



Sustainability Report 2024



BAUER Aktiengesellschaft

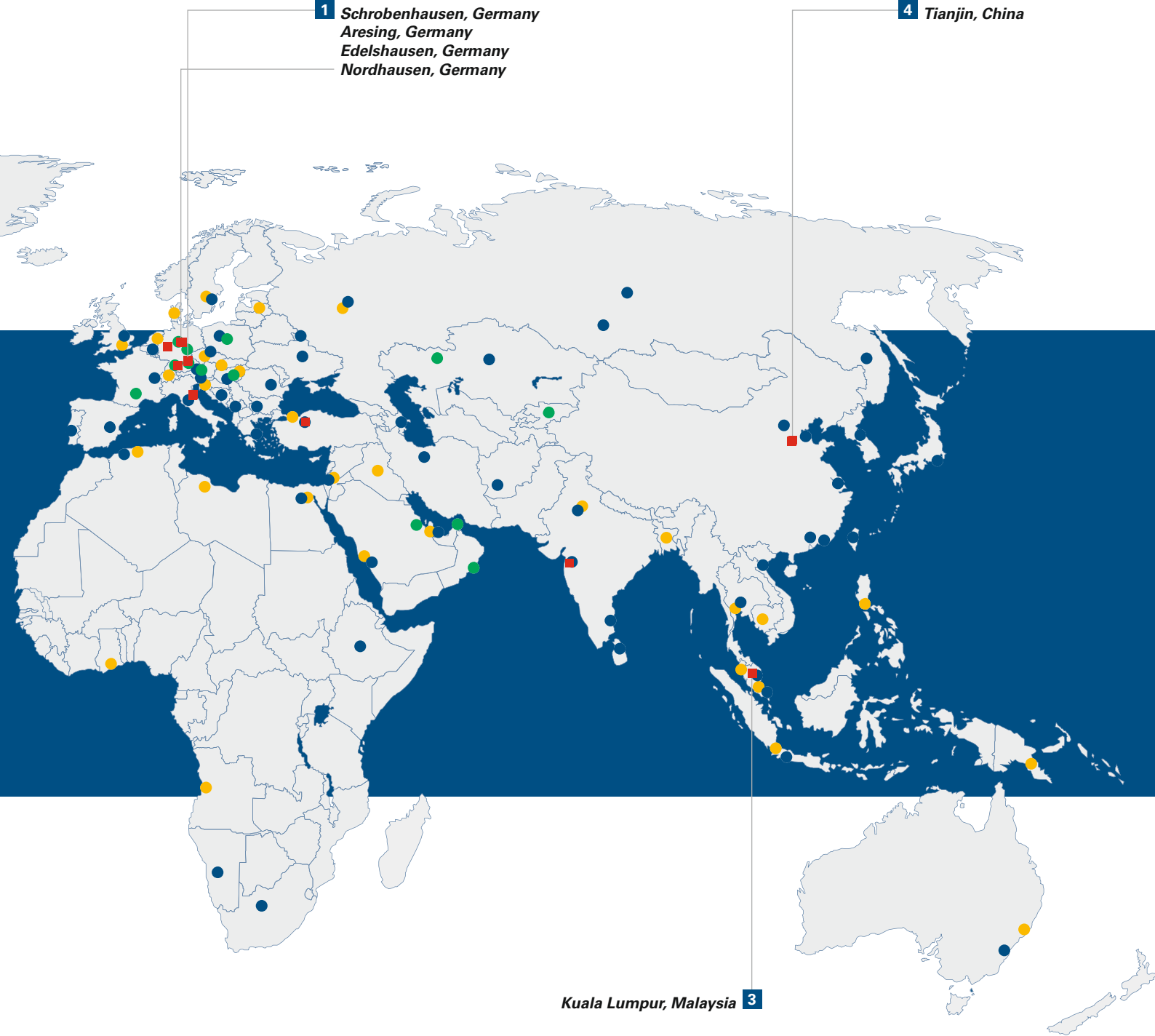
Sustainability Report 2024



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The World is our Market





Foreword

Ladies and Gentlemen,
partners and friends of our company,

For us in the BAUER Group, it's clear: We don't want to just react – we want to shape the future. Sustainability for us means protecting our environment, conserving resources while at the same remaining stable and fit for the future as a company. And this is not just a matter of complying with the rules. We need to act with conviction and vision, both on a small scale and on a larger scale.

In 2024 we revised our materiality analysis, which we conducted in 2021 based on the United Nations' 17 sustainability goals, in line with the new requirements of the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). This analysis helps us to place focus on the topics that are particularly important for us and our stakeholders. At the same time, we are preparing intensively for the CSRD requirements and we are thrilled about political measures such as the EU Omnibus Directive that reduce bureaucratic expenditure and increase the transparency of sustainability reporting.

In our Geotechnical Solutions, Equipment and Resources segments, we continually rely on innovations that help to protect the environment and climate.

In the Geotechnical Solutions segment, for example, we have published the environmental product declarations (EPDs) for our Mixed-in-Place method. This method reduces CO₂ emissions considerably by using locally available materials. Moreover, our specialist foundation engineering solutions make a key contribution to environmental protection in various projects. In projects such as the modernization of the John Hart Dam in Canada, we help to increase public safety, improve the reliability of the water supply while also minimizing the environmental impact.

In the Equipment segment, our machinery such as the BG 15 H and BG 20 H can now be operated with HVO fuel, which further reduces the CO₂ emissions on sites. We have also developed innovative solutions to reduce noise and energy consumption that are used particularly in urban areas. For example, the eRG 19 T hybrid with combined diesel and electric drive technology delivers potential CO₂ savings of more than 7 t per month, while the BCS 185 power pack with modular drive technology and low noise emissions has demonstrated its particular strengths in urban conditions on major projects such as the Grand Paris Express.

In the Resources segment we have further developed our activities in the area of thermal and mechanical soil treatment. One highlight was the investment in a new screening plant at the Soil Treatment Center Schrobhausen, which efficiently recycles excavated soil and thereby reduces landfill volumes and transport emissions. It is also particularly worth mentioning our partnership with Carbo-FORCE GmbH, which enabled us to develop methods for CO₂ bonding and the use of biomass. This partnership actively promotes the regional circular economy, and one of our customers even received the renowned VR Sponsorship Award with their Carbo-FORCE plant.

Nevertheless, our sustainability strategy extends not only to climate change mitigation and environmental conservation, but also to our social responsibility. The success of the BAUER Group depends on the performance and satisfaction of our employees. This is why we promote a work environment characterized by safety, health and appreciation. Our company values of responsibility, openness, appreciation, innovation and a down-to-earth attitude shape our daily actions and our company culture. We rely on dialogue between our international teams and reinforce social cohesion with shared traditions and events.

We would like to thank all our employees, partners and companions for their dedication and support. Sustainability can only be achieved by working together – with conviction, passion and courage to make a change. Let's continue this journey resolutely in the future as well.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized 'L' and 'E' followed by a large, sweeping flourish.

Lena Effinger

Sustainability Report 2024

I. THE BAUER GROUP

GROUP STRUCTURE

The BAUER Group is a leading provider of services, equipment and products related to ground and groundwater. It operates a worldwide network on all continents. The business activities of the Group are divided into three future-oriented segments: Geotechnical Solutions, Equipment and Resources.

The Geotechnical Solutions segment applies all the established methods and techniques of specialist foundation engineering all over the world. These include executing complex excavation pits and foundations for large-scale infrastructure projects and buildings, as well as cut-off walls and soil improvements. On the one hand, the construction markets are handled by local subsidiaries that mutually support one another in networks, and on the other hand, BAUER Spezialtiefbau GmbH carries out large projects in countries without a local company by pooling capacities from all over the world. From Germany and from regional centers, support services are provided by means of central service functions and standards are set for the subsidiaries of each segment.

In the Equipment segment, Bauer is a provider for a full range of equipment for specialist foundation engineering as well as for the exploration, mining and extraction of natural resources. Besides its headquarters in Schrobenhausen, the BAUER Maschinen Group operates a worldwide distribution network and production facilities in Germany, China, Malaysia, Turkey and in the USA, among other locations.

The Resources segment focuses on the development, production and execution of innovative products and services and acts as a service provider with several business divisions and subsidiaries in the areas of water well construction, environmental services and energy, mining, infrastructure as well as constructed wetlands.

BAUER AG is the holding company of the Group. As a service provider, BAUER AG performs central administrative and service functions for the affiliated companies, with particular involvement in the areas of personnel, accounting, financing, group communications and marketing, legal and tax affairs, IT, Group accounting and controlling, internal audit and risk management as well as health, safety and environment (HSE).

CORPORATE GOVERNANCE AND CONTROL SYSTEM

The sustainability policy of the BAUER Group, as well as the other key strategies, goals and regulations, is governed by the basic principles of the Group corporate governance and control system.

The principal task of the Executive Board of BAUER AG is the strategic management of the global Group of companies. As part of central strategies, goals and regulations, the main companies in the three operating segments – BAUER Spezialtiefbau GmbH, BAUER Maschinen GmbH and BAUER Resources GmbH – develop their own strategies, which are converged at holding company level and integrated into the strategic corporate planning process.

The managing directors and the company management of the various individual companies operate under the corporate guidelines, regulations and the overarching strategies of the BAUER Group. These are laid down by the Executive Board of the Group and are binding for the various Group companies. The BAUER Group defines the principles of proper conduct for its companies, including compliance with ethical and moral standards, in part by an ethics management and values program. These are flanked by corporate guidelines and management principles for our employees. The managing directors of the various Group companies are independently responsible for determining how their business units develop as long as they observe the rules and standards described above.

This structure is tied to a centralized risk management and control system as well as to a central Group Accounting function. Internal auditing systems monitor compliance with corporate guidelines, ethics management as well as laws and other policies across the Group. Strategic management by the Executive Board pursues the goal of securing the long-term success of the Group and optimally using the synergies between the segments.

Group key figures 2021-2024 (summarized)

IFRS in EUR million		2021	2022	2023* adjusted	2024	Changes 2023/2024 in %
Total Group revenues		1,537.6	1,748.1	1,831.1	2,183.4	19.2%
of which	Germany	463.2	536.5	432.4	441.6	2.1%
	International	1,074.4	1,211.6	1,398.7	1,741.8	24.5%
of which	Geotechnical Solutions	682.4	787.4	904.0	1,191.4	31.8%
	Equipment	681.5	747.8	721.5	789.4	9.4%
	Resources	272.5	299.2	277.7	270.8	-2.5%
Sales revenues		1,433.1	1,630.1	1,698.2	2,035.9	19.9%
Cost of materials		729.7	876.9	900.7	1,145.5	27.2%
Personnel expenses		430.4	463.4	458.7	480.1	4.7%
EBIT		36.0	-68.0	89.0	89.0	0.0%
Earnings after tax		4.0	-94.0	2.8	9.7	-246.4%
Employees (Reporting date)		11,966.0	11,892.0	12,034.0	11,380.0	-5.4%
of which	Germany	4,001.0	4,045.0	3,876.0	3,938.0	1.6%
	International	7,965.0	7,847.0	8,158.0	7,442.0	-8.8%

Consolidated Balance Sheet (summarized)

Assets in EUR thousand	Dec. 31, 2023 adjusted*	Dec. 31, 2024	Equity and liabilities in EUR thousand	Dec. 31, 2023 adjusted*	Dec. 31, 2024
Intangible assets	27,907	27,224	Equity of BAUER AG shareholders	468,876	493,922
Property, plant and equipment	484,752	497,239	Non-controlling interests	14,181	8,060
Investments accounted for using the equity method	65,723	70,107	Equity	483,057	501,982
Participations	2,106	3,172			
Deferred tax assets	54,073	51,071	Provisions for pensions	111,599	111,701
Receivables	8,720	23,980	Financial liabilities	142,272	227,052
Other non-current assets	8,786	10,606	Other non-current liabilities	8,696	8,606
Other non-current financial assets	25,519	32,002	Deferred tax liabilities	13,993	20,953
Non-current assets	677,586	715,401	Non-current debt	276,560	368,312
Inventories	524,408	507,021	Financial liabilities	337,252	221,155
Less advances received for inventories	-13,972	-12,448	Other current liabilities	508,977	505,980
	510,436	494,573	Effective income tax obligations	38,094	28,387
			Provisions	42,840	57,818
Receivables and other assets	424,799	384,770	Current debt	927,163	813,340
Effective income tax refund claims	5,210	6,684		1,686,780	1,683,634
Cash and cash equivalents	68,749	72,944			
Non-current assets held for sale assets	0	9,262			
Current assets	1,009,194	968,233			
	1,686,780	1,683,634			

* Previous year's figure adjusted; see Appendix of the Annual Report 2024.

II. SUSTAINABILITY IN THE BAUER GROUP

SUSTAINABILITY POLICY

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

- Optimum efficiency (profitability)
- The confidence of our customers (quality)
- The safety, health and satisfaction of our employees (safety)
- The eco-friendliness of our actions and our products (environmental protection)

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

ORGANIZATION

The prime responsibility in terms of sustainable development of the BAUER Group lies with the Group Executive Board and with the segment directors of the Geotechnical Solutions, Equipment and Resources segments. In the ESG consolidated group, they collaborate with representatives for the core topics of sustainability, supply chain due diligence obligations, HSE, ethics, human rights, internal auditing and legal in order to strategically manage and develop key sustainability topics. Alongside this, the plan is to establish independent structures at the segment level with sustainability coordinators to specifically support the implementation of measures related to sustainability.

