



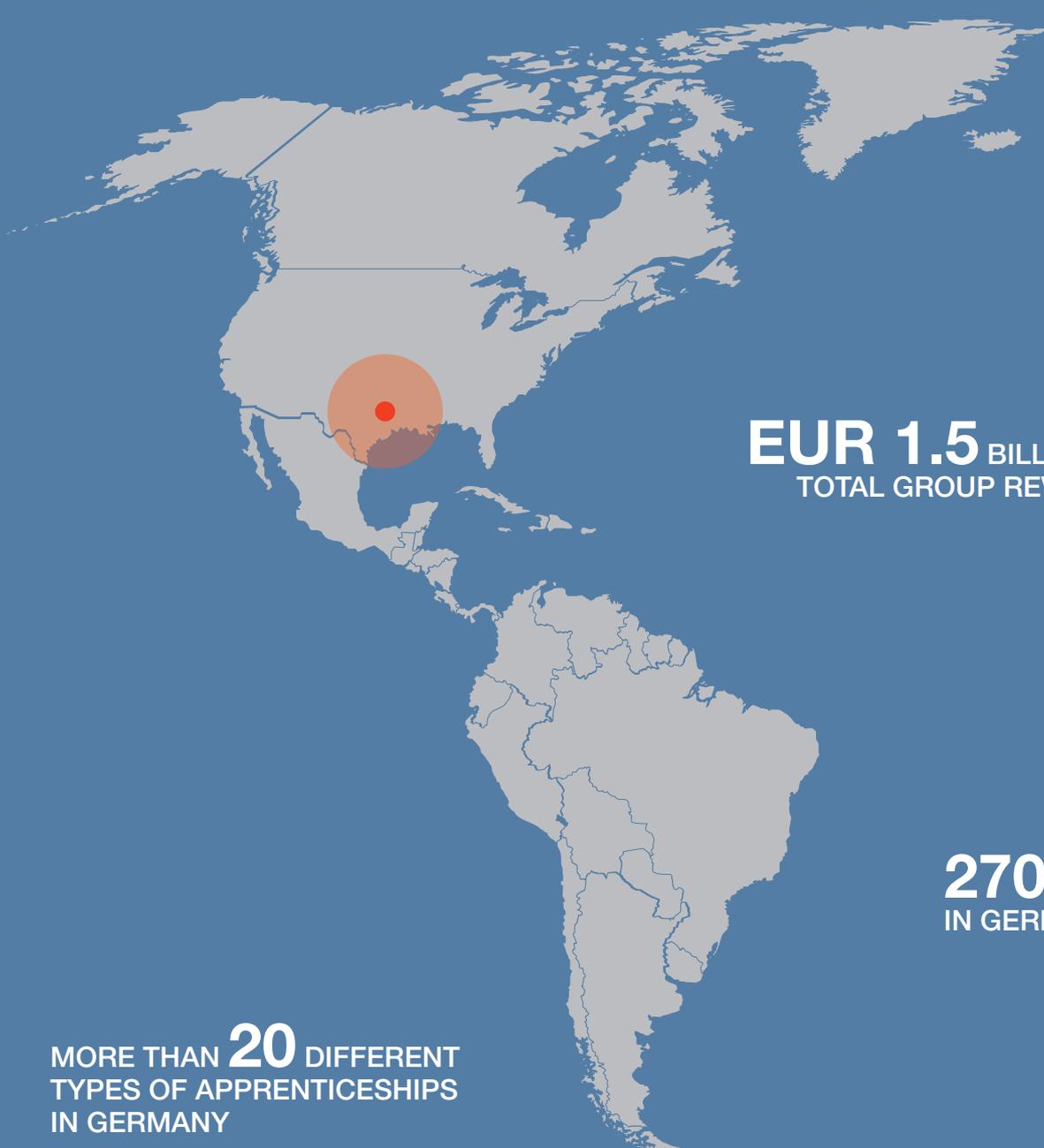
Sustainability Report 2021

Our Company
in the Community



The World is our Market

107 NATIONALITIES

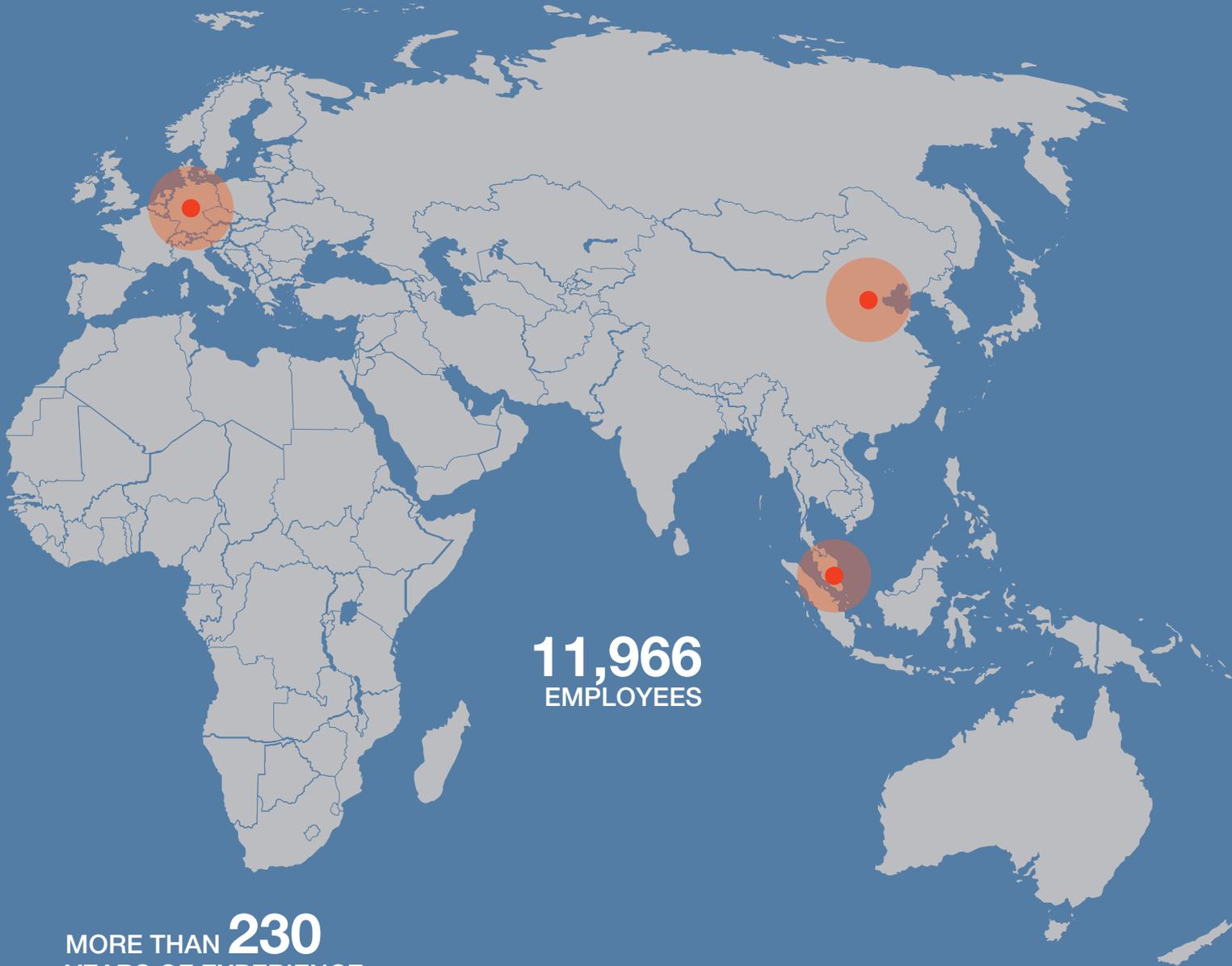


EUR 1.5 BILLION
TOTAL GROUP REVENUES

270 APPRENTICES
IN GERMANY

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

OVER EUR **3.1** MILLION FOR
TRAINING AND EDUCATION IN GERMANY



11,966
EMPLOYEES

MORE THAN **230**
YEARS OF EXPERIENCE

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



Bauer employees at work during demolition on the former DUEWAG grounds.



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Foreword by the CEO



Ladies and Gentlemen, partners and friends of our company,

according to Google Trends, a new world record was set in 2021 for searches with the keyword “sustainability”. This is actually not so surprising: after all, if you take a closer look at the information we see every day in various media, anyone could probably confirm this. Everyone is talking about sustainability – in EU politics or at the World Climate Summit, in advertising and likewise in private conversations. Of course, this topic is also a constant subject of discussion in our company.

Although our reporting on the topic was less comprehensive and systematic in the past, we have always ensured that our strategic and operative decisions as well as our innovations are oriented towards the long term and reasonable in every respect. In 2021, we have now intensively pooled and classified our activities and initiatives relating to sustainability. The reason for this is not only that interest in the topic is growing among

legislators, our customers or investors, but because it is in our DNA as a family business to think long-term and sustainably, and also to share these thoughts extensively. In the process, it has become clear to us that we have plenty of room to grow given the increased expectations of our stakeholders when it comes to organization and communication about sustainability. That’s why we have established a new steering committee at the Group level in which all segments are represented. All our sustainability activities will be combined and coordinated under the name “B.sustainable” in the future. This also means that we are setting more clearly defined sustainability strategies for the Group and for the individual segments.

