2,802	560	9,226
KLEMM Bohrtechnik GmbH	50.5	254	969	2,493	-	1,032	429	1,497
EURODRILL GmbH	17.9	73	250	445	-	222	73	927
BAUER MAT Slurry Handling Systems *	18.6	74	179	603	-	220	104	1,024
Olbersdorfer Guß GmbH	5.0	86	2,825	1,905	-	1,910	328	2,083
Total Germany	1,022.6	3,581	16,745	17,516	323	12,816	2,423	24,125
BAUER Equipment America Inc. + BAUER Manufacturing LLC	109.8	160	2,538	185	-	1,288	32	1,685
BAUER Tianjin Technologies	49.1	184	1,436	2,279	-	1,140	392	14,021
BAUER Equipment Malaysia	15.2	124	521	-	-	311	-	5,294
Total International	174.1	468	4,495	2,464	-	2,839	424	21,000
Total key figures recorded	1,196.7	4,049	21,240	19,980	323	15,655	2,847	45,125
as a % of the Group	82.3	36.7	n/a	n/a	n/a	n/a	n/a	n/a
BAUER Group	1,453.6	11,027	n/a	n/a	n/a	n/a	n/a	n/a

* Branch office of BAUER Maschinen GmbH



*Bauer employees in
soil treatment center –
Schrobenhausen, Germany*

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 CSR 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, the 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 powered 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 an offshore wind park, for example, a total of four hydraulic power packs (HE) 1400 are being used to supply the Dive Drill C40 U with energy.	■ ■ ■ ■ ■ ■ ■ ■	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. Necessary information can be accessed securely or conveniently provided to employees from anywhere in the world either online or through the existing portals of the Bauer intranet. 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. 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 BAUERdigital portal. The evaluation of these production data enables BAUER Spezialtiefbau GmbH to optimize its production and thereby avoid wasting resources. Initial research results have already been presented in the Construction 4.0 research project. The B-Tronicsystem was extended to include additional components for net-working construction sites. For example, the Data2Rig makes it possible to transfer pile plans from the office directly to the equipment.	■ ■ ■ ■ ■ ■ ■ ■	continuous

Status of sustainability goals for research and development

Goals/Actions	Situation	Status	Implementation
Reduction of material flow on the site	It is now possible to significantly reduce the large flow of materials that was previously produced when manufacturing products, both during transport to the site and during disposal. Concerning the MIP method, this enables strategic enlargement of the constructed wall cross-section thanks to an innovative enhancement of the mixing tools. This will make it possible to construct walls in larger excavation pit dimensions with a significantly higher load-bearing capacity in the future. Furthermore, the use of industrially manufactured pre-fabricated elements in the construction of excavation walls (diaphragm walls) has already been successfully implemented. The advantage of pre-fabricated elements is their ability to achieve a comparatively high load-bearing capacity with low material use.	■ ■ ■ ■ ■ ■ ■ ■	continuous

Status of sustainability goals with regard to stakeholders

Goals/Actions	Situation	Status	Implementation
Partnerships with middle schools	We want to increase collaboration with middle schools in the region to offer career perspectives to students.	■ ■ ■ ■ ■ ■ ■ ■	continuous
Partnerships with secondary schools: "Improved Career Guidance for Secondary School Students"	This cooperation aims to demonstrate the prospects of apprenticeships in various occupational fields for secondary school students in the Neuburg-Schrobenhausen district and offers them ideal preparation for their future careers. The partnership is led by BAUER Training Center GmbH, which has developed the "(M)EinBlick" project. Unfortunately, the project was interrupted in 2020 due to the COVID-19 pandemic.	■ ■ ■ ■ ■ ■ ■ ■	continuous
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
Expansion of 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 BAUER Training Center GmbH, 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. No further developments have been possible due to the COVID-19 pandemic.	■ ■ ■ ■ ■ ■ ■ ■	continuous
Development of young employees	BAUER Training Center GmbH 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. Despite the COVID-19 pandemic, it was possible to introduce the new formats, though only in digital form and not in person.	■ ■ ■ ■ ■ ■ ■ ■	continuous