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 significant step for the ongoing financial year is to develop a sustainability strategy for the Group and the segments. Given the growing relevance of sustainability topics for our business divisions, one major concern for us is to further develop our long-established commitment, which is deeply rooted in our company culture, into a clear organizational and operational structure. For this purpose, we have launched a comprehensive strategic process based on the results of the double materiality analysis.

DOUBLE MATERIALITY ANALYSIS

Conducting a double materiality analysis (DMA) is the core element for developing the company's sustainability framework and strategic priorities. The analysis encompasses both the impact materiality (positive and negative effects of the company on environment and society) as well as financial materiality (financial risks and opportunities for the company that result from sustainability topics). In line with the European Sustainability Reporting Standards (ESRS), the entire value chain is considered and the viewpoints of relevant stakeholders are incorporated. Analysis is carried out in multiple stages:

1. Specifying the scope

The goal of this step is to establish a holistic understanding of the company's context. This involves analyzing the company's activities, products and services, conducting a review of the 2021 materiality analysis, mapping the entire value chain, carrying out a benchmark analysis as well as a stakeholder identification and analysis.

2. Preparation of list with relevant sustainability topics (longlist)

Based on these findings, a comprehensive list of potentially relevant sustainability topics was drawn up.

3. Identification of key impacts, risks, and opportunities (IROs)

In the next step, we examined all the relevant sustainability topics in detail. To this end, four day-long workshops were held with trained specialists from the company. In addition, interviews were conducted with internal stakeholders, particularly to obtain customer perspectives. Overall, we were able to identify more than 400 impacts, risks and opportunities (IROs) along the entire value chain and for all three operative segments of the BAUER Group.

4. Evaluation of key impacts, risks, and opportunities (IROs)

In order to prioritize the identified IROs based on relevance, we have defined clear evaluation criteria and threshold values. Strategic training from the specialists ensured that evaluation was consistent and objective. Apart from the experience and assessments of the experts, evaluation is based on thorough research, internal data as well as the use of recognized data-bases in order to classify environmental topics in particular on a factual basis. In addition, interviews were conducted with relevant stakeholders, including representatives from a bank and the works council, in order to include their perspectives in the evaluation as well. The current status of the evaluation was presented in management meetings to ensure transparency and guarantee company-wide validation of the results.

5. Summary of material topics

The final results were presented to the Executive Board and approved. The entire process was documented in an open and traceable manner. The material topics that were identified serve as the basis for future CSRD-compliant sustainability reporting in the BAUER Group.

The material IROs belong to the following eight material sustainability topics (ESRS):

ESRS	Topic	Sub-topic
E1	Climate change	Climate change adaption
		Climate change mitigation
		Energy
S1	Own workforce	Working conditions
		Equal treatment and opportunities for all
G1	Business conduct	Corporate culture
		Protection of whistle-blowers
		Corruption and bribery

Note: Although the topic of water was previously included in various reports, the topic ESRS E3 “Water and marine resources” was not identified as a material topic during the double materiality analysis after thorough research and analysis.

Based on these results, we develop the strategies for the BAUER Group as well as the individual segments. Reporting about the material sustainability topics according to the requirements of the Corporate Sustainability Reporting Directive (CSRD) will be carried out in 2028 for the 2027 financial year. This report already includes an initial approximation to the CSRD.

INTERESTS AND VIEWPOINTS OF OUR STAKEHOLDERS

Continual engagement with the interests and expectations of our stakeholders is a central element of our corporate responsibility and an integral component of our sustainability strategy. We consider stakeholders to include all groups and individuals who are affected by our business activities, who influence the long-term success of our company or who are interested in our sustainability reporting. These include customers, employees, shareholders/investors, suppliers, authorities as well as the society and environment in the broadest sense.

Our goal is to develop a mutual understanding about the challenges and opportunities relating to sustainability by fostering an open, respectful and structured dialogue with these groups – and thereby to work together on solutions that are economically, ecologically and socially compatible. To this end, we maintain a multifaceted dialogue with stakeholders based on openness, transparency and inclusivity. Each central stakeholder group is assigned to a dedicated function that is responsible for selecting sustainable formats for dialogue as well as assessing and passing on relevant feedback. In this way we make sure that conversations are structured, relevant and effective. Furthermore, we draw on specific findings from industry associations, scientific studies, legislative proceedings and direct customer feedback in order to better understand the perspectives of relevant groups and derive well-founded decisions as a result. The results of our stakeholder analysis are a key input for our corporate decision-making, from strategic planning to drawing up sustainability goals all the way to operative implementation in the value chain. Stakeholder perspectives are incorporated into various processes, including:

- the double materiality analysis, in which we systematically analyze which sustainability topics are significant from a stakeholder perspective,
- the definition of strategies for the BAUER Group and the segments, as well as
- the design and further development of our products and services in line with regulatory and social requirements.

Relevant findings and developments are regularly communicated to our executive and supervisory bodies through defined channels. The perspectives of our stakeholders thus form a fixed component of our decision-making processes and assist with value-oriented, future-proof corporate governance. Moreover, we regularly review and improve our stakeholder management processes to ensure that dialogues remain relevant, target-oriented and effective in the future. Here, our approach is: Dialogue with stakeholders is not an end in itself, but rather a strategic tool to actively shape sustainable corporate development.

Stakeholder involvement

Stakeholders group	Expectations / interests	Dialogue formats / Stakeholder engagement	Company division(s)
Customer	Quality, reliable performance, customized solutions, service, fair pricing, sustainability	Direct communication, trade fairs and events (e.g. bauma, Schrobenthausener Tage), customer surveys, reporting, corporate websites, social media channels	Sales
Shareholder	Corporate value, Transparency and information, ESG ratings, Strategic alignment	Direct communication, Annual General Meeting, reporting	Executive Board, Managing directors
Management	Strategy implementation, sustainable business development	Direct communication, reporting, social media channels, participation in working groups, code of conduct	Sustainability Management
Employees	Fair working conditions, opportunities for development, employee participation, work-life balance, transparent communication, authentic corporate culture	Employee surveys, intranet, employee newsletter, company/information events, company suggestion scheme, code of conduct	Human Resources, Works Council, Group Communications
Financial institutions / banks	Capital security & growth, liquidity management	Direct communication, reporting, corporate websites	Executive Board, Managing directors, Corporate Finance, Controlling
Suppliers & Subcontractors	Long-term partnership, fair terms, participation in success, security	Direct communication, reporting, corporate websites, trade fairs and events (e.g. supplier days), external audits, visits & assessments, supplier code	Procurement
Government & Local authorities	Compliance with legal requirements, sustainability regulations	Direct communication, reporting, compliance processes	Company management, Compliance
Region & Society	Environmental and social impacts of local activities, contribution to the common good	Direct communication, reporting, corporate websites, donations, support for associations	Group communications
Silent Stakeholder (Environment)	Protection of natural resources, climate protection, biodiversity	Studies and reports, reporting	Sustainability Management
Research and science	Collaborative development, knowledge transfer, support for education and research	research collaborations, bachelor's/master's theses, teaching assignments, social media channels	Various corporate departments, especially Research and Development
Workers in the value chain	Human rights, safe working conditions, fair wages, no child labor, social minimum standards	Corporate websites, social media channels, reporting, code of conduct	Procurement, Compliance
Affected communities	Environmental and health impacts, social participation, respect for cultural and social rights	Corporate websites, social media channels, direct communication, reporting	Company management, Compliance, Project Manager – Construction Project

TECHNOLOGY, TRENDS AND NETWORKING IN THE BAUER GROUP

The 2024 in-house exhibition of the BAUER Maschinen Group in Schrobenhausen was an awe-inspiring event. 1,900 visitors from 72 countries experienced the multifaceted world of specialist foundation engineering under the slogan “360 degrees of special foundation.” Numerous innovations and impressive insights made the event a real highlight.

BAUER Spezialtiefbau GmbH continued a tradition with the 2024 “Schrobenhausener Tage.” Under the slogan “Putting the site in focus – stay tuned in specialist foundation engineering,” exciting specialist presentations offered insight into national and international construction projects along with the latest innovations. A round table discussion on the topic of artificial intelligence rounded off the program.

The eighth Technology Forum held by GWE GmbH brought together specialists from the water well construction and geothermal heat industries. Practical presentations, discussions and a plant visit granted insight about geological challenges and technical innovations.

SCHACHTBAU Nordhausen GmbH invited guests to the Schachtbau Customer Day in September. Numerous customers and partners attended specialist lectures to learn about the company divisions of steel construction, plant engineering, machinery manufacturing and mining. Practical insight was offered in a variety of plant tours.

All of these events demonstrated the innovative spirit of the BAUER Group and provided platforms for dialogue and networking.



A place for dialogue: The 2024 in-house exhibition in Schrobenhausen.

III. ENVIRONMENT

EU TAXONOMY

Under the framework of the “European Green Deal,” the EU Commission aims to gradually redirect capital flows in the EU economic system into more sustainable channels. To this end, it has established the “Action Plan Sustainable Finance.”

One of the most important elements of the action plan is the EU Taxonomy Regulation 2020/852 of the European Parliament and of the Council (EU Taxonomy). The goal of this regulation is to establish a standardized system across the EU for the classification of environmentally sustainable economic activities. The Taxonomy Regulation focuses on six environmental objectives:

1. Climate change mitigation (CCM)
2. Climate change adaptation (CCA)
3. The sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. Protection and restoration of biodiversity and ecosystems (BIO)

In order to be classified as sustainable in line with the EU taxonomy, an economic activity must undergo multiple auditing stages. It must first be reviewed whether the economic activity is registered in the list of activities under the EU taxonomy and the accompanying technical annexes of the Delegated Regulation (DR) 2021/2139 (supplemented by DR 2022/1214, also updated and supplemented by DR 2023/2468) as well as DR 2023/2468. If this is the case, an economic activity is considered taxonomy-eligible.

Building on the definition of taxonomy-eligible, economic activities are considered as taxonomy-aligned and thus effectively sustainable under the framework of the Taxonomy Regulation if all of the following conditions are met:

- the technical assessment criteria described in the Regulation fulfill one or more environmental objectives;
- none of the other environmental objectives are significantly negatively impacted based on criteria specified therein; and
- the activities are carried out by companies that fulfill minimum requirements for occupational safety and human rights described by Taxonomy Regulation.

TAXONOMY AUDIT PROCEDURE

The audit of economic activities in the BAUER Group over the outlined taxonomy audit stages was carried out through intersegmental and cross-department collaboration to ensure a uniform procedure across subsidiaries and international borders and to display the final results in aggregated form at the Group level. First, in line with the requirements of the Delegated Regulation (EU) 2021/2178 (supplemented by DR 2022/1214, also updated and supplemented in DR 2023/2486), the totals were calculated for net turnover, capital expenditure (CapEx) before depreciations and revaluations as well as direct, non-capitalized operating expenditure (OpEx).

TOTAL TURNOVER, CAPEX AND OPEX IN THE BAUER GROUP IN ACCORDANCE WITH EU TAXONOMY

in EUR million	2024
Turnover	2,035.8
OpEx	43.3
CapEx	199.8

Each respective total constitutes the denominator which is used to carry out an audit of taxonomy eligibility and – where relevant – taxonomy alignment according to the above-mentioned regulation. The denominator for turnover includes the Group turnover in accordance with IAS 1, paragraph 82(a). The denominator for CapEx includes investment in the specific case – additions to property, plant and equipment, intangible assets, real estate held as a financial investment, agricultural investment expenditure and additions to leasing relationships. The denominator for OpEx consists of research and development expenditure, short-term leasing, maintenance and repair, building renovation measures as well as all other direct expenditures associated with the daily maintenance of assets in property, plant and equipment are to be reported.

The respective numerators for turnover, CapEx and OpEx result from the audit of the corresponding economic activities for taxonomy eligibility and subsequent taxonomy alignment. This procedure is described in the following sections. The information required for the audit is derived from the financial accounts and is confirmed by Group Accounting. To avoid the possibility of double counting turnover and CapEx and OpEx expenditures that are taxonomy-eligible are generally allocated to a single taxonomy-eligible economic activity.

DETAILS REGARDING THE TURNOVER KPI

The turnover of the BAUER Group are generated in the three segments Geotechnical Solutions, Equipment and Resources. After auditing the economic activities in the three segments in the 2022 financial year, it was still determined that turnover did not fall under the then-applicable version of the Taxonomy Regulation, as criteria were only defined for the two climate goals of “Climate change mitigation” and “Climate change adaptation.” After taxonomy criteria were defined for the four remaining climate goals for the 2023 financial year, the BAUER group carried out another thorough audit of all turnover for taxonomy eligibility in the year 2024 concerning all six climate goals.

The business activity of the BAUER Group is divided into the three segments as follows:

- The Geotechnical Solutions segment applies all the established methods and techniques of specialist foundation engineering all over the world. These include executing complex excavation pits and foundations for large-scale infrastructure projects and buildings, as well as cut-off walls and soil improvements.
- In the Equipment segment, Bauer is a provider for a wide range of equipment for specialist foundation engineering as well as for the exploration, mining and extraction of natural resources.
- The Resources segment focuses on the development, production and exploitation of innovative products and services and acts as a service provider in the areas of drilling services and water wells, environmental services, constructed wetlands, mining and rehabilitation. Areas of expertise include water extraction, brownfield remediation, waste management, water treatment and services in mining as well as building rehabilitation.