In our segments, we work continually on operating activities for further improvement when it comes to protecting the climate and the environment. We strive to make specialist foundation engineering even more sustainable in terms of noise, material consumption and CO₂ emissions – for example with our Mixed-in-Place method, which requires lower material use compared with other applications and also involves less transportation, thereby considerably reducing CO₂ overall. With a view to our equipment, we are working on further optimization of fuel consumption, reduction of noise and CO₂ emissions as well as the development of alternative drives. This is demonstrated by our new developments, which we presented to our customers in 2021: the BAUER Cube System and the eBG 33. With our electric BAUER Dive Drill, we enable the noise-reduced formation of offshore wind farms in difficult subsoil and in deep waters. In the Resources segment, we aim to further expand our already inherently sustainable business model in the area of geothermal energy and with regard to methods for the preparation of raw materials.

To achieve these goals, it is essential to build on the good ideas of our employees and integrate them comprehensively. In the last two years, this was considerably more difficult due to the COVID-19 pandemic. The element of personal interaction, so crucial for creative collaboration, working out ideas and driving them forward to the implementation stage, was often complicated – after all, many interactions could only take place virtually. I am concerned that working too extensively outside the office has a negative impact on our feeling of cohesion, the sense of connection employees have with the company and ultimately on our mental health as well.

This makes it all the more important to bring people back together now. “Zamkemma,” as we say in Schrobenhausen in the Bavarian dialect. We have revived many traditions, from the employee afternoon to the spring concert, and launched new initiatives for personal interaction. It is apparent that our employees, partners and customers have enjoyed these in-person meetings and are grateful to attend these events.

Our values are another important component of our company culture. Under the guidance of my colleague on the Executive Board

Florian Bauer, we addressed the internal communication of our values in 2021. Responsibility, openness, appreciation, innovation and a down-to-earth attitude are the elements that shape our collaboration. To communicate these values to all colleagues worldwide, we developed a values postcard that was distributed in numerous languages to the various branch offices. Our company culture is and remains one of the most important components for the success of the company.

At Bauer, we will continue to put people first. In order to express this guiding principle, we conducted an employee survey across Germany in 2021. In 2018, we developed a new survey in the first stage and conducted this mainly at the Schrobenhausen location. Now it was important to us for all German employees to have the opportunity to provide feedback. Overall, we determined that satisfaction continues to be high among employees. The numerous responses also showed us where we still have potential for improvement. We are already working on the implementation of these suggestions for improvement.

We have made great strides, which makes us optimistic for the future. Although the economic environment in 2022 is characterized by a great deal of uncertainty with its numerous crises – Russia's war against Ukraine, high inflation or price increases and scarcity of materials and primary products – I am convinced that we are on the right path to overcome these challenges as well.

Our employees have demonstrated unbelievable dedication in 2021 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,

Michael Stomberg
CEO of BAUER AG



Sustainability Milestones

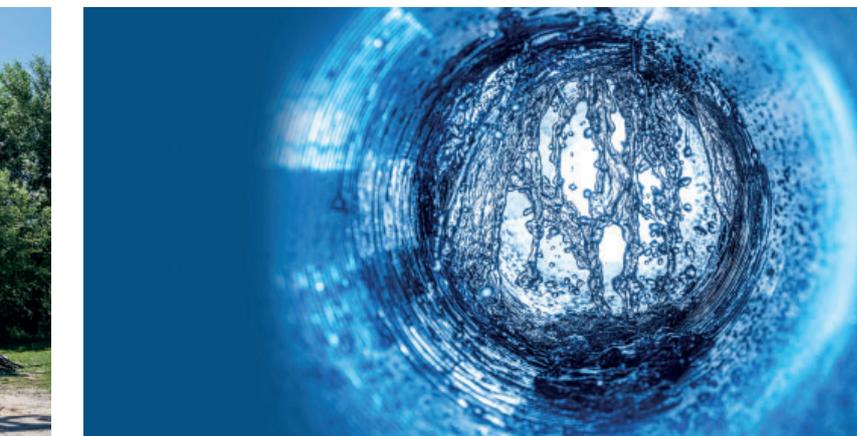


1980 – 1997

- > **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 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 – 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 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 – 2021

> 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 GmbH celebrates 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 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

>> ***We are a family business with a history going back more than 230 years. With around 12,000 employees in more than 70 countries around the world, we generate total Group revenues of approximately EUR 1.5 billion. In our three business segments, we provide solutions for the key challenges of the future: Urbanization, infrastructure, water and the environment.*** <<

Construction of a geothermally activated Mixed-in-Place wall during a construction project on Lake Constance – Lindau, Germany

Zeit für ein neues Konzept.

Company

> Economic performance

Economic performance and commercial success are the cornerstones of our activity. For this reason, responsible action is essential. This is not only a fundamental prerequisite for our economic strength, but also for a successful future.

> Employment

Together with our dedicated employees, we create the basis for our success. That's why satisfaction is our top priority. We operate within a diverse corporate culture that combines different world views and perspectives, experiences and ideas. Together, we live the values of responsibility, openness, appreciation, innovation and a down-to-earth attitude.

> 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. The strategic qualification of our employees is an important component for the individual development of each employee as well as the company as a whole.

> 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

We strive to keep our environmental footprint as small as possible. That's why our corporate responsibility also includes continuously improving our products and working methods. 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, equipment 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.

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).

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 BAUER Group has formulated a Sustainability Policy that is primarily oriented toward the four goals of the 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 in terms of sustainable development of the BAUER Group remains with the Group Executive Board, particularly with the CEO, and with the managing directors of the main companies in the Construction, 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 under the name B.sustainable since the 2021 financial year. A next key step in the ongoing financial year will be to develop a sustainability strategy for the Group and the segments. Due to the increasing importance of sustainability with its various aspects for our business areas, it is important for us to combine our understanding and our activities, which for many years have shaped the cultural core of our company as a family business, into a strategic organizational and operational structure. To this end, a comprehensive strategy process was initiated in the year gone by.

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. These were used to work out twelve sustainability aspects from the areas of environmental, social and governance values. These twelve aspects were then subjected to a materiality analysis. Two perspectives were adopted in the process: On the one hand, the effects of the aspects on future business activity (opportunities and risks) and on the other hand, the effects of the business activity on people and the environment (positive and negative impacts) were considered.

At the end, the following aspects were identified 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 the 2022 financial year, the respective current situation and the target level pursued for the individual aspects will be identified. 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) attributable to the individual aspects and integrating these into an existing Group-wide reporting system. On this basis, the Group's external image and level of transparency will also develop accordingly.

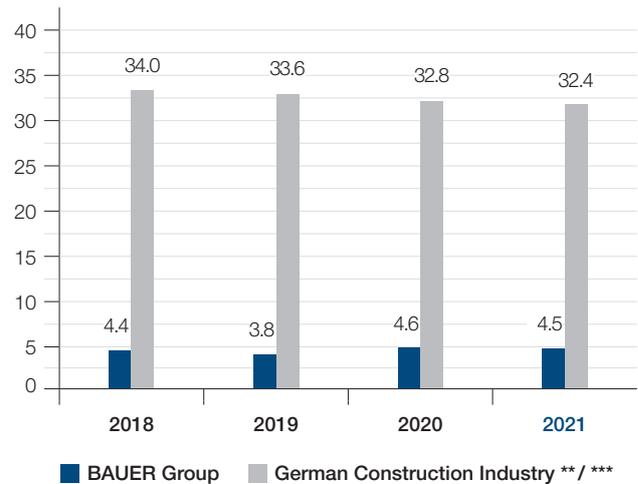
Further information on this topic can be found in the 2021 Non-Financial Group Report, which was published on the website of the BAUER Group at www.bauer.de.

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 in these areas and consistently reduce our accident and damage

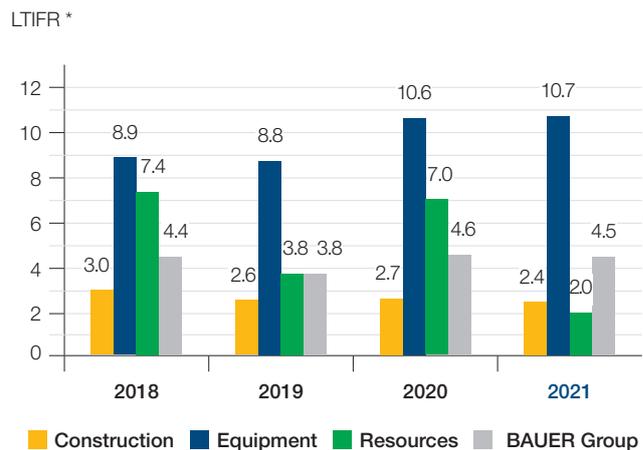
rates. We rely on a variety of preventive measures to structure and further develop our safety-relevant issues. The distinctions we received in 2021 have also confirmed our solid position in the area of HSE. Nevertheless, we strive to continually expand and reinforce our position.

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

Work-related accidents by segment



1111 ACCIDENT-FREE DAYS IN PEINE

In early April 2022, colleagues at GWE GmbH in Peine had reason to celebrate a special milestone in occupational safety: 1111 accident-free days! This broke the all-time record.



GWE GmbH celebrates 1111 accident-free days.