Status of sustainability goals in human resources

Goals/Actions	Situation	Status	Implementation
Expanding skills through e-learning	The management 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. The COVID-19 pandemic has meant that the entire e-learning sector has been given a considerable boost. Learning has transitioned from in-person formats to digital formats, thereby considerably improving digital skills throughout the entire Group. The decision to invest in a unified Learning Management System was also resolved and approved in 2020. In addition, BAUER Training Center GmbH has promoted digitalization in numerous ways that sustainably change the learning process for employees as well as our customers and partners.	■ ■ ■ ■ ■ ■ ■ ■	2021

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 2022, modern LED lighting will predominantly be used at the company. Insulation in older office and factory buildings will also be inspected.	■ ■ ■ ■ ■ ■ ■ ■	2022
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.	■ ■ ■ ■ ■ ■ ■ ■	2022

The Group at a Glance

Group key figures 2017 – 2020

IFRS in EUR million	2017	2018	2019 *	2020	Changes 2019/2020
Total Group revenues	1,772.0	1,686.1	1,594.7	1,453.6	-8.8%
of which Germany	477.8	467.1	518.7	416.9	-19.6%
International	1,294.2	1,219.0	1,076.0	1,036.7	-3.7%
of which Construction	835.0	767.6	668.8	669.0	6.4%
Equipment	754.5	723.1	713.6	610.7	-14.4%
Resources	248.2	261.5	274.9	268.8	-14.6%
Sales revenues	1,667.9	1,589.1	1,470.9	1,343.2	-8.7%
Cost of materials	919.6	821.5	783.1	626.1	-20.1%
Personnel expenses	383.5	392.4	418.8	394.9	-5.7%
EBIT	89.6	100.1	33.7	55.5	64.8%
Earnings after tax	3.7	24.1	-36.6	-8.2	n/a
Employees (Reporting date) **	11,081	12,931	12,701	11,027	-13.2%
of which Germany	4,000	4,203	4,234	4,061	-4.1%
International	7,081	8,728	8,467	6,966	-17.7%

* Previous year's figure adjusted; see notes to 2020 Annual Report on p. 70 and p. 102.

** See notes to 2020 Annual Report on p. 163

Consolidated Balance Sheet

Assets in EUR thousand	Dec. 31, 2019	Dec. 31, 2020	Equity and liabilities in EUR thousand	Dec. 31, 2019 *	Dec. 31, 2020
Intangible assets	16,946	14,598	Equity of BAUER AG shareholders	381,804	364,722
Property, plant and equipment	460,470	452,487	Non-controlling interests	5,112	801
Investments accounted for using the equity method	118,185	76,189	Equity	386,916	365,523
Participations	8,806	10,761	Provisions for pensions	158,641	167,457
Deferred tax assets	67,273	66,916	Financial liabilities	135,300	317,939
Other non-current assets	7,175	7,425	Other non-current liabilities	6,028	6,027
Other non-current financial assets	13,923	13,165	Deferred tax liabilities	27,149	20,599
Non-current assets	692,778	641,541	Non-current debt	327,118	512,022
Inventories	405,401	387,498	Financial liabilities	465,953	256,881
Rental equipment	61,838	47,468	Other current liabilities	402,318	347,472
Less advances received for inventories	-8,921	-10,340	Effective income tax obligations	19,566	25,997
	458,318	424,626	Provisions	23,677	32,890
Receivables and other assets	434,608	394,661	Provisions for pensions	3,001	3,200
Effective income tax refund claims	5,270	2,356	Current debt	914,515	666,440
Cash and cash equivalents	37,575	46,015		1,628,549	1,543,985
Non-current assets held for sale	0	34,786			
Current assets	935,771	902,444			
	1,628,549	1,543,985			

* Previous year's figure adjusted; see notes to 2020 Annual Report on p. 70 and p. 73.

About this Report

The BAUER Group Sustainability Report is intended for our present and former employees, analysts and investors, 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, 2020, to December 31, 2020. In certain cases, information from other periods may be provided. The editorial deadline was May, 2021. 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 2020 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 presented in this report.