In the following, the business activities of the BAUER Group are subdivided by product and project-related turnover and relevant codes under the Taxonomy Regulation are taken into account.

PRODUCT-RELATED TURNOVER:

The BAUER Group sells products in the Equipment segment and in the Resources segment. The taxonomy codes below have been determined as relevant for the business activities of these segments after review, which means that the corresponding turnover can be reported as taxonomy-eligible. Because these corresponding turnovers are considered to be not of key importance in the context of the entire BAUER Group and only insufficient data or proof is available for fulfilling the technical assessment criteria, no taxonomy compliance audit was carried out in line with Point 13 of the Communication of the EU Commission C/2023/30.

CCM 3.1 – Manufacture of renewable energy technologies

The solar pumps of the subsidiary GWE are used to extract water from wells using energy generated by solar modules. Even though the renewable energy is only used here to facilitate water procurement, the corresponding sales are counted as taxonomy-eligible under this code. Furthermore, the product solutions from the geothermal division of GWE for generating heat or cooling (e.g. geothermal probes, shaft structures) are counted as taxonomy-eligible.

CCM 3.6 – Manufacture of other low carbon technologies

The description text for this code mentions the “manufacture of technologies aimed at a substantial reduction of greenhouse gas emissions in other economic sectors.” With reference to Point nine of the Communication of the EU Commission 2022/C385/01, which includes FAQs regarding the interpretation of specific EU taxonomy content, the BAUER Group defines the relevant technologies as products that significantly reduce tailpipe emissions of CO₂ in the usage phase or lead to their complete elimination. In the BAUER Group and specifically in the Equipment segment, these include electrified and hybrid construction equipment that helps to reduce CO₂ emissions on construction projects that would occur with comparable, non-electrified construction equipment during use because of the consumption of fossil fuels. In 2024, turnovers were realized with the electrical undercarriages from Tracmec that can be attributed to this code. Furthermore the BAUER Group also includes the EURODRILL EA61V concept for anchor drilling rigs under this code, since this concept increases efficiency and thereby achieves a significant reduction in CO₂ emissions during use. Because the total turnover of electrified construction equipment are considered to be not of key importance in the context of the entire BAUER Group and only insufficient data or proof is available for fulfilling the technical assessment criteria, no taxonomy compliance audit was carried out for the turnover falling under code CCM 3.6.

PRODUCT-RELATED TURNOVER:

The Geotechnical Solutions and Resources segments of the BAUER Group achieve the majority of their turnover with various construction project businesses. Due to the variety of projects carried out and the necessary detailed audit at the single project level in each case, for the 2024 financial year at the corresponding subsidiaries of the segment a review was carried out for taxonomy eligibility regarding those projects which made up at least 80% of the project turnover volume in each segment.

The project turnover in the BAUER Group consists of many different individual projects, which meant that a review of the projects for taxonomy eligibility was carried out at the level of individual projects in each case.

Projects were only assessed as taxonomy-eligible which could be clearly allocated to a taxonomy code based on their service descriptions.

A declaration of conformity was waived for the 2024 financial year for the corresponding turnovers. The reason for this was that the total turnover for the project business for each taxonomy code was not significant compared to the total turnover of the BAUER Group, and/or because providing evidence for the fulfillment of the technical assessment criteria by review on a single-project basis would have been unreasonably complex. The BAUER Group is frequently active at the start of construction projects and has limited insight into the characteristics of the overall construction projects. Taxonomy conformity reviews for the most relevant turnover positions are not excluded in the future.

The taxonomy codes below have been determined as relevant for the business activities of these segments after review, which means that the corresponding turnover can be reported as taxonomy-eligible.

CCM 4.3 – Electricity generation from wind power

In 2024, the Geotechnical Solutions segment carried out construction activities for the installation of a wind power plant.

CCM 4.5 – Electricity generation from hydropower

In the financial year gone by, the Geotechnical Solutions segment at Bauer was involved in the new building of a reservoir dam to generate water power.

CCM 4.7 – Electricity generation from renewable non-fossil gaseous and liquid fuels

In 2024, the Resources segment generated turnovers in an expansion project for a combined heat and power plant that is operated with sewage gas.

CCM 4.9 – Transmission and distribution of electricity

In 2023, this included project work in the Geotechnical Solutions segment involving an electric power line. No turnovers were generated for this code in 2024.

CCM 4.22 – Production of heat/cool from geothermal energy

In 2024, this included project work in the Resources segment related to geothermal heat.

CCM 4.24 – Production of heat/cool from bioenergy

Through the sale of equipment to the company Carbo-FORCE GmbH, a participation of the BAUER Group accounted for using the equity method, the Resources segment recorded turnovers from the delivery of components for pyrolysis plants.

CCM 4.27 – Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies

As part of an official authorized nuclear power reactor expansion project, the Geotechnical Solutions segment carried out construction activities. Disclosure form 1 of the standard disclosure forms according to Article 8 paragraphs 6 and 7 under the EU Taxonomy Regulation explains our activities under Code 4.27.

Disclosure form 1: Activities in the areas of nuclear energy and fossil gas

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

CCM 5.3 – Construction, extension and operation of waste water collection and treatment

In 2024, the Resources segment executed multiple construction projects in the area of sewage treatment plants and equipment.

CCM 5.4 – Renewal of waste water collection and treatment

The Resources segment generated turnover in 2023 from projects for the rehabilitation of multiple sewage treatment plants. No turnovers were generated for this code in 2024.

CCM 6.14 – Infrastructure for rail transport

Both the Geotechnical Solutions segment and the Resources segment achieved turnover in 2024 with project work for numerous railway infrastructure projects worldwide.

CCM 6.16 – Infrastructure enabling low carbon water transport

The Geotechnical Solutions segment achieved sales in 2024 with projects in the area of new harbor construction or expansion.

CCM 7.2 – Renovation of existing buildings

In the year 2024, the Resources segment carried out some renovations on existing buildings.

CCA 5.4 – Renewal of waste water collection and treatment

In the financial year gone by, the Resources segment generated turnover in a project for modernizing a wastewater and flood-water pumping station, and in projects for rehabilitation of multiple sewage treatment plants.

CCA 6.15 – Infrastructure enabling road transportation and public transport

The BAUER Group was involved in numerous road transport projects in the financial year gone by, including the (partial) construction of highways and highway bridges.

WTR 2.1 – Water supply

In 2024, the Resources segment contributed to various projects for water supply, for example by laying pipelines and installing weir systems in the water supply system.

WTR 3.1 – Nature-based solutions for flood and drought risk prevention and protection

Work was carried out in the Geotechnical Solutions segment in 2024 in the area of embankments and dam rehabilitation.

CE 2.2 – Production of alternative water resources for purposes other than human consumption

In 2024, this included project work in the Resources segment related to the extraction of water resources for various purposes.

CE 2.7 – Sorting and material recovery of non-hazardous wastes

In the soil treatment centers of the Resources segment, turnover was achieved in 2024 through the recycling of non-hazardous waste.

CE 3.3 – Demolition and wrecking of buildings and other structures

This category included project work by the Geotechnical Solutions segment in 2024 as part of individual demolition tasks.

PPC 2.4 – Remediation of contaminated sites and areas

In 2024, the Resources segment executed numerous brownfield remediation works.

INFO

Although these cannot be added to the taxonomy-eligible turnover KPI of the BAUER Group on the balance sheet, a participation in the Resources segment accounted for using the equity method – BAUER Nimr LLC – achieved taxonomy-eligible turnovers amounting to EUR 13.7 million with a project in Oman in 2024, the majority of which could be allocated to taxonomy code CE 2.2 – Production of alternative water resources for purposes other than human consumption. The project centered on the operation of a constructed wetland that can treat contaminated water and make it reusable (more info on this [here](#)).



Furthermore, the taxonomy code “CE 3.5 – Use of concrete in civil engineering” was subjected to a more detailed review, yet was classified as not relevant for the project turnovers of the BAUER Group for the reasons outlined below.

CE 3.5 – Use of concrete in civil engineering

A precise allocation of project activities to this code, which is described very generally in the EU taxonomy and not defined more exactly even in the extended taxonomy FAQs, is not currently possible. This is due to the fact that, although concrete is used in many projects by the BAUER Group, it is hardly possible to differentiate from other project activities and their turnover within the individual project level. For this reason, no taxonomy-eligible turnover was determined in line with this taxonomy code for 2024.

With consolidated net total turnover of EUR 2,035.9 million for the Group as a whole in the 2024 financial year, the taxonomy-eligible share of turnover was accordingly EUR 732.1 million or 36%.

Economic activities	Code(s)	Turnover (EUR million)	Proportion of turnover (%)	Criteria for a substantial contribution				DNSH criteria ("Do no significant harm")										Proportion of taxonomy aligned (A.1) or eligible (A.2) turnover year 2023 (%)	Category enabling activity (E)	Category transitional activity (T)
				Climate change mitigation (Y; N; N/EL)	Climate change adaptation (Y; N; N/EL)	Water and marine resources (Y; N; N/EL)	Environmental pollution (Y; N; N/EL)	Circular economy (Y; N; N/EL)	Biodiversity and ecosystems (Y; N; N/EL)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Environmental pollution (Y/N)	Circular economy (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of renewable energy technologies	CCM 3.1/ CCA 3.1	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N	N	E		
Manufacture of other low carbon technologies	CCM 3.6/ CCA 3.6	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N	N	E		
Electricity generation from wind power	CCM 4.3/ CCA 4.3	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N/A	N	N	N			
Electricity generation from hydropower	CCM 4.5/ CCA 4.5	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N/A	N/A	N	N			
Electricity generation from renewable non-fossil gaseous and liquid fuels	CCM 4.7/ CCA 4.7	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N/A	N	N			
Transmission and distribution of electricity	CCM 4.9/ CCA 4.9	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N/A	N	N	N	N	E		
Production of heat/cool from geothermal energy	CCM 4.22/ CCA 4.22	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N/A	N	N			
Production of heat/cool from bioenergy	CCM 4.24/ CCA 4.24	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N/A	N	N			
Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies	CCM 4.27/ CCA 4.27	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N	N			
Construction, extension and operation of waste water collection and treatment	CCM 5.3/ CCA 5.3	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N/A	N	N			
Renewal of waste water collection and treatment	CCM 5.4/ CCA 5.4	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N/A	N	N			
Infrastructure for rail transport	CCM 6.14/ CCA 6.14	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N	N	E		
Infrastructure enabling low carbon water transport	CCM 6.16	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N	N	E		
Renovation of existing buildings	CCM 7.2/ CCA 7.2	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/	A	N	N	N	N	N/A	N	T		
Renewal of waste water collection and treatment	CCM 5.4/ CCA 5.4	0.0	0.0	N/EL	N	N/EL	N/EL	N/EL	N/EL	N	N/A	N	N	N	N/A	N	N			
Infrastructure enabling road transport and public transport	CCA 6.15	0.0	0.0	N/EL	N	N/EL	N/EL	N/EL	N/EL	N	N/A	N	N	N	N	N	N			
Water supply	WTR 2.1	0.0	0.0	N/EL	N/EL	N	N/EL	N/EL	N/EL	N/	A	N	N/A	N/A	N/A	N	N			
Nature-based solutions for flood and drought risk prevention and protection	WTR 3.1	0.0	0.0	N/EL	N/EL	N	N/EL	N/EL	N/EL	N	N	N/A	N	N	N	N	N			
Production of alternative water resources for purposes other than human consumption	CE 2.2	0.0	0.0	N/EL	N/EL	N/EL	N/EL	N	N/EL	N	N	N	N	N	N/A	N	N			
Sorting and material recovery of non-hazardous wastes	CE 2.7	0.0	0.0	N/EL	N/EL	N/EL	N/EL	N	N/EL	N/	A	N	N	N	N/A	N	N			
Demolition and wrecking of buildings and other structures	CE 3.3	0.0	0.0	N/EL	N/EL	N/EL	N/EL	N	N/EL	N	N	N	N	N	N/A	N	N			
Remediation of contaminated sites and areas	PPC 2.4	0.0	0.0	N/EL	N/EL	N/EL	N	N/EL	N/EL	N	N	N	N	N/A	N	N	N			
Turnover of environmentally sustainable activities (taxonomy-aligned activities) (A.1)		0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	N	N			
Of which enabling		0.0	0.0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	N	N	E		
Of which transitional		0.0	0.0	0.00%						N	N	N	N	N	N	N	N	T		