RECOGNITION FOR SAFE CONDUCT

The last accident involving time off work at BAUER Foundations Canada Inc. occurred more than nine years ago, the company's HSE director James Finbow is pleased to report. And that's not all: In 2015 and 2021, the Canadian subsidiary of BAUER Spezialtiefbau GmbH received the prestigious "Excellence in Safety Award" from the Association of Drilled Shaft Contractors (ADSC) for its comprehensive and consistent safety program, which starts at the highest administrative level and extends throughout the entire company culture all the way to the most fundamental work processes on site. Moreover, the company was certified this April in accordance with the international standard ISO 45001 for its occupational safety system.

Research and development

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. Particularly 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. In order to emphasize its significance for our company, innovation has been defined as a value within our company culture.

NEW INNOVATION MAGAZINE PROFOUND

Under the guidance of Florian Bauer, Executive Board member for Digitalization at BAUER AG, work was carried out in 2021 on the first innovation magazine for the BAUER Group. ProFound was launched in spring 2022 – both in print form and as a digital version at profound.bauer.de. "This innovation magazine aims to show how we push boundaries across all the different areas of our company, and what groundbreaking and sustainable ideas have been developed here," remarks Florian Bauer.



New developments in equipment technology

In 2021, BAUER Maschinen GmbH presented its customers with two important equipment innovations. For one, the first electrified drilling rig from Bauer – the eBG 33. The equipment relies on electrical power instead of a diesel engine, so it does not require any fossil fuels, and operates extremely quietly – perfect for use on urban sites. To deliver the same capacity as a Bauer BG with a diesel engine, a direct power supply solution was adopted. The reason: Currently available battery systems would not be able to manage the capacity required in this size

class. The new eBG 33 falls in the mid-range segment of the drilling rig series with a drive power of more than 400 kW, and thus within the range of 280 to 390 kNm torque. After its first application on one of the company's own sites in Germany, the unit was sent to a customer for a large-scale project in England.

One new development in the area of diaphragm wall equipment is the BAUER Cube System. This equipment technology and construction method was specially developed for underground use on sites with limited space. What makes it unique: The entire system was developed precisely in container dimensions. This means it can be used without any problem in microtunnels with small diameters of just 3.8 m, for example. The advantages of the system are evident: The impact of construction sites on traffic, businesses and residents (in particular) are minimized. This is because the Cube System only requires a comparatively small access point to an existing microtunnel or auxiliary tunnel. The actual work is carried out underground, essentially invisibly. The electric drive system also considerably reduces the ecological disturbance of a cutting site. As a result, the BAUER Cube System also sets new standards when it comes to sustainability. This electrically powered construction method thus delivers solutions for the expansion of infrastructure activities in urban environments and was also presented to the public in 2021.



eBG 33 – the first electrified drilling rig from Bauer.



The BAUER Cube System.



One of our goals is to give due consideration to the varying interests and needs of our stakeholders. This is why our company is focused on dialog and relies on such open and intensive interactions between all parties involved. Through various social activities and events, the sense of community is further reinforced.



Visitors with smart glasses at the Schrobhausen Days event.

Stakeholders

> Customers and partners

We work hand in hand together with our customers and partners. It is particularly important for us to know the goals and needs of our customers and to deliver them. We focus on solutions for the key tasks of the future: urbanization, infrastructure, water and the environment.

> Employees

Our employees are the driving force behind our company's success. For this reason, we set a particular value on a trusting work environment that takes into account the different life phases of the individual employees. The goal is to encourage our mutual collaboration and strengthen the team spirit.

> Shareholders

The satisfaction of our shareholders is a high priority for us. Open communication and fair participation are our focus. Our dividend policy aims at continuity, meaning that we strive to pay out a dividend to our shareholders even in difficult years.

> Suppliers

Together with our suppliers, we share the responsibility for our global procurement network. Personal responsibility, reliability and correct behavior are the cornerstones of our activity. We depend on solid collaboration with reliable suppliers who operate in accordance with our ethical and legal principles.

> Research and science

The progress of digitalization is also changing the technological competition. In order to keep pace, scientific expertise is very important. For this reason, we maintain a close and ongoing dialog with research institutions and universities. Our employees also give a variety of lectures at different universities. In this way we not only make a social contribution, but also live our corporate responsibility.

> Region and community

As the largest employer at our headquarters in Schrobenhausen, Germany, we believe that it is our responsibility to strengthen people's social cohesion and to improve their quality of life. Through our multifaceted community involvement as well as the support of associations, organizations and unions, we try to give something back to our community. This also applies to our other locations in Germany and around the world.

“HEY, OLD PAL!” CAMPAIGN

A Germany-wide initiative that refurbishes discarded laptops, computers or tablets and gives them to students who were previously unable or limited in their ability to participate in home schooling. Luise Krammer, Managing Director of integer GmbH, has now brought the initiative to Schrobenhausen. Working as volunteers, she and her team take care of logistics, storage and inspection of the donated devices and the software required for home schooling. The prepared computers are then handed over to the school administrators ready for use. Luise Krammer was able to obtain the backing of the Rotary Club of Schrobenhausen-Aichach, which supports her with the acquisition of donors and donations. Leo Weisenhorn, an employee in Bauer’s IT department, was thrilled to hand over a total of 21 used but fully functional laptops for the project on behalf of Bauer.



IT employee Leo Weisenhorn during the handover of laptops to the Managing Director of integer GmbH, Luise Krammer.

GIRLS’ DAY

During this year’s Girls’ Day on April 22, 19 female students from the Schrobenhausen region were once again given the opportunity to get to know BAUER AG a bit better. This nationwide campaign day was held for the first time 20 years ago and Bauer was involved from the start. In this way, we give girls an opportunity not only to find professional orientation, but also to get excited about technology. In the teaching workshop, they were able to demonstrate their practical abilities at the work benches. From soldering an electronic cube to putting together a smartphone holder and replicating a pneumatic circuit all the way to engraving their names on a bottle opener using the CNC cutter, a variety of activities were offered. Films about the company and the apprenticeships as well as a Q&A session rounded off the campaign day at Bauer. At the end, the students were able to take home a certificate as well as the pieces they had fabricated themselves as a souvenir.



Female students explore technical professions at Bauer.

AWARD FOR TOP TRAINING

Success! GWE GmbH has become the first company in the Peine district to receive the “TOP Training” quality seal from the Chamber of Industry of Commerce (IHK). On May 18, two independent auditors visited GWE to conduct the audit with the assistance of Ann-Kathrin Frohmüller (IHK Braunschweig). After a previous initial check, in which the IHK inquired about the minimum standards for vocational training, the second stage of the certification process involved a self-assessment based on a comprehensive catalog of criteria. This also formed the basis for the final

audit. The five phases of vocational training were examined: Recruiting, start of training, performance of training, examination and conclusion of training. Together with GWE Managing Director Markus Hollmann, the responsible Training Manager Benjamin Küster and his deputy Swetlana Schulz accompanied the jury members throughout the day.



SECOND ROUND OF THE VIRTUAL TALENT DAY

The second Talent Day of BAUER AG was held in September 2021. A total of 38 interested parties were welcomed and given more detailed information about the BAUER Group in various workshops and virtual lectures from all three business segments. Apart from an overview of “An accelerated glimpse of modern work,” BAUER Maschinen GmbH presented the latest machine developments at Bauer. This was followed by lectures on the topic of projects and digitalization by BAUER Resources GmbH and about current innovations at BAUER Spezialtiefbau GmbH. Practical tips about the dos and don’ts in job interviews were also offered. Another highlight of the event was the concluding talk by member of the Executive Board Florian Bauer about values and company culture, digitalization as well as promotion opportunities in the BAUER Group.



Hannah Sassnink, Kaltrina Gashi, Tobias Siegmann, Melissa Böck and Ulli Wiedenmann (from left to right).

ANYTHING BUT BORING

On September 12, Elon Musk’s “Not-a-Boring Competition” was held in Las Vegas. Eight student teams from all around the world came together with their self-built drilling machines – including the team from the Technical University of Munich (TUM), TUM Boring, which was financially supported by Bauer as their sponsor. Ultimately TUM Boring succeeded in drilling 22 m of the stipulated section of 30 m, thereby emerging as the clear winner. Over the course of a year, the more than 60 members of TUM Boring tinkered and built on their tunnel boring machine. The team decided to use a pipe jacking method. In this method, steel pipes are successively pressed into the ground during the drilling process and joined together underground. “We are thrilled

about the excellent results and would like to congratulate the team on this amazing performance,” says Patrik Wenzl, contact for the Innovation division at BAUER Spezialtiefbau GmbH.



TRAINING NIGHT

Particularly the question “Which career is right for me?” inspires answers in an overwhelmed tone. During the “Training Night” at BAUER AG, many students and their parents use the opportunity to gain a comprehensive picture of the largest training company in the region. There was a great deal of interest despite the COVID-19 restrictions at the time, so it was possible to welcome roughly 250 participants. In the BAUER Training Center, the individual apprenticeships were presented and the visitors had the chance to try out different areas for themselves.



Presentation of the individual apprenticeships at the “Training Night”.

GERMANY'S BEST MINING TECHNICIAN

In a small but festive ceremony held on November 8 in Nordhausen, the best apprentices from the three districts of North Thuringia were recognized by the Chamber of Industry and Commerce. With an excellent result of 96% and the grade of 1, Daniel Thiel, who began his apprenticeship with SCHACHTBAU NORDHAUSEN GmbH in 2018, completed his studies as one of the four best mining technicians in Germany. Daniel Thiel thus enters the ranks of the best young talent at Schachtbau, as for many years the Schachtbau apprentices have regularly performed among the best in their class.