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 2020 (in EUR million)	Employees in 2020
German Group companies	BAUER AG	63.6	322
	BAUER Spezialtiefbau GmbH	259.5	648
	BAUER Maschinen GmbH incl. BAUER MAT Slurry Handling Systems*	360.3	1,272
	BAUER Resources GmbH	102.6	172
	BAUER Training Center GmbH	1.7	13
	SPESA Spezialbau und Sanierung GmbH	16.1	52
	RTG Rammtechnik GmbH	32.4	7
	BAUER Deep Drilling GmbH	1.8	14
	GWE pumpenboese GmbH	43.6	223
	KLEMM Bohrtechnik GmbH	50.5	254
	Olbendorfer Guss GmbH	5.0	86
	EURODRILL GmbH	17.9	73
	SCHACHTBAU Nordhausen GmbH	73.9	643
	SCHACHTBAU NORDHAUSEN Bau GmbH	15.6	76
	SCHACHTBAU NORDHAUSEN Stahlbau GmbH	22.6	147
	Intra-Group revenues	-471.1	0
	Total (German Group companies)	596.1	4,002
	German Group companies as a % of the Group	41.0	36.3
	BAUER Group	1,453.6	11,027

* Branch office of BAUER Maschinen GmbH

GRI Index

Our 2020 Sustainability Report is based on the template provided by the Global Reporting Initiative (GRI), 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 2020 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. 40
102-8	Total number of employees by type	p. 25
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. 39-47, p. 48-50
102-12	Charters, principles, or other initiatives to which the organization subscribes or which it endorses	p. 7, p. 9-13, p. 15-19, p. 21, p. 24, p. 29-30
102-13	List of memberships in associations	p. 15
Strategy		
102-14	Statement from CEO	p. 4-5
102-15	Key impacts, risks, and opportunities	p. 4-5; AR p. 39-47
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior for the organization	p. 9-10, p. 15, p. 21, p. 29
Governance		
102-18	Governance structure of the organization	p. 10; AR p. 15, p. 158-159
Stakeholder engagement		
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

AR = 2020 Annual Report

Reporting procedure		
102-45	Entities included in the consolidated financial statements	AR p. 164-168
102-46	Procedure for selecting report contents	p. 4-5, p. 9, p. 15, p. 21, p. 29
102-47	Material topics	p. 9
102-48	Effects of and reasons for restatements of information	p. 30-34, p. 36-38
102-49	Important changes to the scope and limitations of aspects compared to previous reporting periods	p. 30-34, p. 36-38
102-50	Reporting period	p. 40
102-51	Date of the most recent previous report	p. 40
102-52	Reporting cycle	p. 40
102-53	Contact point for questions regarding the report	p. 45
102-54	Claims of reporting in accordance with GRI standards and selected index	p. 41
102-55	GRI content index	p. 41-43
102-56	External audit	No reference
GRI standards 200: Economic topics		
Economic performance		
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. 39
GRI standards 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. 29
103-3	Evaluation of the management approach	p. 4-5, p. 9
302-1	Energy Consumption within the company	p. 30-34
302-4	Reduction of energy consumption	p. 30-34
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. 29
103-3	Evaluation of the management approach	p. 4-5, p. 9
303-1	Total water withdrawal	p. 30-34
303-3	Water recycled and reused	p. 30-34
Emissions		
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. 29
103-3	Evaluation of the management approach	p. 4-5, p. 9
305-1	Direct greenhouse gas emissions	p. 30-34
305-2	Indirect greenhouse gas emissions	p. 30-34
305-7	NO _x , SO _x and other significant air emissions	p. 30-34

Waste water 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. 29
103-3	Evaluation of the management approach	p. 4-5, p. 9
306-1	Effluents and waste	p. 30-34
Compliance		
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 standards 400: Social topics		
Employment		
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. 25-26
Occupational 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, p. 9-10, p. 13
103-3	Evaluation of the management approach	p. 4-5, p. 9-10, p. 13
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 and 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. 26
402-2	Programs for upgrading employee skills and transition assistance programs	p. 21-24

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

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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 25th November 2009 and Amendment Regulation (EU) 2017/1505 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS).

By signing this declaration, I declare 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 consolidated environmental statement of the organisation -pages 4 and 5 as well as 28 to 38 of the Sustainability Report 2020- reflect a reliable, credible and correct image of all sites 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, 5.7.2021


Reinhard Mirz
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IMPRINT

Published by

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Registered place of business

86529 Schrobenhausen, Germany
Registered at the District Court of
Ingolstadt under HRB 101375

Print

Mayer & Söhne Druck- und
Mediengruppe GmbH & Co. KG,
Aichach

This Sustainability Report is published
in German and English. It can be
accessed as a PDF document.



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