A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

	CCM 3.1/ CCA 3.1	3.0	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.2	
Manufacture of renewable energy technologies												
	CCM 3.6/ CCA 3.6	1.6	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Manufacture of other low carbon technologies												
	CCM 4.3/ CCA 4.3	5.0	0.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL		1.7	
Electricity generation from wind power												
	CCM 4.5/ CCA 4.5	22.1	1.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.4	
Electricity generation from hydropower												
	CCM 4.7/ CCA 4.7	6.5	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.1	
Electricity generation from renewable non-fossil gaseous and liquid fuels												
	CCM 4.9/ CCA 4.9	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.2	
Transmission and distribution of electricity												
	CCM 4.22/ CCA 4.22	5.6	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.3	
Production of heat/cool from geothermal energy												
	CCM 4.24/ CCA 4.24	2.5	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.1	
Production of heat/cool from bioenergy												
	CCM 4.27/ CCA 4.27	326.2	16.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		3.8	
Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies												
	CCM 5.3/ CCA 5.3	6.8	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.5	
Construction, extension and operation of waste water collection and treatment												
	CCM 5.4/ CCA 5.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.3	
Renewal of waste water collection and treatment												
	CCM 6.14/ CCA 6.14	69.7	3.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL		7.2	
Infrastructure for rail transport												
	CCM 6.16	78.3	3.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.9	
Infrastructure enabling low carbon water transport												
	CCM 7.2/ CCA 7.2	1.4	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Renovation of existing buildings												
	CCM 5.4/ CCA 5.4	5.0	0.2	N/EL	EL	N/EL	N/EL	N/EL	N/EL		0.2	
Renewal of waste water collection and treatment												
	CCA 6.15	77.0	3.8	N/EL	EL	N/EL	N/EL	N/EL	N/EL		2.6	
Infrastructure enabling road transport and public transport												
	WTR 2.1	2.3	0.1	N/EL	N/EL	EL	N/EL	N/EL	N/EL		0.0	
Water supply												
	WTR 3.1	65.4	3.2	N/EL	N/EL	EL	N/EL	N/EL	N/EL		4.3	
Nature-based solutions for flood and drought risk prevention and protection												
	CE 2.2	5.8	0.3	N/EL	N/EL	N/EL	N/EL	EL	N/EL		0.6	
Production of alternative water resources for purposes other than human consumption												
	CE 2.7	7.4	0.4	N/EL	N/EL	N/EL	N/EL	EL	N/EL		0.1	
Sorting and material recovery of non-hazardous wastes												
	CE 3.3	5.5	0.3	N/EL	N/EL	N/EL	N/EL	EL	N/EL		0.1	
Demolition and wrecking of buildings and other structures												
	PPC 2.4	35.0	1.7	N/EL	N/EL	N/EL	EL	N/EL	N/EL		3.2	
Remediation of contaminated sites and areas												
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		732.1	36.0	25.97%	4.03%	3.33%	0.92%	1.72%	0.00%		26.7	
Turnover of taxonomy-eligible activities (A.1 + A.2)		732.1	36.0	25.97%	4.03%	3.33%	0.92%	1.72%	0.00%		26.7	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES												
Turnover of taxonomy-non-eligible activities (B)		1,303.8	64									
Total (A+B)		2,035.9	100.0									

Proportion of turnover/total turnover

	taxonomy-aligned per objective	taxonomy-eligible per objective
CCM – Climate Change Mitigation (Climate protection)	0.00%	25.97%
CCA – Climate Change Adaptation (Adaptation to climate change)	0.00%	4.03%
WTR – Water and Marine Resources (The sustainable use and protection of water and marine resources)	0.00%	3.33%
CE – Circular Economy (Transition to a circular economy)	0.00%	1.72%
PPC – Pollution Prevention and Control (Preventing and controlling environmental pollution)	0.00%	0.92%
BIO – Biodiversity & Ecosystems (Protection and restoration of biodiversity and ecosystems)	0.00%	0.00%

Disclosure form 2: Taxonomy-aligned economic activities (denominator)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (EUR million)	%	Amount (EUR million)	%	Amount (EUR million)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
8.	Total applicable KPI	0	0	0	0	0	0

Disclosure form 3: Taxonomy-aligned economic activities (numerator)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (EUR million)	Goals	Amount (EUR million)	%	Amount (EUR million)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	0	0	0	0	0	0

Disclosure form 4: Taxonomy-eligible but not taxonomy-aligned economic activities

		Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation			
Row	Economic activities	Amount (EUR million)	%	Amount (EUR million)	%	Amount (EUR million)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	326.2	16.02	326.2	16.02	0	0
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	326.2	16.02	326.2	16.02	0	0

Disclosure form 5: Non-taxonomy-eligible economic activities

Row	Economic activities	Amount (EUR million)	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	0	0

DETAILS REGARDING THE CAPEX KPI

The Delegated Regulation (EU) 2021/2178 (supplemented by DR 2022/1214, also updated and supplemented in DR 2023/2486), lists the following areas of the CapEx KPI to be added up:

1. Property, plant and equipment
2. Intangible assets
3. Real estate held as a financial investment
4. Agriculture
5. Leasing relationships (Additions to rights of use)

In 2024, the BAUER Group recorded no additions in the areas “Real estate held as a financial investment” and “Agriculture.” The total value of the remaining three CapEx areas as defined by the EU Taxonomy Regulation (denomination of CapEx KPI) amounted to EUR 199.8 million in 2024.

For these three CapEx areas, the relevant accounts were investigated at the group level for potential taxonomy-eligible additions by the responsible accounting employees, using a prepared taxonomy screening manual and filling template for simplified analysis and counting including prevention of double counting. Accordingly, the focus of the CapEx review for 2024 was on the purchase of production from taxonomy-eligible or taxonomy-aligned economic activities as defined by Clause 1.1.2.2 c) of Delegated Regulation (EU) 2021/2178. The largest taxonomy-eligible items in this area were the acquisition or ownership of buildings for business purposes, close to market research, development and innovation as well as the purchase of company vehicles. Furthermore, in 2024 investments were made in a photovoltaic system at the Schrobenhausen location that will produce roughly 220,000 kWh of power every year. For code CCM 7.7 “Acquisition and ownership of buildings,” taxonomy-eligible investment expenditures in the amount of EUR 22.5 million were added that were recorded as investments in construction. As the completion of the building and thus the final invoice will only be available in 2025, no precise breakdown or itemization could be made of all items (such as a photovoltaic system) and the total amount was assigned to this code.

In the year under review, selected capital expenditures (CapEx) were identified and reported in connection with taxonomy-eligible products for the first time as defined under Clause 1.1.2.2. c) of Delegated Regulation (EU) 2021/2178. This relates to development expenses of EUR 970,515.84 for products associated with taxonomy-eligible economic activities (Code CCM 3.6). The remaining development costs, which are not associated with a taxonomy-eligible activity (i.e. they were recorded in code CCCM 9.1), amount to EUR 3,153,999.96. The precise allocation of the remaining investment expenditures to individual taxonomy-eligible projects proves to be complex, as many of the investments benefit several projects simultaneously. Particularly when it comes to the procurement of operating materials or infrastructure, these are used across different projects, which makes it difficult to allocate them exactly to a specific project.

For 2024 no investment expenditures were recorded that form part of a plan for the expansion of taxonomy-compliant economic activities in order to convert taxonomy-eligible economic activities into taxonomy-compliant economic activities (“CapEx plan”) under Clause 1.1.2.2. c) of Delegated Regulation (EU) 2021/2178.

The following codes were applied when accounting for CapEx:

CCM 3.6 – Manufacture of other low-carbon technologies
CCM 4.6 – Electricity generation from geothermal energy
CCM 4.11 – Storage of thermal energy
CCM 4.16 – Installation and operation of electric heat pumps
CCM 4.22 – Production of heat/cool from geothermal energy
CCM 6.4 – Operation of personal mobility devices, cycle logistics
CCM 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles
CCM 6.6 – Freight transport services by road
CCM 6.13 – Infrastructure for personal mobility, cycle logistics
CCM 7.1 – Construction of new buildings
CCM 7.2 – Renovation of existing buildings
CCM 7.3 – Installation, maintenance and repair of energy efficiency
CCM 7.4 – Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
CCM 7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
CCM 7.6 – Installation, maintenance and repair of renewable energy technologies
CCM 7.7 – Acquisition and ownership of buildings
CCM 8.1 – Data processing, hosting and related activities
CCM 9.1 – Close to market research, development and innovation
CCA 6.15 – Infrastructure enabling road transport and public transport

For the 2024 financial year, calculated according to the requirements of the EU taxonomy, we report a taxonomy-eligible CapEx numerator of EUR 46.4 million in total.

Economic activities	Code(s)	CapEx (EUR million)	Proportion of CapEx (%)	Criteria for a substantial contribution						DNSH criteria ("Do no significant harm")						Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) CapEx year 2023 Minimum safeguards (Y/N)	Category enabling activity (E)	Category transitional activity (T)
				Climate change mitigation (Y; N; N/EL)	Climate change adaptation (Y; N; N/EL)	Water and marine resources (Y; N; N/EL)	Environmental pollution (Y; N; N/EL)	Circular economy (Y; N; N/EL)	Biodiversity and ecosystems (Y; N; N/EL)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Environmental pollution (Y/N)	Circular economy (Y/N)	Biodiversity and ecosystems (Y/N)			
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Manufacture of other low-carbon technologies	CCM 3.6/ CCA 3.7	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N	N	N	0.0	E
Electricity generation from geothermal energy	CCM 4.6/ CCA 4.6	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N/ A	N	N	0.0	
Storage of thermal energy	CCM 4.11/ CCA 4.11	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N/ A	N	N	N	0.0	E
Operation of personal mobility devices, cycle logistics	CCM 6.4/ CCA 6.4	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N	N	0.0	T
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/ CCA 6.5	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N	N/ A	N	N	0.0	T
Freight transport services by road	CCM 6.6/ CCA 6.6	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N	N/ A	N	N	0.0	T
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N/ A	N	N	0.0	E
Construction of new buildings	CCM 7.1/ CCA 7.1	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N	N	N	0.0	
Renovation of existing buildings	CCM 7.2/ CCA 7.2	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N	N/ A	N	0.0	T
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/ CCA 7.3	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N/ A	N	0.0	E
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4/ CCA 7.4	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N/ A	N	0.0	E
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5/ CCA 7.5	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N/ A	N	0.0	E
Infrastructure for personal mobility, cycle logistics	CCM 7.6/ CCA 7.6	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N/ A	N	0.0	E
Acquisition and ownership of buildings	CCM 7.7/ CCA 7.7	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N/ A	N/ A	N/ A	N/ A	N	0.0	
Data processing, hosting and related activities	CCM 8.1/ CCA 8.1	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N/ A	N	N/ A	N	0.0	T
Close to market research, development and innovation	CCM 9.1/ CCA 9.2	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/ A	N	N	N	N	N	N	0.0	E
Infrastructure enabling road transport and public transport	CCA 6.15	0.0	0.0	N/EL	N	N/EL	N/EL	N/EL	N/EL	N	N/ A	N	N	N	N	N	0.0	
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.0	0.0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	N	0.0	
Of which enabling		0.0	0.0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	N	0.0	E
Of which transitional		0.0	0.0	0.00%						N	N	N	N	N	N	N	0.0	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																		
Manufacture of other low-carbon technologies	CCM 3.6/ CCA 3.7	1.2	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.2		

Electricity generation from geothermal energy	CCM 4.6/ CCA 4.6	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Storage of thermal energy	CCM 4.11/ CCA 4.11	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Operation of personal mobility devices, cycle logistics	CCM 6.4/ CCA 6.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/ CCA 6.5	6.0	3.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		3.9	
Freight transport services by road	CCM 6.6/ CCA 6.6	1.7	0.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.8	
Infrastructure for personal mobility, cycle logistics	CCM 6.13/ CCA 6.13	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Construction of new buildings	CCM 7.1/ CCA 7.1	1.5	0.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL		4.3	
Renovation of existing buildings	CCM 7.2/ CCA 7.2	0.6	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.5	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3/ CCA 7.3	0.7	0.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4/ CCA 7.4	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5/ CCA 7.5	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6/ CCA 7.6	0.3	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.6	
Acquisition and ownership of buildings	CCM 7.7/ CCA 7.7	29.0	14.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL		3.1	
Data processing, hosting and related activities	CCM 8.1/ CCA 8.1	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.0	
Close to market research, development and innovation	CCM 9.1/ CCA 9.2	3.2	1.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.1	
Infrastructure enabling road transport and public transport	CCA 6.15	0.0	0.0	N/EL	EL	N/EL	N/EL	N/EL	N/EL		0.0	
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		44.3	22.2	22.16%	0.02%	0.00%	0.00%	0.00%	0.00%		13.6	
CapEx of taxonomy-eligible activities (A.1 + A.2)		44.3	22.2	22.16%	0.02%	0.00%	0.00%	0.00%	0.00%		13.6	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES												
CapEx of taxonomy-non-eligible activities (B)		155.5	77.8									
Total (A+B)		199.8	100.0									

CapEx share/Total CapEx

	taxonomy-aligned per objective	taxonomy-eligible per objective
CCM – Climate Change Mitigation (Climate protection)	0.00%	22.16%
CCA – Climate Change Adaptation (Adaptation to climate change)	0.00%	0.02%
WTR – Water and Marine Resources (The sustainable use and protection of water and marine resources)	0.00%	0.00%
CE – Circular Economy (Transition to a circular economy)	0.00%	0.00%
PPC – Pollution Prevention and Control (Preventing and controlling environmental pollution)	0.00%	0.00%
BIO – Biodiversity & Ecosystems (Protection and restoration of biodiversity and ecosystems)	0.00%	0.00%

DETAILS REGARDING THE OPEX KPI

The OpEx area defined in the Delegated Regulation (EU) 2021/2178 (supplemented by DR 2022/1214, also updated and supplemented by DR 2023/2486), includes costs for research and development, expenses for building renovation measures, short-term leasing, maintenance and repair, as well as all other direct expenditures associated with the daily maintenance of assets in property, plant and equipment.