Schachtbau apprentice Daniel Thiel.

A STRONG START TO TRAINING

On September 1, BAUER AG once again received 34 new trainees in Schrobenhausen as well as two apprentices at the branch office BAUER MAT Slurry Handling Systems in Immenstadt im Allgäu. Furthermore, in collaboration with the Technical University of Ingolstadt, three students in dual-degree programs were welcomed to a joint meeting and team-building event in the "Alte Schweißerei," Bauer's former welding facility. During the onboarding period including an excursion to the Scherneck Castle, where various team-building activities were offered, all trainees had plenty of time and opportunity to get to know one another and make new contacts over three days. But the high point for our new talents was certainly the visit to the equipment plant in Aresing. There, all apprentices were able to climb into the operator's cab of a large rotary drilling rig and drive a bit on the test site.



New apprentices and students in dual-degree programs in Schrobenhausen.

BAUER AG DONATES 10,000 EUROS TO REGIONAL INSTITUTIONS

Instead of sending gifts to customers and business partners, BAUER AG has made donations to social institutions in the region for many years now. The former CFO Hartmut Beutler was thrilled to handover the money again this year, together with CEO Michael Stomberg, to four associations and institutions. 2,500 euros each were donated to Elisabeth Hospiz in Ingolstadt, Hospizverein Neuburg-Schrobenhausen, A.p.e. Familienhilfe as well as Kinder- und Jugendhilfe St. Josef in Schrobenhausen. "In this way, we express our great respect for the initiatives and the people who help them," said Hartmut Beutler when handing over the donation. Michael Stomberg added: "The work they are doing is extremely important and we are firmly committed to supporting their projects with this donation."



Donations instead of gifts – BAUER AG donates 10,000 euros to regional institutions.

BAUER INDONESIA SUPPORTS VILLAGERS

Among the rural population of Indonesia, many people are fighting for survival. The COVID-19 pandemic has above all affected people in the villages of Indonesia who previously worked in the cities, for example as taxi drivers, in factories or as casual workers. But because increasingly fewer jobs are currently available in the cities, they are forced to return to their villages. This is compounded by a massive food shortage that causes people enormous concern. P.T. BAUER Pratama Indonesia, the local subsidiary of BAUER Spezialtiefbau GmbH, took this concern on itself and donated 50,000 euros for food to people in need. This made it possible to supply roughly 5,000 families with urgently needed food such as rice, sugar, cooking oil and noodles.



P.T. BAUER Pratama Indonesia donated 50,000 euros for food to people in need.

SUPPORT FOR UKRAINE WITH LARGE DONATION OF HAND PUMPS

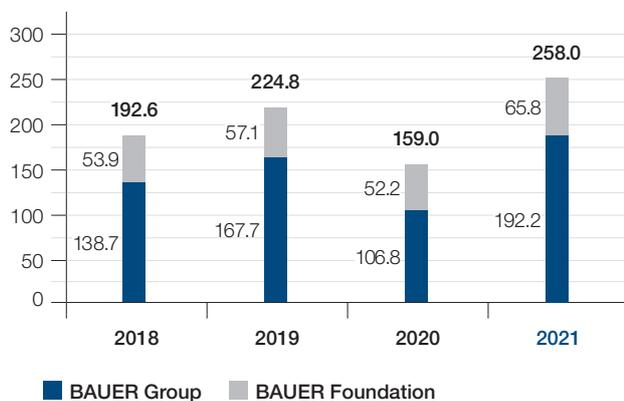
In April 2022, a fully loaded truck with 50 hand pumps including uptakes and installation accessories from GWE GmbH with a total value of approx. 100,000 euros made its way from Peine to Ukraine to help with the quick and easy repair of destroyed wells. This aid campaign was also supported by the GWE team at the Peine location by contributing the revenue from the internal sale of workshop and office equipment, amounting to roughly 4,000 euros, to the cost of transport and logistics.

“The people in Ukraine’s war regions are now lacking the absolute necessities. “It was very important to us and our employees to at least slightly alleviate the water issue with this donation,” said GWE Managing Director Markus Hollmann.



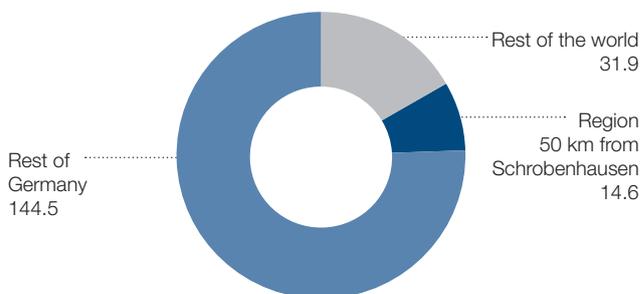
BAUER Group and BAUER Foundation donations

in EUR thousand



BAUER Maschinen GmbH purchasing according to region

in EUR million





The success of our company is characterized by social cohesion and a strong team spirit. This is why people and thus the satisfaction of individuals are our focus.



Bauer employees at the "Exhibition Grounds South Entrance" construction project – Frankfurt, Germany

Employees

> Diversity

In 2021 the BAUER Group employed around 12,000 staff in around 70 countries. The diversity of our employees as well as their varying skills are important cornerstones of our success. Our goal is: together for the future.

> Equal opportunities

We are committed to a company culture that rejects any form of discriminatory behavior. This means that every employee is given equal and fair opportunities. We are confident that the only way to develop innovative solutions is for each employee to contribute their strengths and ideas to the process of innovation. In this regard, people with disabilities also play an important role and 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 opportunities to employees who take parental leave as well as job sharing models. A remote work regulation introduced by our company in 2020 also provides an important foundation for flexibility in the future.

> 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. Bike leasing is also offered.

> 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

Outside of work, little attention is generally paid to our own bodies and well-being. This is why we support employees from occupational health care to individual prevention and workplace design.

> 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).



SCHACHTBAU EMPLOYEES CYCLES FOR THE CLIMATE AGAIN

In 2021, Nordhausen was “Cycling for a good climate” once again. As one of 51 teams, SCHACHTBAU NORDHAUSEN GmbH participated again in the city cycling campaign initiated by the Climate Alliance network. During the period from July 5th to 25th, cyclists from the Nordhausen district were able to participate and demonstrate their abilities. The goal is to accumulate as many kilometers cycling as possible. 51 employees cycled actively on the “SCHACHTBAUer” team, pedaling a total of 11,011 km. With this performance, Schachtbau achieved second place and can be proud of saving 1,619 kg of CO₂.

WORK-LIFE BALANCE

Whether before, during or after parental leave: Together with the employees, the HR Department and the relevant specialist department, the work-life balance committee of the works council finds individual solutions for mothers and fathers. For Bauer, it is self-evident to promote a healthy work-life balance. Since 2014, the joint cross-company and cross-division

FIRST CYCLING TOUR OF THE LEISURE, SPORTS AND CULTURAL COMMITTEE (FSK)

Taking advantage of the fabulous late summer weather, a total of 17 participants – twelve of them on e-bikes – started the first FSK cycling tour on September 24, 2021. The 40 km long route, planned by Executive Board member Hartmut Beutler, took the cyclists to Scheyern via Jetzendorf. After stopping for refreshments at the local monastery’s beer garden, the route continued through Strobenried back to Schrobenhausen. The feedback from the participants, as organizer Marco Fröhlich reports, was unanimous: A fantastic tour that they would love to repeat next year.



The first FSK cycling tour with fabulous late summer weather.

committee has helped future parents to obtain an overview of the various options available concerning the topic of parental leave and family leave. However, employees who want to apply for care time for their relatives are also included in the target group and are given individual advice.

COMING TOGETHER AND ROCKING OUT

Because of the pandemic, numerous events had to be canceled in the past months. That made it even more thrilling for the roughly 400 Bauer employees who were finally able to meet up with their colleagues again in September 2021, on the grounds of the head office in a relaxed atmosphere and to listen to the Bauer band. The occasion: an open-air concert with the slogan “Zamkemma” (“come together” in the Bavarian dialect), in nearly perfect late summer weather. After “Wolpertinger Musi” warmed up the crowd, Florian Bauer, Christoph Soier, Stefan Schnitzler and Jürgen Kukol rocked the stage as Hydraulic.





The first BAUER MAT company run at the Immenstadt-Seifen location.

BECAUSE EVERY EFFORT COUNTS

The goal of the BAUER Appreciation System is to recognize and appreciate the many indispensable achievements of our employees. These are often accomplished out of sight, even though they are sometimes more important for the company's success than the visible achievements. "This could involve many different kinds of achievements," explains Florian Bauer, member of the Executive Board of BAUER AG. "For example, at Bauer there are many employees who make an important contribution in the background with their outstanding specialist knowledge; or employees who carry out supporting activities for long periods of time, respond admirably during accidents or demonstrate a particular dedication to the community and culture of the company. All of this deserves recognition."