Out of these cost areas, the BAUER Group only identified significant taxonomy-eligible economic activities in the Equipment segment for the 2024 financial year in the area of research and development. The audit focused on the expenses of BAUER Maschinen GmbH to which the potentially taxonomy-eligible research expenses are limited. Multiple projects of subsidiaries contribute to the first environmental goal of the EU taxonomy, climate change mitigation, as they correspond with code 3.6 “Manufacture of other low-carbon technologies.” Relevant activities include (partial) electrification of construction equipment and thus the significant reduction or elimination of CO₂ caused by exhaust gas. As the criteria for a substantial contribution to the manufacture of other low-carbon technologies are subject to strict requirements of documentary proof (including externally certified life cycle analysis and proof that a product achieves considerable carbon savings compared with the most powerful alternative product available on the market), it is not yet possible to report taxonomy alignment for the 2024 financial year. Furthermore, the corresponding taxonomy-eligible expenditures do not exceed the defined threshold of financial materiality in comparison with the total OpEx of the BAUER Group. In the OpEx cost area of short-term leasing, maintenance and repair for the 2024 financial year, the BAUER Group also identified other potentially taxonomy-eligible cost items for the German subsidiaries included in the basis of consolidation. These items concerned costs for e-bike leasing that were incurred under the framework of the taxonomy code 6.4 “Operation of personal mobility devices, cycle logistics” and were thus determined to be taxonomy-eligible.

		Criteria for a substantial contribution							DNSH criteria ("Do no significant harm")										Proportion of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) OpEx year 2023 (%)	Category enabling activity (E)	Category transitional activity (T)
		Climate change mitigation (Y; N; N/EL)	Climate change adaptation (Y; N; N/EL)	Water and marine resources (Y; N; N/EL)	Environmental pollution (Y; N; N/EL)	Circular economy (Y; N; N/EL)	Biodiversity and ecosystems (Y; N; N/EL)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Environmental pollution (Y/N)	Circular economy (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)							
Economic activities	Code(s)	OpEx (EUR million)	Proportion of OpEx (%)																		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Manufacture of other low carbon technologies	CCM 3.6 / CCA 3.6	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N	N	N	N	N	N	0.0	E			
Operation of personal mobility devices, cycle logistics	CCM 6.4 / CCA 6.4	0.0	0.0	N	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N	N/A	N/A	N	N/A	N	0.0				
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.0	0.0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N	N	N	N	N	N	0.0				
Of which enabling		0.0	0.0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N	N	N	N	N	N	0.0	E			
Of which transitional		0.0	0.0	0.00%						N/A	N	N	N	N	N	N	0.0	T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Manufacture of other low-carbon technologies	CCM 3.6 / CCA 3.6	2.2	5.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.7				
Operation of personal mobility devices, cycle logistics	CCM 6.4 / CCA 6.4	0.7	1.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2				
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		2.8	6.6	6.57%	0.00%	0.00%	0.00%	0.00%	0.00%								7.9				
OpEx of taxonomy-eligible activities (A.1 + A.2)		2.8	6.6	6.57%	0.00%	0.00%	0.00%	0.00%	0.00%								7.9				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of taxonomy-non-eligible activities (B)		40.5	93.4																		
Total (A+B)		43.3	100.0																		

OpEx share/Total OpEx

	taxonomy-aligned per objective	taxonomy-eligible per objective
CCM – Climate Change Mitigation (Climate protection)	0.00%	6.57%
CCA – Climate Change Adaptation (Adaptation to climate change)	0.00%	0.00%
WTR – Water and Marine Resources (The sustainable use and protection of water and marine resources)	0.00%	0.00%
CE – Circular Economy (Transition to a circular economy)	0.00%	0.00%
PPC – Pollution Prevention and Control (Preventing and controlling environmental pollution)	0.00%	0.00%
BIO – Biodiversity & Ecosystems (Protection and restoration of biodiversity and ecosystems)	0.00%	0.00%

CLIMATE CHANGE

ADAPTATION TO CLIMATE CHANGE

The BAUER Group recognizes climate change as a strategic challenge, both for the company itself and for society as a whole. The responsibility for dealing with the physical consequences as well as the resulting opportunities and risks lies with the Executive Board of BAUER AG.

We are assuming that many climatic changes, for example the growing frequency of extreme weather events, can no longer be stopped. For this reason, we are following an integrated approach that includes short-term protective measures as well as a strategic adjustment on the medium and long term. In the context of Group-wide risk management, climate change is considered in qualitative assessments. In addition, external hazard analyses from insurance companies as well as internal findings from the area of real estate management indirectly influence the risk assessment. A systematic quantification of climate-related risks, for example based on scenarios or in line with the logic of the TCFD (Task Force on Climate-related Financial Disclosures), has not been carried out so far. Implementation is under review.

In particular, the identified risks include weather-related interruptions of construction projects due to strong rain or heat, endangerment of occupational safety on sites, damages to infrastructure as well as potential disruptions of supply chains. Given this background, the BAUER Group has developed comprehensive emergency plans for various crisis situations, including natural disasters, pandemics and supply bottlenecks. In addition, measures have been implemented to protect particularly endangered employee groups as well as to adapt working conditions in extreme temperatures.

At the same time, climate change is opening up new market opportunities, particularly in the area of sustainable infrastructure. The BAUER Group is active in multiple business areas that respond directly to the increasing demand for climate change adaptation and reduction of emissions. These include specialist foundation engineering for critical infrastructures and measures for flood protection, the Resources segment with solutions for brownfield remediation and water treatment along with innovative technologies for harnessing geothermal heat. The growing demand for specialized equipment using environmentally friendly construction methods is also covered by the Equipment segment. One specific example for the Resources segment is EcoVert technology, which enables purely biological treatment of groundwater without chemical additives. In addition, a water-conserving irrigation system was developed with the Irri360°-AgriSystem, which supports efficient water management particularly in regions with drought risk.

Furthermore, our capacity to react flexibly to new requirements is reinforced by digital technologies, data-based processes and sustainable product development. We anticipate that geopolitical, technological and climatic changes will occur even more rapidly and profoundly in the future. This makes it all the more important to continually develop our ability to adapt.

Even today, these areas make an active contribution to society's resilience in the face of climate change. In the future we aim to strengthen our own resilience and make a substantial contribution to overcoming global challenges with our products and services.

CLIMATE CHANGE MITIGATION

As a company in the field of specialist foundation engineering and equipment manufacturing, we are aware that our work inevitably impacts the environment – whether in the air, soil, water or through noise, vibrations and the use of energy and raw materials. All the more reason to make it our responsibility to minimize this influence and conduct our business sustainably at all times. Our commitment is far beyond mere compliance with legal environmental regulations and requirements: We rely on modern, environmentally friendly technologies, preventive measures and a robust environmental awareness throughout the entire company. We are working to record and continually reduce our consumption and emissions worldwide, along the entire value chain: from the selection and procurement of energy-intensive materials like steel, concrete or plastics to production and transport, all the way to energy consumption during ongoing operation of our equipment and machinery.

Raising awareness – Embodying responsibility

Our environmental management system has been established in the company for many years now as the basis for achieving our targets. Our environmental policy and Group-wide HSE Management (Health, Safety, Environment) form the foundation for our business. In our organization and decision-making processes, we continually account for aspects related to the environment. Other central areas of action in our corporate HSE strategy are health and safety. We ensure responsible conduct using our standards and guidelines. We regularly conduct internal HSE audits on these standards in order to review target values and prevent potential negative developments.

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

Many activities – one large effect

Sustainability results from our daily activities. This is why we follow approaches in countless areas aimed at conscious management of resources and continual improvement of our environmental performance: Our vehicle fleet is equipped with fuel-efficient and low-emission drive systems, and the percentage of electric vehicles within internal traffic is steadily growing. Digitalization also supports this effort: Modern communication tools and virtual meetings help to cut down on business travel and reduce our environmental footprint. In specialist foundation engineering and equipment manufacturing, aspects such as energy efficiency, durability and material-conscious methods to reduce greenhouse gases are given particular attention, both when developing our products and when enhancing technical processes. One example for this is our Mixed-in-Place method, which requires considerably less materials and transport effort compared with other applications, thereby noticeably cutting back on CO₂. At the same time, we continue to work on reducing noise and exhaust gas emissions as well as promoting the development of alternative drive technologies. When developing and manufacturing our products, we follow three central sustainability principles in line with ecodesign that enable optimally resource-efficient and durable use:

- **Recycle:** We choose materials that can be recycled with a reasonable resource input and for which the possibility of recycling has been certifiably demonstrated.
- **Rework:** Wherever it is technically and commercially reasonable, products or components are reprocessed or recondition to extend their service life.
- **Repair & Reuse:** Starting from the design process, we consider ease of repair (“Design to Repair”) and reusability in order to close cycles and conserve resources.

These principles are integrated into product development from an early stage and help to reduce environmental impacts throughout the entire life cycle.

Our goal is clear: With each activity, each innovation and each conscious step, we aim to protect our environment and actively shape a sustainable future.

GREENHOUSE GAS ACCOUNTING

Accounting for greenhouse gas emissions in the BAUER Group is carried out based on the GHG Protocol Corporate Accounting and Reporting Standard using the operative control approach. The emissions data were recorded for each company division that is described in more detail within the section “Reporting basis and limits.”

Recorded emissions categories (scopes)

Greenhouse gas accounting currently includes:

- **Scope 1:** Direct emissions from own sources, particularly from stationary and mobile combustion processes.
- **Scope 2:** Indirect emissions from purchased electric energy, accounted for using the location-based approach.
- **Scope 3** (upstream): Selected upstream and intermediate emission sources along the value chain, e.g. purchased goods and services, transport, business trips as well as commuting employees.

Database and calculation approach

The calculation of emissions in Scope 1 and Scope 2 is based on primary data collected either through measurements or from invoices and energy records. Conversion into CO₂ equivalents occurs using standardized emission factors from recognized data sources, in particular the ecoinvent database.

Accounting of Scope 3 emissions is cost-based, i.e. on the basis of financial expenditure data provided from internal systems such as procurement controlling. Using a specialized calculation tool, these expenditures are allocated to suitable emissions factors. For particular categories, such as employee commuting, the calculation is carried out automatically based on statistical average values. To obtain these figures, parameters such as the number of employees are entered and offset against externally validated emissions figures. One exception here involves fuel-related Scope 3 emissions, which are based on data from Scope 1 and also converted using with the emissions factors from the ecoinvent database.

Limitations and ongoing development

The direct emissions recorded in Scope 1 as well as the indirect emissions in Scope 2 do not account for all emissions, as these were not previously recorded centrally and incorporated into the accounting. One key area that is still not covered currently involves the emissions on our projects, which were previously only recorded in a systematic manner for BAUER Resources GmbH. Fuel consumption, i.e. for cars, was also previously only recorded in a systematic manner at the Schrobenthausen and Aresing locations. The introduction of a new software solution that will record all relevant emissions in the entire Group in the future will enable complete and more precise accounting. This solution will integrate all emissions and company divisions starting from the 2025 financial year, thereby considerably expanding and clarifying the Scope 1 and Scope 2 data.

As recording in Scope 3 is based on financial expenditure, only those emissions can be considered for which a direct monetary allocation is provided in the financial accounting. Categories for which this does not exist, for example services invoiced as a lump sum, waste without a specific accounting allocation or freight-prepaid deliveries without a separate itemization of transport costs, are only recorded to a limited extent or not at all.

The recording of Scope 3 emissions is currently based on the companies of the BAUER Group already named in the section “Reporting basis,” the majority of which are active in equipment manufacturing. This limited coverage results in a noticeable gap in the data, particularly in the category of purchased goods and services. Construction materials with high emissions such as cement and bentonite, which play a secondary role in equipment manufacturing, have been accounted for inadequately in the past.

With the planned incorporation of additional companies – particularly international subsidiaries in the Geotechnical Solutions segment – a significant increase in the reported emissions can be expected in this category going forward. This will enable a more comprehensive and realistic depiction of the upstream environmental impacts.

The methods for recording and accounting in Scope 3 will be continually enhanced to improve data collection and ensure more comprehensive coverage. The downstream emissions (Scope 3 downstream) are currently under preparation from a methodological and organizational standpoint and were not yet accounted for in the year under review.

Trend in CO₂ emissions

Development of CO ₂ emissions in kt CO ₂ e	2023	2024
Scope 1	12	12
Scope 2 (location based)	8	9
Scope 3	349	363
Purchased goods and services	318	326
Capital goods	6	7
Fuel- and energy-related activities	8	8
Upstream transportation and distribution	9	12
Waste generated in operations	1	1
Business travel	1	3
Employee commuting	6	6

ENVIRONMENTAL PERFORMANCE INDICATORS FOR THE SCHROBENHAUSEN LOCATION

Reporting basis and limits

This section presents the environmental performance indicators at the Schrobenshausen 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 Schrobenshausen, Aresing, and Edelshausen plants. The main companies located here are BAUER AG, BAUER Spezialtiefbau GmbH, BAUER Maschinen GmbH, BAUER Resources GmbH and BAUER Offshore Technologies GmbH.