For some years now, this has been accomplished in the form of the BAUER Appreciation Awards, at which the honorees receive

FIRST BAUER MAT COMPANY RUN

Since the Schrobenhausen city run was only held virtually in 2021 and the Allgäu-based colleagues at BAUER MAT Slurry Handling Systems were therefore unable to make the trip, a company run at the Immenstadt-Seifen location was organized informally as a substitute on September 17 in compliance with the COVID-19 restrictions. 25 runners participated in this first-time event. The 10 km course was selected by employee Gregor Rygol.

a certificate along with a monetary prize. Selected employees were honored again in 2021.



Manfred Schreier (left), BAUER AG Executive Board member Florian Bauer (center) and Marco Fröhlich.

EMPLOYEE SURVEY: STRONG SENSE OF CONNECTION AND EXCELLENT TEAM SPIRIT

In October 2021, another employee survey was conducted in Schrobenhausen – in total, 2,126 employees responded to the Executive Board's invitation and participated.

In contrast to the first larger survey in 2018, for which employees of the companies at the Schrobenhausen location were chosen at random and invited to participate, this time all employees in Germany received an email or letter inviting them to take part in the online survey. "We wanted to offer all employees the opportunity to give us their feedback. For this reason, it was clear to us that we would carry out a survey in all the German companies,"

remarks Michael Stomberg, CEO of BAUER AG. Overall, the results of the survey were very good once again. Especially the sense of connection to the company and team spirit were assessed as very good. "I am very happy with the results. This strong sense of connection with the company is really something unique," explains Michael Stomberg. "Nevertheless, we want to engage intensively with the critical issues and openly address the numerous suggestions. Our employees make our company what it is – particularly in difficult times. Therefore, we also take the suggestions seriously and will keep working on continuous improvement."



Lucia Gütt is a commercial manager at BAUER MAT Slurry Handling Systems.

CAREERS AT BAUER: WOMEN IN LEADERSHIP POSITIONS

As commercial manager, Lucia Gütt is responsible for the areas of Material Management, Controlling, Personnel and Administration at BAUER MAT Slurry Handling Systems. She is a prime example of the fact that it is never too late to realize your professional potential and hold your own as a woman. After her education in retail, Lucia Gütt realized that her strengths lay in taking on responsibility and business management. She subsequently obtained her vocational diploma and completed studies in business administration at the university in Munich. Following this, she worked for many years as an assistant to the management. Even after the birth of her two children, she never stopped working. Finally, Lucia Gütt transitioned into Controlling at BAUER MAT Slurry Handling Systems in 2012, since there was an opportunity to take on a leadership position as commercial manager. With perseverance, vision, empathy and ambition, she tackled her new challenges and was always able to achieve her goals with the backing of a fantastic team.

"My time at Bauer was incredibly exciting and full of changes that I was able not only to experience but also to actively shape. I am very grateful."

Hartmut Beutler

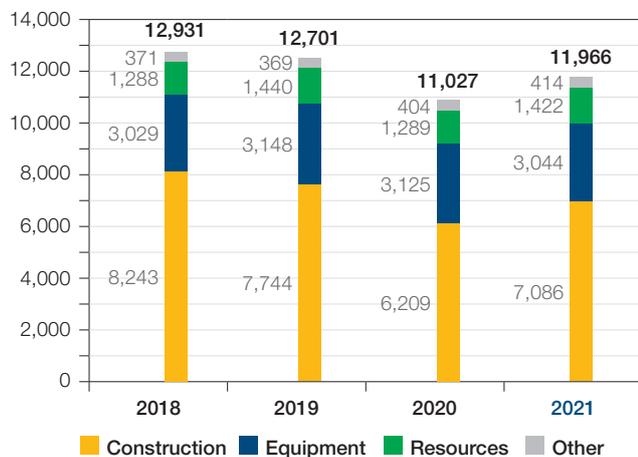


CFO HARTMUT BEUTLER ENTERS RETIREMENT

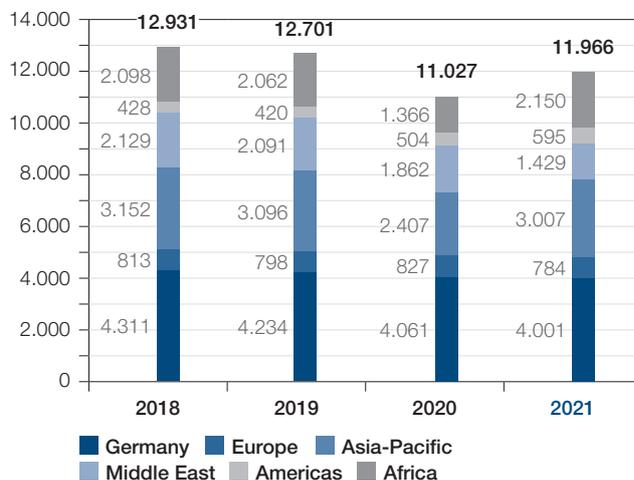
After nearly 39 years at Bauer, Hartmut Beutler entered retirement on December 31, 2021. In early 1983, when there were just over 1,000 employees at Bauer, this native of the Northern Black Forest region arrived at BAUER Spezialtiefbau GmbH as a trainee after completing his studies in Construction Business Management in Biberach. After several years in Accounting, in 1987 he became the assistant to the Managing Director at the time, Prof. Thomas Bauer. In this role, he was responsible for business administration tasks and took care of financing matters, lease agreements and the like. Later, he also led the company divisions of Facility Management, IT, Legal and Insurance. Then in 2001,

with spin-off of the Equipment segment into an independent GmbH and the establishment of BAUER AG as a holding with service departments, he was appointed to the Executive Board of BAUER AG. One major step for the company that depended on the decisive oversight of the CFO was its initial public offering in 2006. After Hartmut Beutler's departure, the Executive Board of BAUER AG will once again be made up of three members: CEO Michael Stomberg, CFO Peter Hingott, and Florian Bauer, who is responsible for the functions of digitalization and innovation on the Executive Board.