Compliance with the European Union's EMAS environmental management standards was reconfirmed at the Schrobenshausen location after successful validation of the consolidated environmental statement in August 2024. Bauer has now been registered as an EMAS-certified company for over 20 years – a testament to the continual improvement of our environmental performance. Validation for the last year is currently taking place.

BAUER Resources GmbH has been newly registered as an EMAS-certified company with its services offered for brownfield remediation and geothermal probes as well as the soil treatment centers operated by the company.

Trend in energy consumption

As it did in the previous year, energy consumption at the Schrobenshausen location decreased further in 2024. At the Schrobenshausen 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. Apart from the photovoltaic system installed in Edelshausen, another photovoltaic system was commissioned in Schrobenshausen during 2024 that produces 220,000 kWh of power each year.

Trend in emissions

NO_x, SO₂, and CO₂ emissions were calculated on the basis of electricity, heating oil, natural gas, and fuel consumption. Overall, the share of emissions at the Schrobenshausen location further decreased when compared with the previous year. The installation of geothermal energy systems in the head office building in Schrobenshausen and the Aresing plant, combined with the dismantling of heating oil systems, had a positive impact in terms of preventing sulfur oxide emissions. The geothermal energy systems installed in Schrobenshausen resulted in total savings of 52 t CO₂ (previous year: 51 t) and the systems installed in the Aresing plant resulted in total savings of 30 t CO₂ (previous year: 30 t) in 2024. In 2024, the photovoltaic system in Edelshausen additionally saved 73 t of CO₂ (previous year: 82 t).

Water consumption

Water consumption at the Schrobenshausen plant further decreased in 2024 compared to 2023. At the Aresing plant and the Edelshausen plant, on the other hand, water consumption remained roughly the same in 2024.

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 solvent emissions at the Aresing plant are currently 7.2 t.

Waste volume

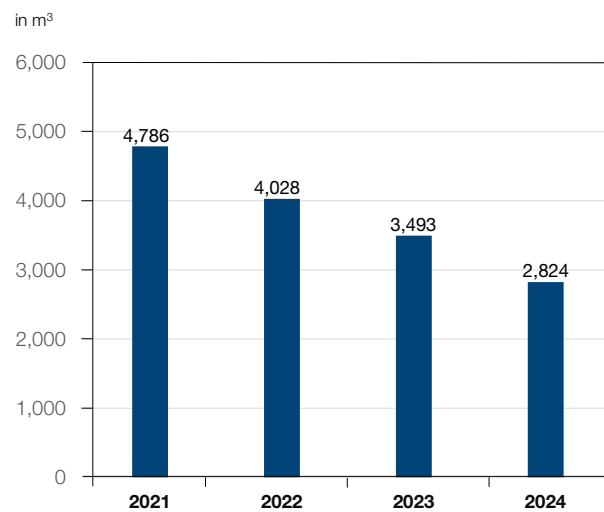
The amount of hazardous and non-hazardous waste as well as scrap and metals at the Schrobenshausen location increased in 2024 to 6,205 t (previous year: 5,606 t). More than 90% of waste is recycled.

Material efficiency

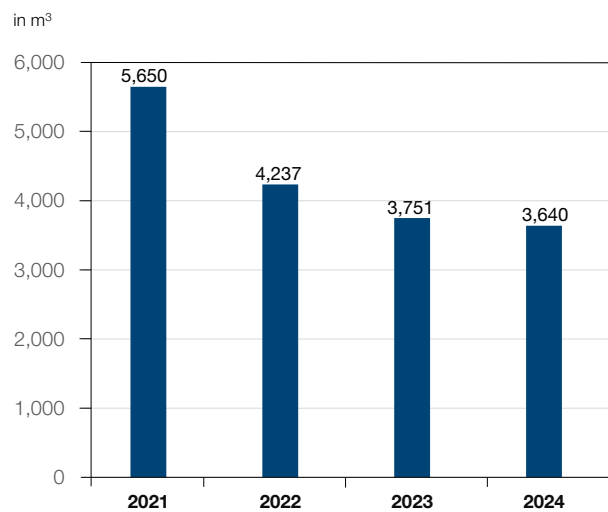
The core indicator of material efficiency refers to the environmental impact directly related to the materials used in machine production. In 2024, this value was 4,161 t (previous year: 2,966 t).

Water consumption

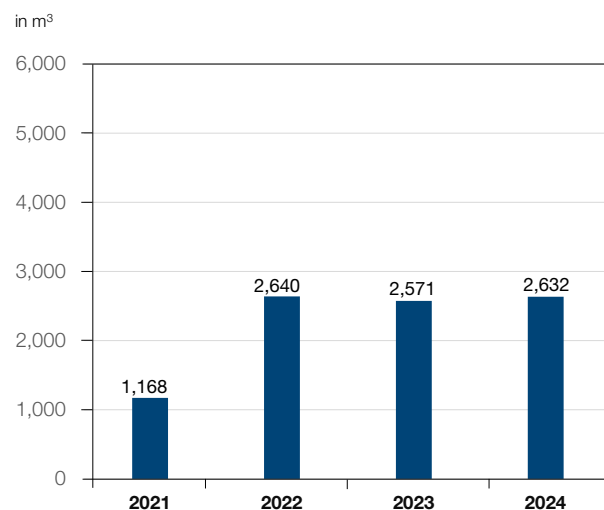
Schrobenhausen (plant + head office)



Aresing plant



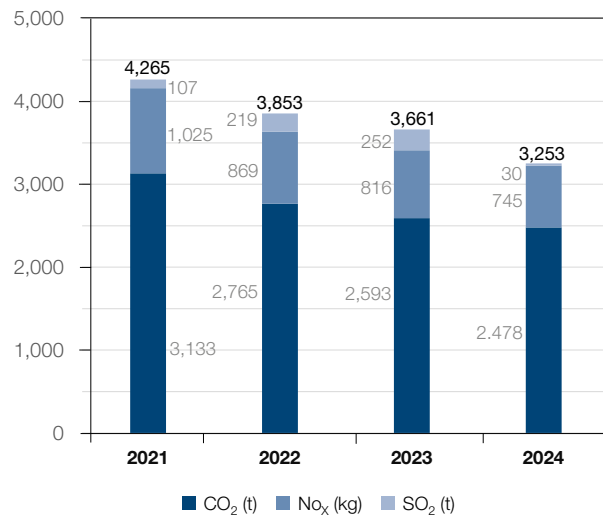
Edelshausen plant



Emissions

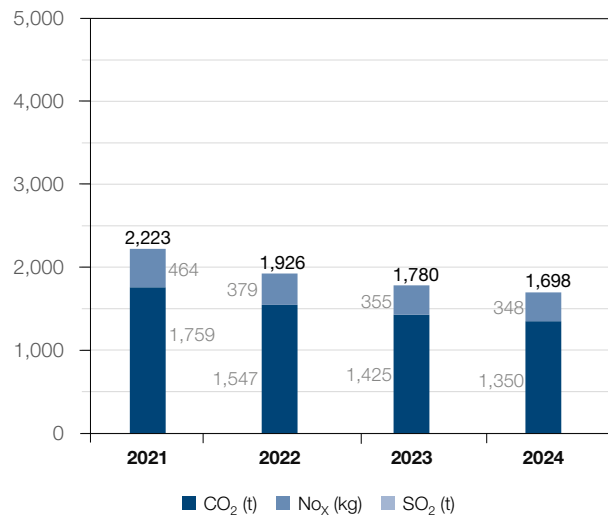
Schrobenhausen (plant + head office)

in t or kg



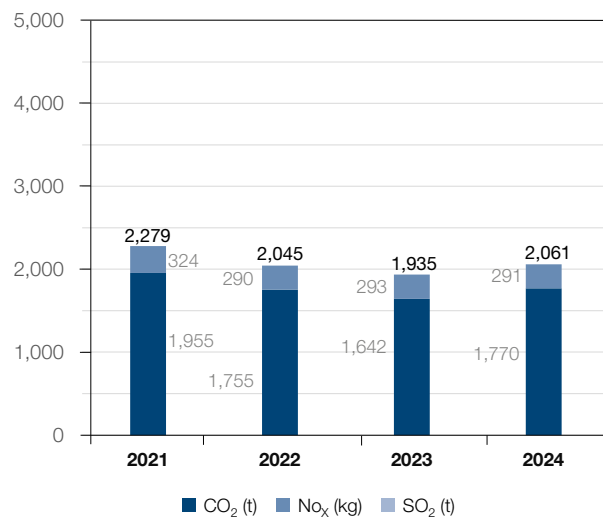
Aresing plant

in t or kg



Edelshausen plant

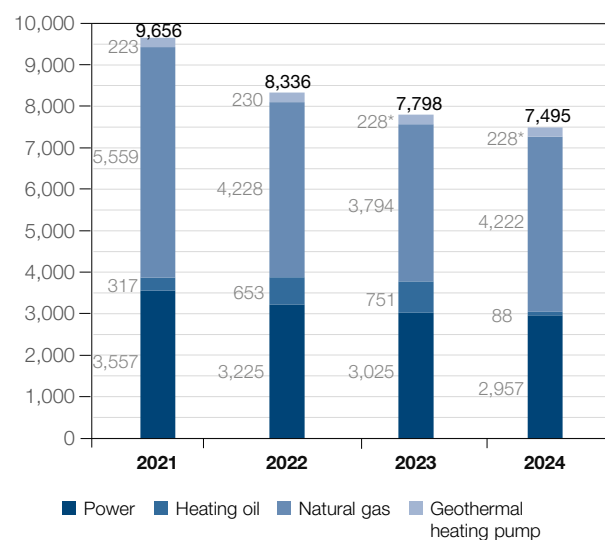
in t or kg



Energy consumption

Schrobenhausen (plant + head office)

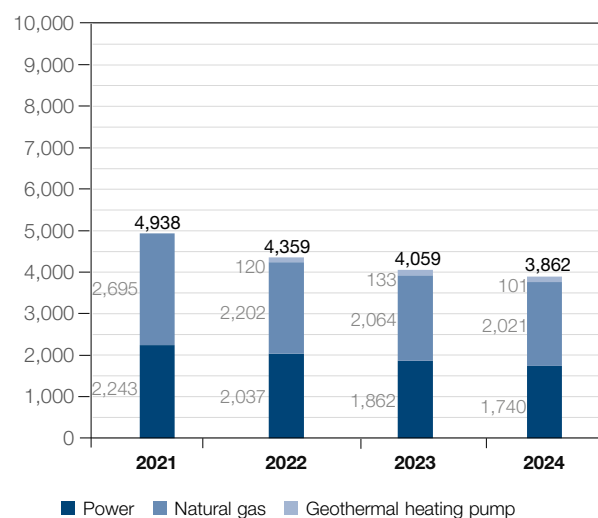
in MWh



* This is an average value from the last 3 years before because the meter is defective.

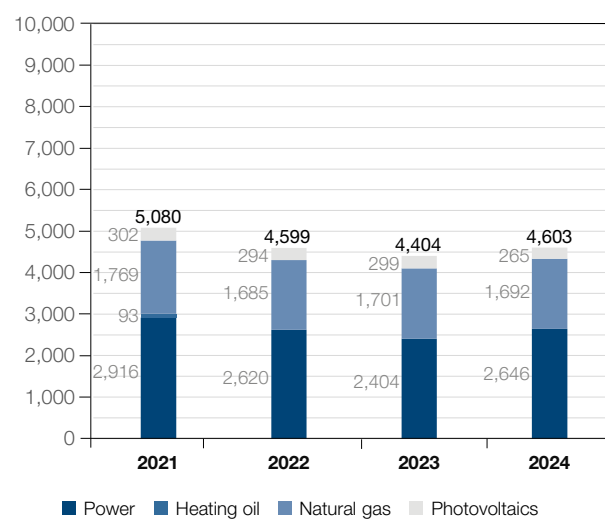
Aresing plant

in MWh



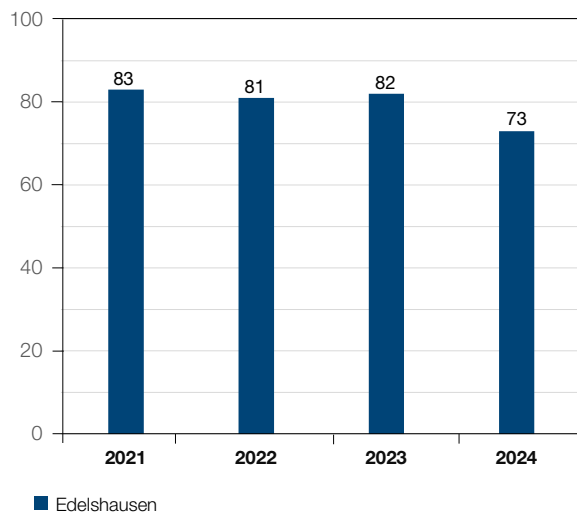
Edelshausen plant

in MWh



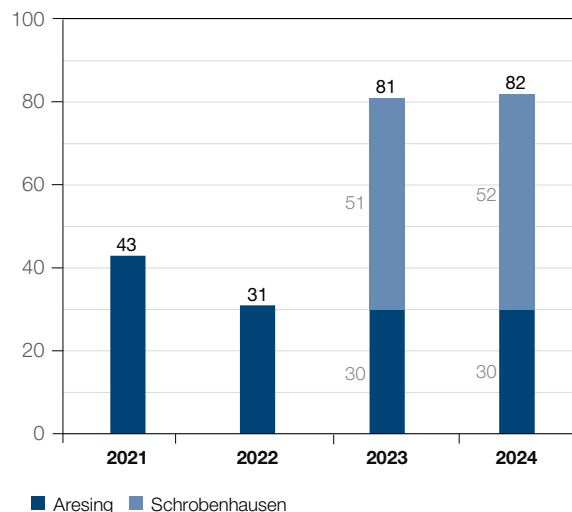
Avoidance of CO₂ emissions by photovoltaics

in t/year



Avoidance of CO₂ emissions by geothermal heat

in t/year



AWARD FOR VOLUNTARY ENVIRONMENTAL MANAGEMENT WITH BAVARIAN ENVIRONMENT AND CLIMATE PACT

As in previous years, BAUER AG and BAUER Maschinen GmbH participated once again in the Bavarian Environment and Climate Pact. On behalf of the Bavarian Minister of the Environment, the Neuburg-Schrobenhausen District Commissioner Peter von der Grün handed over the participation certificates. By maintaining its environmental management system in accordance with EMAS, Bauer makes a contribution to sustainable economic growth.