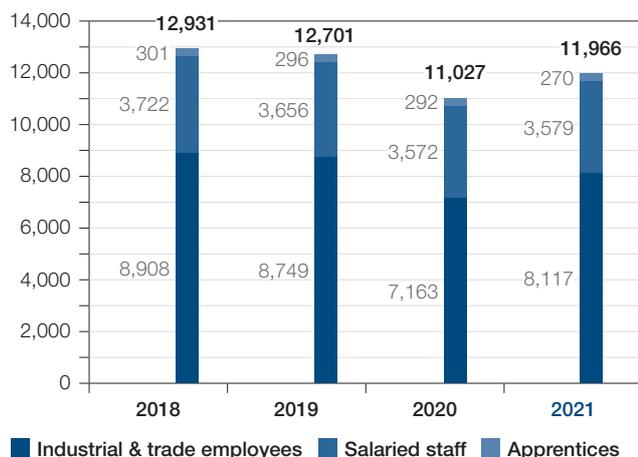
Employees by segment



Employees by region

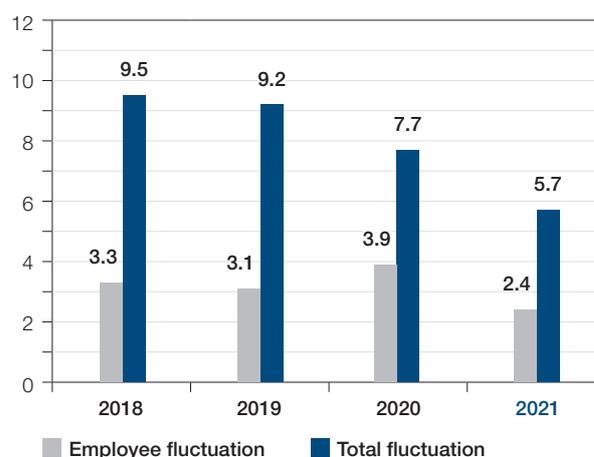


Employees by employment type



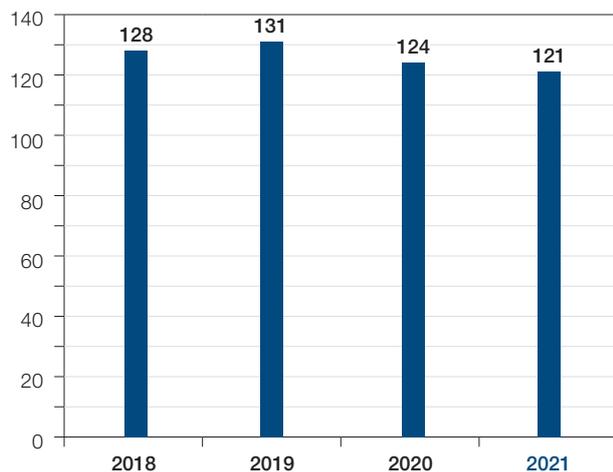
Fluctuation rate

in % in Germany



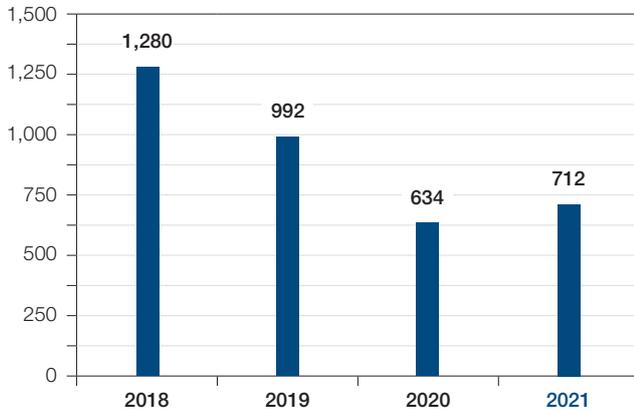
Number of employees with disabilities

in Germany



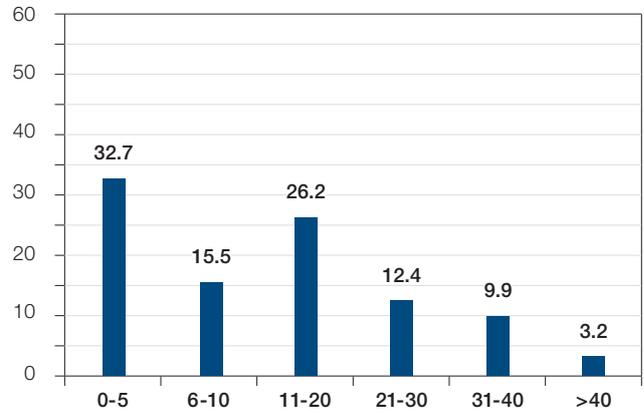
Submitted improvement recommendations

in Germany



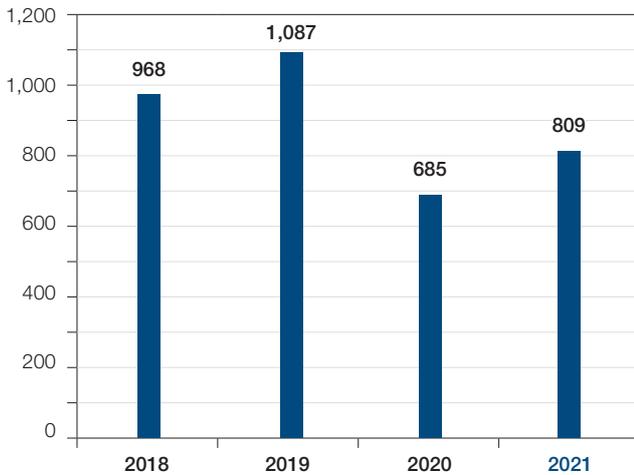
Length of employment

in % in Germany



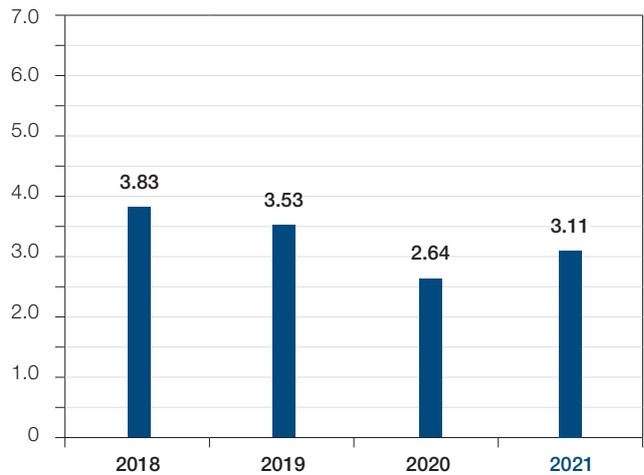
Number of seminars

in Germany



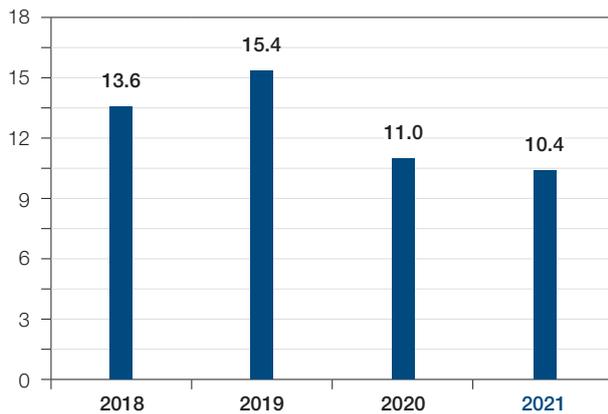
Continuing education costs

in EUR million in Germany



Average number of training hours per employee

in hrs. in Germany





Construction of an excavation pit during the project
"Parkstadt Schwabing" – Munich, Germany

>> **Sustainability is more important than ever before. As an international company, that's why we are committed to minimizing the impact of our commercial activities on our environment. We are tackling the challenges of protecting the environment and climate with energy-efficient equipment, new technologies, and careful use of resources. We use the power of innovation to reduce our ecological footprint.** <<



Bauer employees during the project "Innerstetal Bridge" – Hildesheim, Germany

Environment

> Environmental management

We achieve our goals by firmly anchoring environment-related issues in our organization and decision processes. The basis is our environmental management system, which has been established in the company for many years. Along with the central areas of health and safety, this also includes the integral component of our HSE policy. Through regular internal HSE audits, we ensure that our target values are achieved and thereby prevent potential negative developments.

> Raising awareness

The managing directors of the individual Group companies are responsible for achieving the prescribed goals. Our goal is to continually develop and improve environmental protection in all areas of the company. This is achieved by working together with all employees and maintaining an open dialog.

The central HSE department plays a decisive role in this process. It provides support, coordinates, and reviews implementation. For example, regular HSE training is held to continually raise environmental awareness among our employees.

> Many approaches to environmental protection

It's often the little measures that have larger benefits. That's why for years now when choosing our company vehicles, we opt for the most fuel-efficient and low-emission engines. In this way, the use of electric vehicles keeps increasing. The new BAUER eBG 33 – the first electrified drilling rig from Bauer – also relies on electrical power, so it does not require any more fossil fuels. The drilling operates extremely quietly and covers a wide range of applications on site. This makes it possible to achieve additional savings and give something back to the environment.

The high degree of digitalization in the BAUER Group was also accelerated due to the COVID-19 pandemic and contributes to the reduction of CO₂ emissions. We have sustainably contributed to environmental protection using modern means of communication, for example the use of worldwide video conference systems and avoiding long trips.



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 2021 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 and BAUER Resources GmbH. The Schrobenhausen site has approximately 196,467 square meters of built-up land. The Nordhausen location mainly includes SCHACHTBAU NORDHAUSEN GmbH, SCHACHTBAU NORDHAUSEN Stahlbau 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 2022. 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 decrease in the previous year, energy consumption at the Schrobenhausen location increased significantly again in 2021. 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 354 MWh of energy during 2021, 52 MWh of which were 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 share of emissions at the Schrobenhausen location further increased when compared with the previous year. In the Aresing and Edelshausen plants, on the other hand, the share decreased or remained nearly the same. The increase is once again attributable to the 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 43 t CO₂ for 2021 (previous year: 22 t). In 2021, the photovoltaic system in Edelshausen saved 83 t (previous year: 83 t) of CO₂.

WATER CONSUMPTION

Water consumption at the head office and the Edelshausen plant remained nearly the same in 2021 compared to 2020. At the Aresing plant, on the other hand, water consumption increased significantly again in 2021. 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 recorded a slight increase in solvent emissions in 2021 to 5.9 t (previous year: 5.7 t).

WASTE VOLUME

The amount of hazardous and non-hazardous waste at the Schrobenhausen location increased in 2021 to 5,062 t (previous year: 3,575 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 2021, this value was 4,304 t (previous year: 3,400 t).

Schrobenhausen
(plant + head office)