Handing over of "Bavarian Environment and Climate Pact" certificate to BAUER AG and BAUER Maschinen GmbH (© District of Neuburg-Schrobenhausen).

Core indicators of EMAS III in relation to gross value added – Schrobenshausen location

	2022		2023		2024	
	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	1,586.13	196,467	641.30	196,467	601.00
input						
Water (m ³)	10,905	88.03	12,424	40.55	15,014	45.93
Power (MWh)	7,882	63.63	7,291	23.79	6,121	18.72
Natural gas (MWh)	8,113	65.49	7,559	24.67	7,935	24.27
Fuel (MWh)	2,149	17.35	1,330	4.34	696	2.12
Heating oil (MWh)	653	5.27	751	2.45	88	0.26
Geothermal heat (MWh)	No available statement	Meter defect	No available statement	Meter defect	No available statement	Meter defect
Metal boards (t)	5,218	42.12	2,456	8.01	3,534	10.81
Paints (t)	31	0.25	43	0.14	44	0.13
Lubricants (t)	354	2.86	348	1.13	442	1.35
Acetylene (t)	7.2	0.06	6.5	0.02	8.3	0.02
CO ₂ (t)	22	0.18	16	0.05	16	0.05
Argon (t)	66	0.53	56	0.18	60	0.18
Oxygen (t)	65	0.52	40	0.13	57	0.17
output						
Non-hazardous waste (t)	3,307	26.69	2,800	9.14	3,000	9.18
Hazardous waste (t)	120	0.96	119	0.39	85	0.26
Scraps and metals (t)	3,318	26.79	2,687	8.77	3,120	9.50
CO ₂ emissions (t)	6,067	48.98	5,659	18.47	5,577	17.06
SO ₂ emissions (t)	219	1.76	252	0.82	30	0.09
NOx emissions (t)	1,537	12.40	1,462	4.77	745	2.27
Gross value added (in EUR thousand)		123,866		306,355		326,899

ENVIRONMENTAL PERFORMANCE INDICATORS FOR OTHER MACHINERY MANUFACTURING PLANTS

Reporting basis and limits

This section presents the environmental performance indicators of key machinery manufacturing plants around the world. This includes the Nordhausen location (SCHACHTBAU NORDHAUSEN GmbH and SPESA Spezialtiefbau und Sanierung GmbH), KLEMM Bohrtechnik GmbH, EURODRILL GmbH, BAUER MAT Slurry Handling Systems along with the international locations BAUER Equipment America Inc., BAUER Tianjin Technologies Co. Ltd and BAUER Equipment Malaysia. The formerly operated production location Manufacturing LLC / NEORig in Conroe, USA has been leased to third parties since 2023 and therefore is no longer included in the 2024 environmental performance indicators.

Trend in energy consumption

At the other machinery manufacturing plants, energy consumption decreased overall in 2024 compared to the previous year of 1,065 MWh.

Trend in emissions

NO_x, SO₂, and CO₂ emissions were calculated on the basis of electricity, heating oil, natural gas, and fuel consumption. While an increase of 267 t was recorded in CO₂ emissions, the NO_x emissions remained approximately the same.

Water consumption

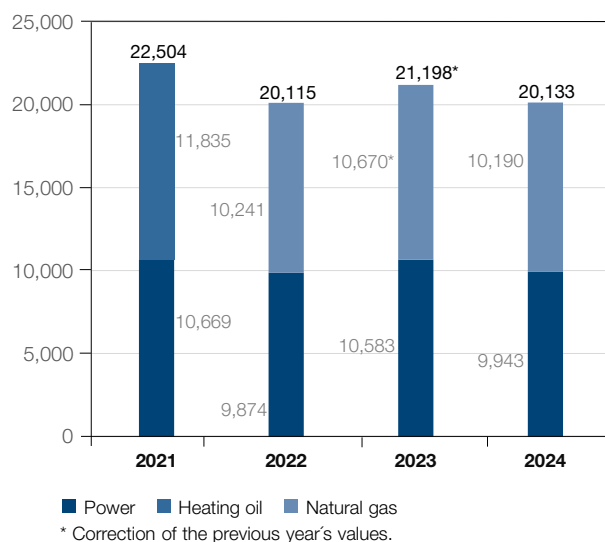
At 36,556 m³, water consumption remained at a similarly high level in 2024 as in the previous year (2023: 38,321 m³). This was caused in part by a water leak at the Nordhausen location which led to double the water consumption in 2023 and could not yet be fully eliminated in 2024 either despite a cause analysis.

Solvent emissions

In 2024, VOC emissions were produced primarily by painting work at KLEMM Bohrtechnik GmbH, SCHACHTBAU NORDHAUSEN GmbH and EURODRILL GmbH and amounted to 12.3 t (previous year: 12.8 t).

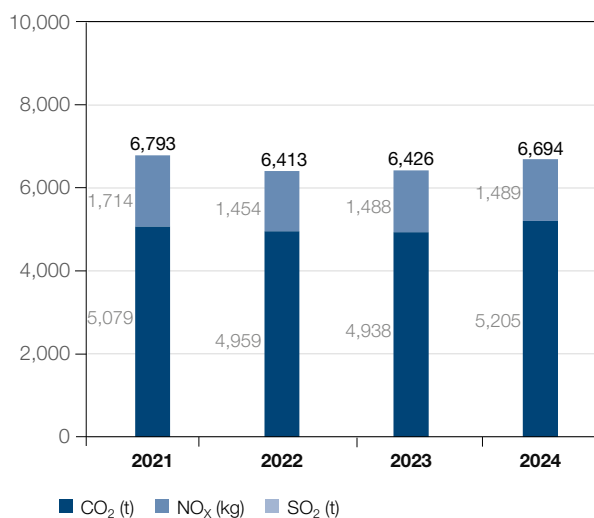
Energy Consumption

Other machinery manufacturing plants in MWh



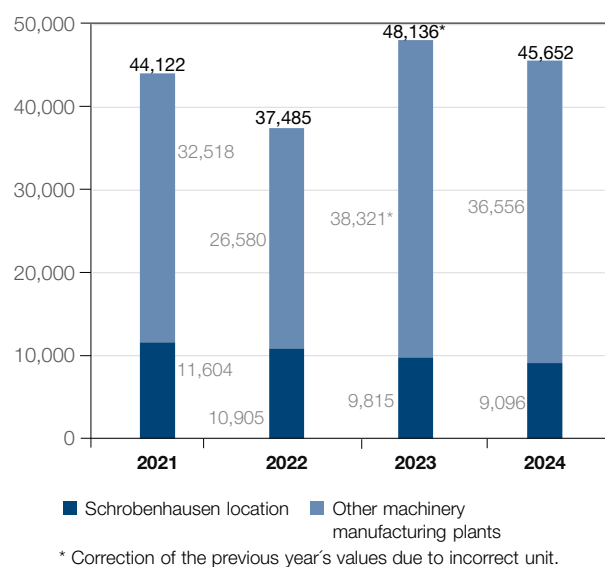
Emissions

Other machinery manufacturing plants in t or kg



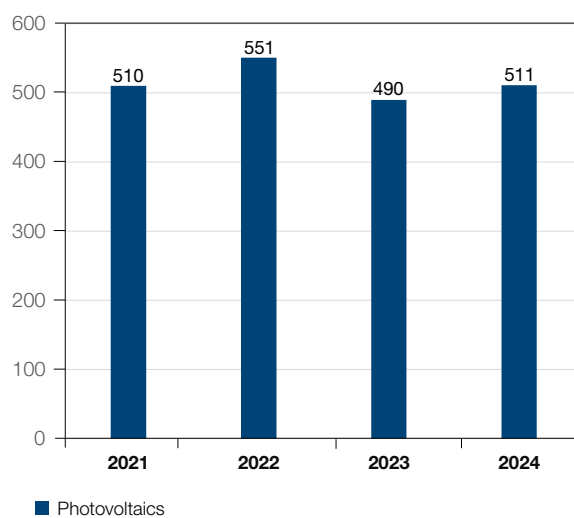
Water Consumption

Other machinery manufacturing plants in m³



Avoidance of CO₂ emissions

Other machinery manufacturing plants in MWh/year



2024 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	982.0	2,405	7,343	7,935	88	5,599	1,384	9,096
Nordhausen location	151.0	851	5,032	5,587	-	3,852	961	19,915
KLEMM Bohrtechnik GmbH	64.0	270	925	2,233	-	955	384	1,782
EURODRILL GmbH	28.2	93	228	340	-	192	58	650
BAUER MAT Slurry Handling Systems *	26.6	86	191	496	-	205	85	700
Total Germany	1,251.8	3,705	13,719	16,591	88	10,803	2,872	32,143
BAUER Equipment America Inc.	164.1	151	1,558	-	-	688	-	1,806
BAUER Tianjin Technologies Co. Ltd.	48.9	178	1,347	1,533	-	1,039	314	7,508
BAUER Equipment Malaysia	16.7	132	662	-	-	-	-	4,101
Total International	229.7	461	3,567	1,533	-	1,727	314	13,415
Total key figures recorded	1,481.5	4,166	17,286	18,124	88	12,530	3,186	45,558
as a % of the Group	67.9	36.6	n/a	n/a	n/a	n/a	n/a	n/a
BAUER Group	2,183.4	11,380	n/a	n/a	n/a	n/a	n/a	n/a

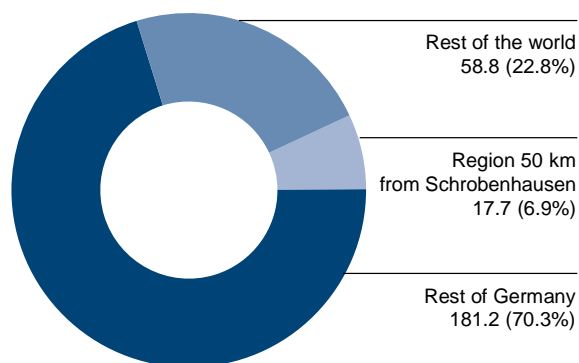
* Branch office of BAUER Maschinen GmbH

REGIONAL PROCUREMENT OF MATERIALS

By collaborating with regional partners and suppliers, BAUER Maschinen GmbH not only supports the local economy but also reduces transport distances and the associated emissions at the same time.

BAUER Maschinen GmbH purchasing according to region

in EUR million



NEW PHOTOVOLTAIC SYSTEM ON THE ROOF OF THE ALTE SCHWEIßEREI

BAUER AG has commissioned a new photovoltaic system at the Schrobenhausen location. On the roof of the Alte Schweißerei, 464 modules generate 430 Wp of power per unit. This corresponds to a total output of 199.52 kWp – enough to roughly cover the constant power demand of Bauer's main administrative building. The new equipment will produce roughly 220,000 kWh of power every year.

ENVIRONMENTAL PRODUCT DECLARATIONS FOR TRANSPARENT LIFE CYCLE ASSESSMENT DATA

BAUER Spezialtiefbau GmbH aims to establish the sustainable site as a standard, thereby making a contribution to a green future. In February, Florian Pronold, retired Parliamentary State Secretary and Managing Director of the Institut Bauen und Umwelt e.V., handed over six environmental product declarations for the Mixed-in-Place method (MIP) to representatives from Bauer Spezialtiefbau. Environmental product declarations, known as EPDs for short, deliver transparent environmental impact data verified by independent experts. This is a verifiable and transparent way to integrate the environmental compatibility of construction products into the assessment of a structure's sustainability. Starting from the design phase, EPDs allow engineers, architects and owners to make justified decisions for sustainable construction methods, for example by considering the carbon footprint.

LOW-EMISSION POWER AND PRECISE PROCESS ENGINEERING

A construction site without noise and fumes? The eRG 19 T hybrid from RTG Rammtechnik GmbH demonstrates how it's done. In Berlin, the new development was put through its paces for the first time. The innovative drive combines the power of a 430 kW diesel engine with the precision of an 88 kW electric motor. The combination of the two drives makes it possible to keep efficiency at a consistently high level even with stringent emission requirements. The hybrid operation of the eRG 19 T hybrid reduces diesel consumption by up to 68%. This translates into 45 kg less CO₂ per hour. Projected onto a month, that's a 7 t CO₂ saving – an impressive testament to the benefits of this innovative drive technology.