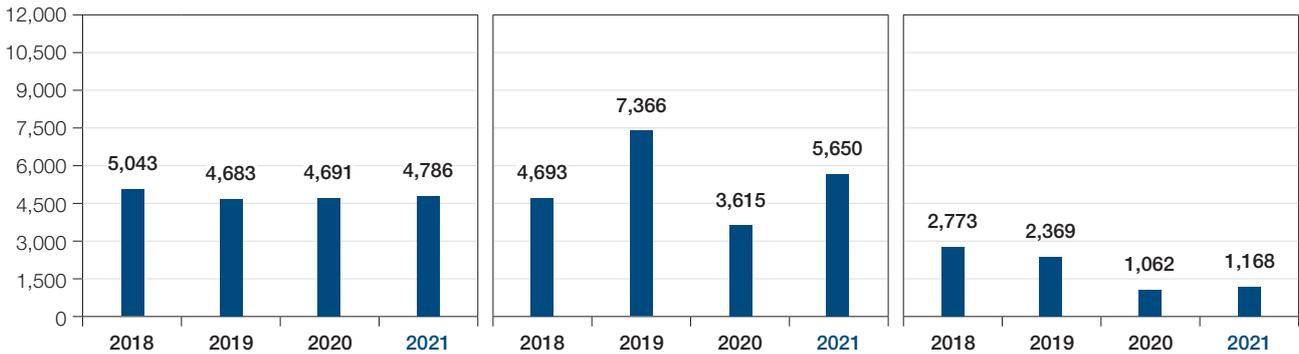
Aresing plant

Edelshausen plant



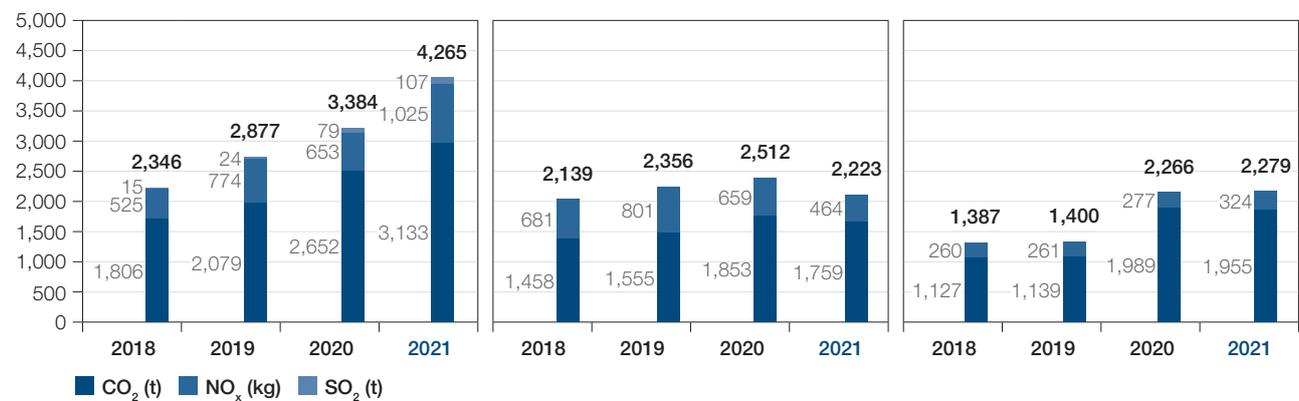
Water Consumption

in m³



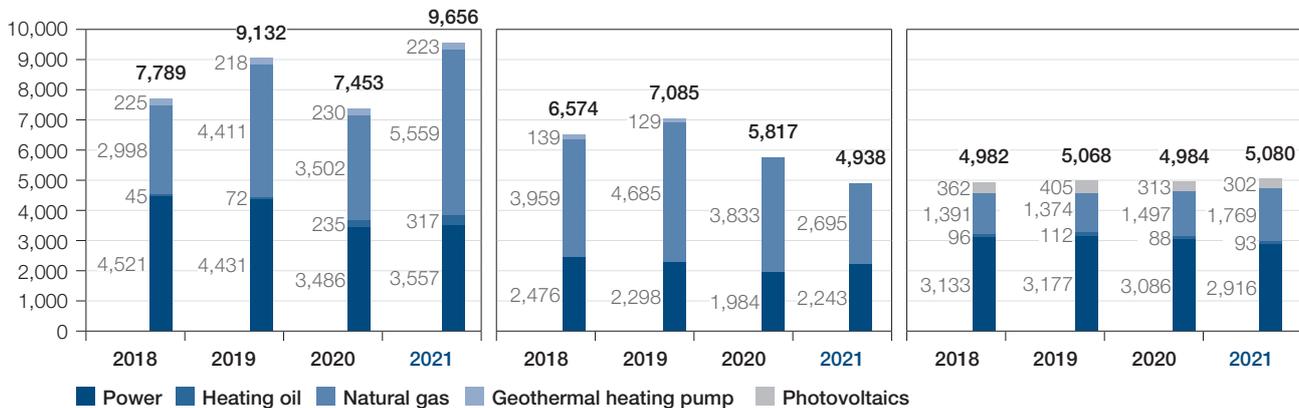
Emissions

in t or kg



Energy Consumption

in MWh



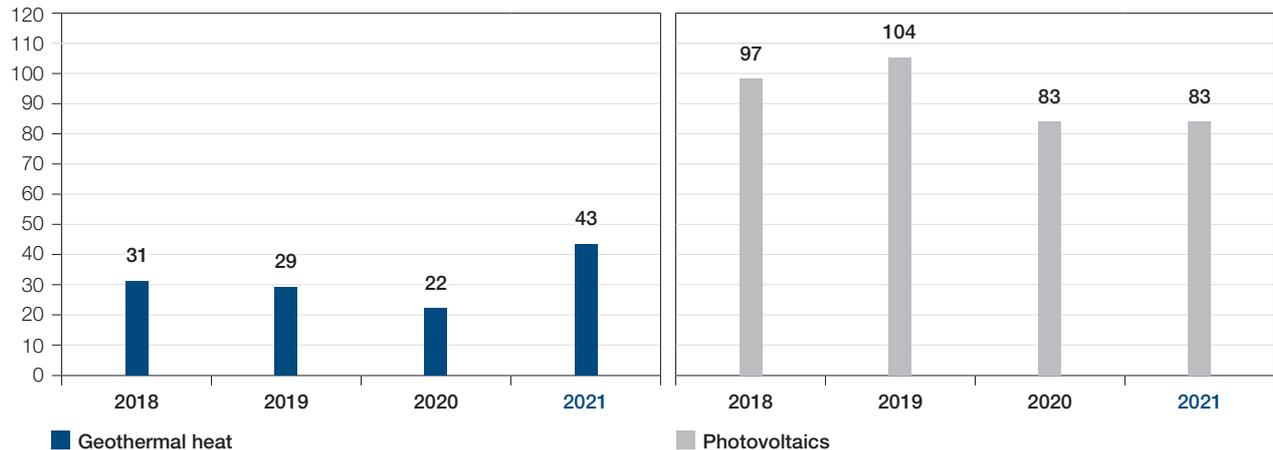
Aresing plant



Edelshausen plant

Avoidance of CO₂ emissions

in t/year



Core indicators of EMAS III in relation to gross value added

	2019		2020		2021	
	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	928.06	196,467	1038.60	196,467	878.70
Input						
Water (m ³)	14,418	68.10	9,368	49.51	11,608	51.91
Power (MWh)	9,906	46.70	8,556	45.22	8,716	38.98
Natural gas (MWh)	10,470	49.45	8,832	46.68	10,023	44.82
Fuel (MWh)	1,753	8.28	2,023	10.69	2,093	9.36
Heating oil (MWh)	184	0.80	323	1.70	410	1.83
Geothermal heat (MWh)	751	3.50	543	2.87	689	3.08
Metal boards (t)	4,006	18.90	2,906	15.36	3,712	16.60
Paints (t)	86	0.40	39	0.20	51	0.22
Lubricants (t)	421.56	1.99	302	1.59	377	1.68
Acetylene (t)	11	0.00	6.7	0.03	7.2	0.03
CO ₂ (t)	25	0.10	36	0.19	22	0.09
Argon (t)	89	0.40	56	0.29	65	0.29
Oxygen (t)	87	0.40	54	0.28	70	0.31
Output						
Non-hazardous waste (t)	1,739	8.20	814	4.31	1,020	4.56
Hazardous waste (t)	176.9	0.80	115	0.60	58	2.59
Scraps and metals (t)	2,945	13.90	2,646	13.98	3,984	17.81
CO ₂ emissions (t)	5,959	28.14	6,630	35.00	6,846	30.61
SO ₂ emissions (t)	24	0.00	78	0.41	107	0.47
NO _x emissions (t)	1,035	4.80	929	4.91	1,349	6.03
Gross value added (in EUR thousand)	211,695		189,183		223,587	

Other machinery manufacturing plants

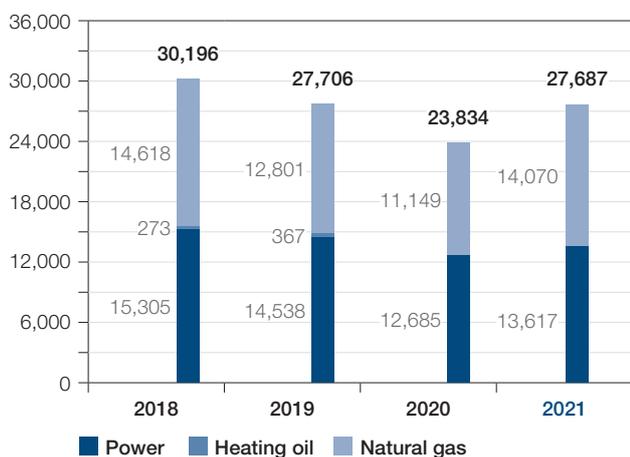
REPORTING BASIS AND LIMITS

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 in Peine was closed and Esau & Hueber GmbH was sold; for this reason, the environmental performance indicators of these two companies are no longer listed since the year 2020.

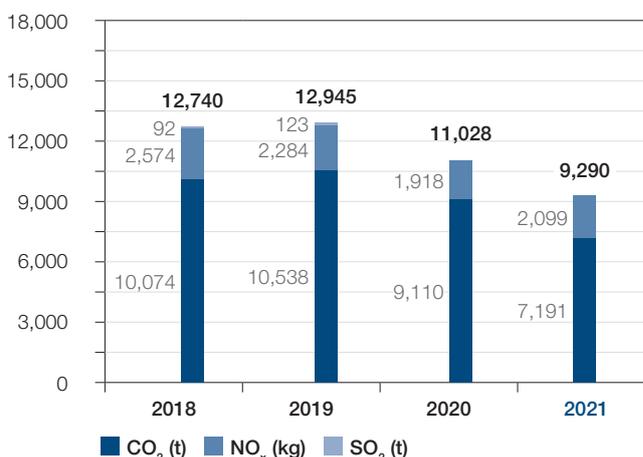
Energy Consumption

Other machinery manufacturing plants in MWh



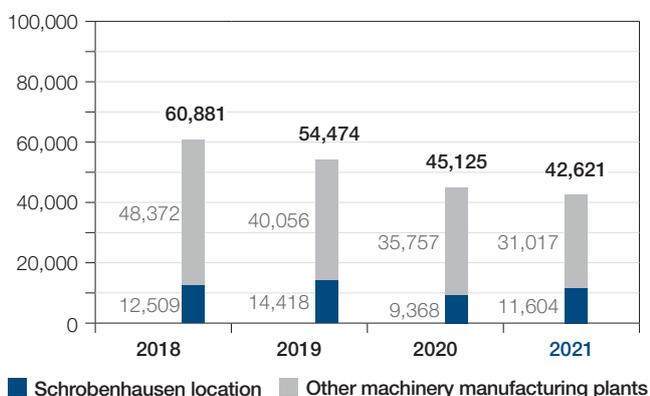
Emissions

Other machinery manufacturing plants in t or kg



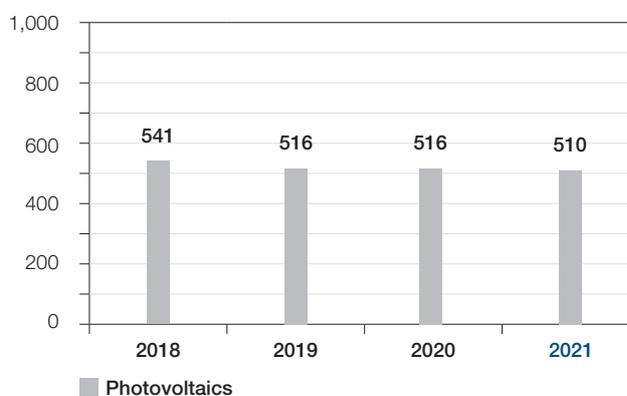
Water Consumption

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 increased overall in 2021 compared to the previous year.

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 an increase. At the other machinery plants, however, a decrease was recorded again for 2021 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 2021, an overall decrease was once again recorded.

SOLVENT EMISSIONS

In 2021, 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 20.5 t in 2021 (previous year: 16.7 t).

2021 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	934.3	2,248	8,716	10,023	410	4,432	1,813	11,604
Nordhausen location	136.8	822	4,372	6,343	-	3,652	1,091	7,611
KLEMM Bohrtechnik GmbH	51.6	252	939	2,513	-	1,020	432	1,389
EURODRILL GmbH	24.4	85	283	440	-	242	76	643
BAUER MAT Slurry Handling Systems *	20.4	72	175	667	-	231	115	1,122
Olbersdorfer Guß GmbH	5.5	85	2,948	2,235	-	2,044	384	1,579
Total Germany	1,173.0	3,564	17,433	22,221	410	11,621	3,911	23,948
BAUER Equipment America Inc. + BAUER Manufacturing LLC	132.9	166	2,907	300	-	1,350	-	2,817
BAUER Tianjin Technologies Co. Ltd.	38.7	168	1,441	1,868	-	1,145	355	11,861
BAUER Equipment Malaysia	17.6	135	552	-	-	311	-	3,995
Total International	189.2	469	4,900	2,168	-	2,806	355	18,673
Total key figures recorded	1,362.2	4,033	22,333	24,389	410	14,427	4,266	42,621
as a % of the Group	88.6	33.7	n/a	n/a	n/a	n/a	n/a	n/a
BAUER Group	1,537.6	11,966	n/a	n/a	n/a	n/a	n/a	n/a

* Branch office of BAUER Maschinen GmbH



Gravel excavated by the ton for the construction of an excavation pit in Kirchheim – Munich, 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. The eBG 33 drilling rig, also purely electrically driven, has successfully completed its first applications on sites in England.		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. 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 BAUERdigital portal. The evaluation of these production data enables BAUER Spezialtiefbau GmbH to optimize its production and thereby avoid wasting resources. The research project Construction 4.0 is now in its final phase. In September 2022, the results will be presented to the public. The B-Tronic system was extended to include additional components for networking construction sites. For example, the Data2Rig makes it possible to transfer pile plans from the office directly to the equipment. 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 an ACTIVITY tool from the company fielddata.io, we have identified numerous optimizations in the process flow.	■ ■ ■ ■ ■ ■ ■ ■	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
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 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. Despite the pandemic, we were again able to deploy employees internationally and have continued the program.	■ ■ ■ ■ ■ ■ ■ ■	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. 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. 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 2018 – 2021 (summarized)

IFRS in EUR million	2018	2019	2020 *	2021	Changes 2020/2021
Total Group revenues	1,686.1	1,594.7	1,453.6	1,537.6	5.8%
of which Germany	467.1	518.7	416.9	463.2	11.1%
International	1,219.0	1,076.0	1,036.7	1,074.4	3.6%
of which Construction	767.6	668.8	669.0	682.4	5.9%
Equipment	723.1	713.6	610.7	681.5	11.6%
Resources	261.5	274.9	268.8	272.5	-7.0%
Sales revenues	1,589.1	1,470.9	1,343.2	1,433.1	6.7%
Cost of materials	821.5	783.1	626.1	729.7	16.5%
Personnel expenses	392.4	418.8	394.9	430.4	9.0%
EBIT	100.1	33.7	55.5	36.0	-35.1%
Earnings after tax	24.1	-36.6	-8.2	4.0	n/a
Employees (Reporting date)	12,931	12,701	11,027	11,966	8.5%
of which Germany	4,203	4,234	4,061	4,001	-1.5%
International	8,728	8,467	6,966	7,965	14.3%

* Previous year's figure adjusted; see notes to 2021 Annual Report on p. 100

Consolidated Balance Sheet

Assets in EUR thousand	December 31, 2020	December 31, 2021	Equity and liabilities in EUR thousand	December 31, 2020 *	December 31, 2021
Intangible assets	14,598	15,944	Equity of BAUER AG shareholders	364,722	478,069
Property, plant and equipment	452,487	506,381	Non-controlling interests	801	3,007
Investments accounted for using the equity method	76,189	81,881	Equity	365,523	481,076
Participations	10,761	10,803	Provisions for pensions	167,457	149,054
Deferred tax assets	66,916	65,421	Financial liabilities	317,939	299,860
Receivables	7,554	8,540	Other non-current liabilities	6,027	15,524
Other non-current assets	7,425	9,221	Deferred tax liabilities	20,599	18,409
Other non-current financial assets	13,165	23,920	Non-current debt	512,022	482,847
Non-current assets	649,095	722,111	Financial liabilities	256,881	238,680
Inventories	434,966	457,489	Other current liabilities	347,472	373,138
Less advances received for inventories	-10,340	-10,770	Effective income tax obligations	25,997	22,159
	424,626	446,719	Provisions	36,090	41,593
Receivables and other assets	387,107	423,709	Current debt	666,440	675,570
Effective income tax refund claims	2,356	4,287		1,543,985	1,639,493
Cash and cash equivalents	46,015	41,297			
Non-current assets held for sale	34,786	1,370			
Current assets	894,890	917,382			
	1,543,985	1,639,493			

* Previous year's figure adjusted; see notes to 2021 Annual Report on p. 71

About this Report

The BAUER Group Sustainability Report is intended for our present and former employees as well as 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.

REPORTING PERIOD

This report covers the fiscal year from January 1, 2021, to December 31, 2021. In certain cases, information from other periods may be provided. The editorial deadline was July, 2022. The sustainability report, published separately but independently of the non-financial Group report, 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 2021 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 2021 (in EUR million)	Employees in 2021
German Group companies	BAUER AG	94.5	327
	BAUER Spezialtiefbau GmbH	266.8	669
	BAUER Maschinen GmbH incl. BAUER MAT Slurry Handling Systems*	409.2	1,308
	BAUER Resources GmbH	93.7	166
	BAUER Training Center GmbH	2.4	12
	SPESA Spezialbau und Sanierung GmbH incl. SBN Bau	25.2	120
	RTG Rammtechnik GmbH	42.6	6
	GWE GmbH	45.5	217
	KLEMM Bohrtechnik GmbH	51.6	252
	Olbersdorfer Guss GmbH	5.5	85
	EURODRILL GmbH	24.4	85
	SCHACHTBAU NORDHAUSEN GmbH	87.8	619
	SCHACHTBAU NORDHAUSEN Stahlbau GmbH	23.8	129
	Intra-Group revenues	-531.6	
	Total (German Group companies)	641.4	3,995
German Group companies as a % of the Group	41.7	33.4	
BAUER Group	1,537.6	11,966	

* Branch office of BAUER Maschinen GmbH

GRI Index

Our 2021 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 2021 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. 39
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. 37-45. p. 45-48
102-12	Charters, principles, or other initiatives to which the organization subscribes or which it endorses	p. 9-13, p. 15-19, p. 21-24, 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. 37-45
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior for the organization	p. 9-11, p. 15, p. 21, p. 29
Governance		
102-18	Governance structure of the organization	p. 10, AR p. 15-16, p. 156-157
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 = 2021 Annual Report

Reporting procedure		
102-45	Entities included in the consolidated financial statements	AR p. 163-167
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, 36-38
102-49	Important changes to the scope and limitations of aspects compared to previous reporting periods	p. 30-34, 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, 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 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

AR = 2021 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 and 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, I declare that:

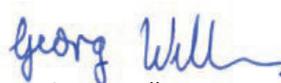
- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009,
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with applicable legal requirements relating to the environment,
- the data and information of the updated environmental statement of the organisation -pages 8 to 38 of the sustainability report 2021- 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 9, 2022



Reinhard Mirz
 Environmental Verifier



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