Low-emission power and precise process engineering with the eRG 19 T hybrid from RTG Rammtechnik GmbH.

ELECTRIFICATION OF CUTTER SOIL MIXING METHOD

The “Diaphragm wall electrification” subproject in the context of the Deep Sea Sampling research project demonstrates how research and development can result in solutions that are both environmentally and economically sustainable. The vision behind this research project is a new electric mixing tool that improves efficiency and environmental compatibility. More specifically, this means avoiding a diesel-powered hydraulic drive in favor of an electric motor directly in the transmission. This saves spaces and significantly increases the mixing speed. During stress tests in the company plant in Aresing, Upper Bavaria, BAUER Maschinen GmbH has successfully used the electric motor for soil mixing under real conditions with a cement slurry. The long-term goal is to convert the entire cutting and CSM process with Bauer equipment to use power from renewable energy sources.

CARBO-FORCE PYROLYSIS EQUIPMENT IN DEMAND WORLDWIDE

The partnership between BAUER Resources and Carbo-FORCE GmbH is setting new standards for sustainable waste recycling. The innovative carbonization technology is used to convert biomass. The Carbo-FORCE plant operated by a farm in northern Germany received the VR Sponsorship Award and transforms roughly 2,000 t of wood chips from the region into approximately 500 t of biochar every year, which is used as a feed substitute for the roughly 300 cows on the farm. It's not just wood chips that can be processed into biochar using this Waste-to-X technology: it also works for camel manure. This has already been tested in Dubai. The Carbo-FORCE plant presented at the UN climate conference COP28 processes camel manure into biochar and prepares it for use as a soil condition for the revegetation and recovery of the barren desert.



The pyrolysis plant from Carbo-FORCE carbonizes biomass.

LESS PFAS, MORE FUTURE: THE MOBILE SOIL WASHING PLANT FROM BAUER RESOURCES

PFAS can be found in numerous everyday products from cosmetics to clothing, packaging and coatings all the way to fire extinguishing foams. Their water, grease and dirt-repellent properties were long considered to be an advantage. But the spread of PFAS has severe consequences: These so-called forever chemicals contaminate the soil and are extremely difficult to remove. Bauer Resources has developed a groundbreaking solution: a mobile soil washing plant that effectively combats PFAS contamination. Whether on military sites, industrial brownfields or agricultural areas, the plant removes up to 98% of the contaminants from washable soils.



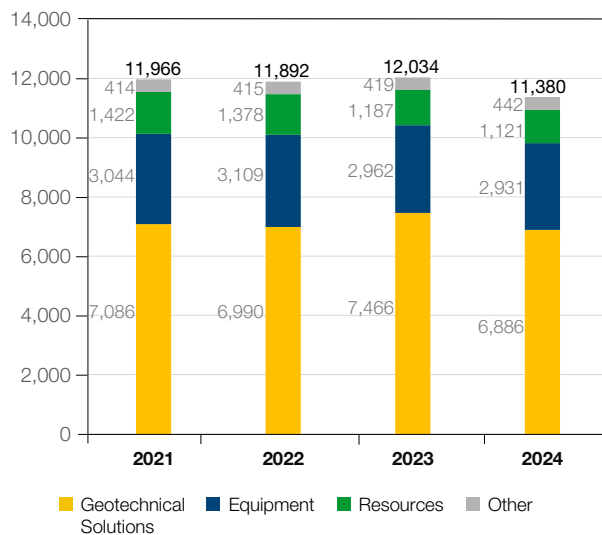
The mobile soil washing plant combats PFAS contamination.

IV. OUR EMPLOYEES

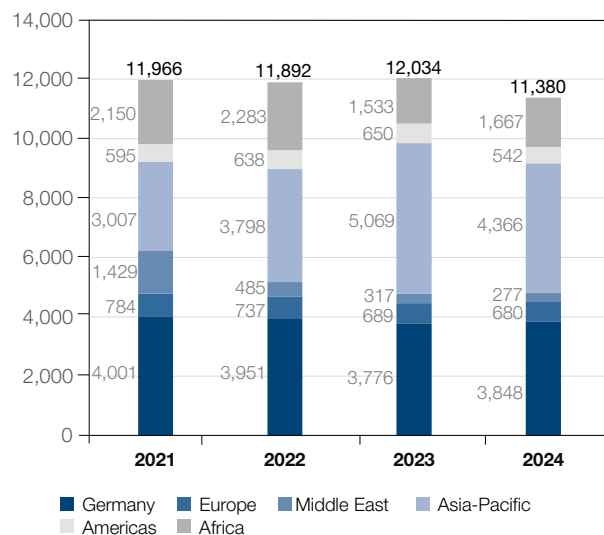
Our employees are the foundation of our company's success. In view of that fact, personnel development is a particularly high priority within the BAUER Group. We are convinced that only healthy, qualified and satisfied employees acting on their own responsibility can achieve peak performance on the long term. We expect a high level of commitment – and in return, we create secure, ergonomically designed workplaces and place great importance on the protection of physical and mental health. For this reason, promoting the safety, health and satisfaction of our employees is a central goal of our company policy.

The BAUER Group's employees literally come from all over the world. In 2024, our staff included 11,380 employees (previous year: 12,065) from roughly 100 different nations – people from widely varying cultural and ethnic backgrounds who strive on every continent to achieve our common goals.

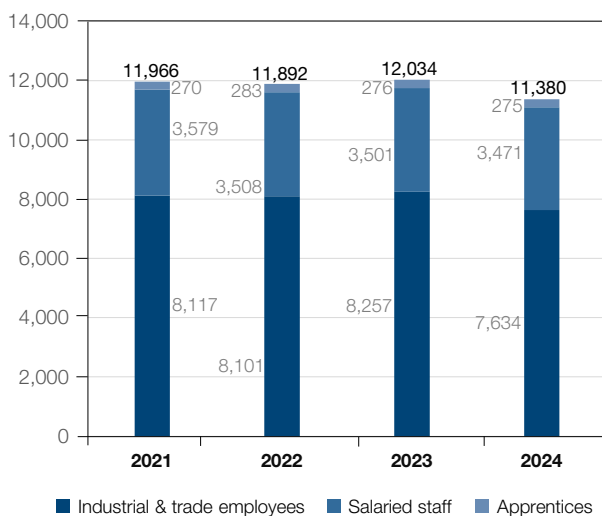
Employees by segment



Employees by region



Employees by employment type

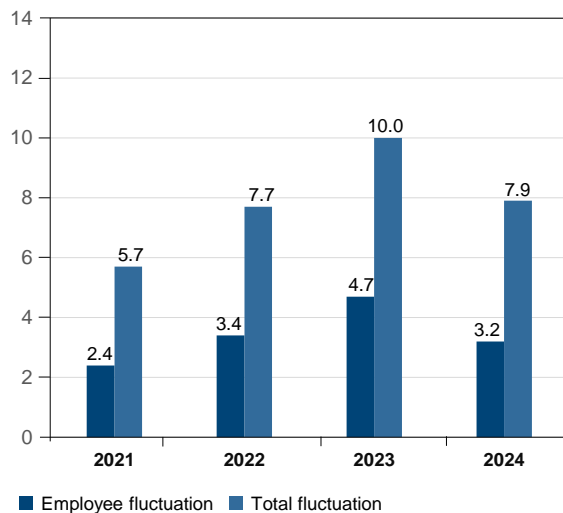


SECURE EMPLOYMENT

As a responsible company, we want to offer our employees a stable working environment and thus a secure and satisfying workplace by maintaining a closed Group of companies. For us, secure employment means offering work relationships that are designed for long-term prospects and that comprehensively protect the rights of our employees. This involves consideration for particular circumstances and, where possible, employment contracts that are unlimited in time as well as the payment of living wages. We also promote the professional development of our employees through targeted continuing education and training offerings to ensure their long-term employability and personal development. Our fluctuation rate is only 7.9%, which confirms our goal of high employee retention. The average length of employment at the company is 13.2 years – a sign of the trust and satisfaction of our team.

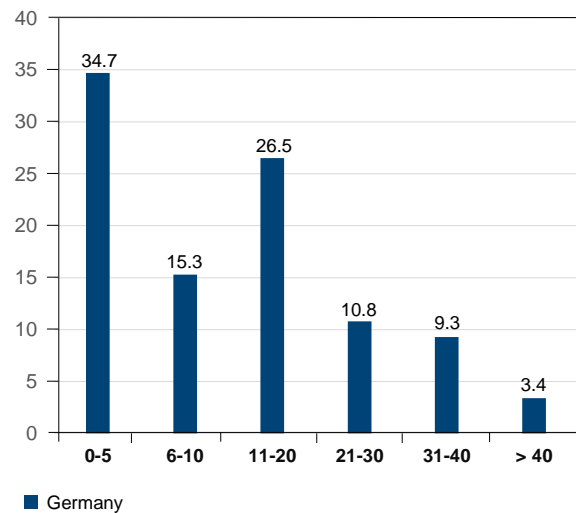
Fluctuation rate

in %



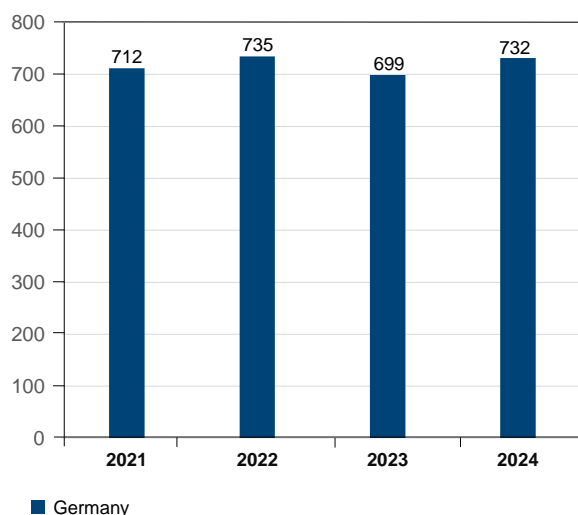
Length of employment

in % resp. in years



Another important factor for safeguarding employment is our company's innovative spirit. The Employee Suggestion System plays a central role here: This offers all employees the opportunity to contribute their ideas and suggestion proposals that can help optimize work processes, increase efficiency, improve occupational safety and reduce environmental impact. By recording and evaluating these inputs in a structured manner, we not only encourage the ongoing development of our company but also actively improve workplace safety and our future viability.

Submitted improvement recommendations



As a responsible employer, it is hugely important for us not only to support employees during their active career but also to protect them above and beyond that. This is why we offer a comprehensive package of company benefits. We find the right insurance solutions to safeguard against the risk of incapacity to work. Furthermore, we offer a company pension scheme to improve financial security in retirement. We also actively assist with a flexible transition from working life into retirement.

GETTING THE WORKFORCE ACTIVELY INVOLVED

In October and November 2024, all Bauer employees in Germany were invited to participate in an employee survey. The survey provides a good foundation to measure satisfaction with work situations, identifying potential for improvement and then further developing the company culture together on that basis. The results confirm that Bauer is an attractive employer with many strengths. Employees have a particularly positive impression of team cohesion and collaboration with their direct supervisors. Many also view the variety of their responsibilities as rewarding. Potential improvements and points of criticism provide a basis for company leadership to define areas of action, derive measures and assign them priorities. The employee survey will be conducted in a cycle of roughly every 3 years (most recently 2018, 2020 and 2024). The latest survey was conducted anonymously through an independent agency. The results were published transparently on the Intranet and in the employee newspaper. Measures derived from the survey were presented at the staff meetings. This improves the company's open feedback culture and promotes continuous dialogue with the workforce.

In 2024, the committee "People in the Company" further expanded its commitment to a positive company culture. The focus was on new ideas for improving employee satisfaction as well as formats that encourage dialogue and a sense of community. Apart from cross-department events like the popular "Zam Kemma" get-together, additional activities are planned to strengthen team spirit within the company over the long term. To encourage dialogue, one initiative involved setting up a central e-mail address to which employees can directly submit their ideas and suggestions.

COMMUNICATION CHANNELS FOR EXPRESSING CONCERNS

We highly value an open dialogue and identifying potential risks or abuses in the work environment early on. To provide employees with a safe and structured opportunity for expressing work-related concerns, various communication channels are available within the company. Supervisors are instructed to actively obtain feedback and address relevant topics in annual performance reviews. In addition, the whistleblowing system gives both employees and third parties, particularly customers, suppliers and employees in our supply chains, the opportunity to be protected while providing information about legal breaches in the company (see also Page 67). This opportunity is supplemented by regular staff meetings in which employees can present their concerns either openly or anonymously. These channels contribute to enhancing trust among employees and allow the company to react early on to potential negative impacts and take appropriate action.

CONTINUING EDUCATION AND DEVELOPMENT OF SKILLS

The training and development of our employees is a central component of our company's success. The BAUER Group has prepared a varied range of training and skill development activities that are oriented on the different requirements and development needs of employees. The program is aimed at employees of the BAUER Group, including direct staff as well as part-time workers under certain conditions.

The overarching responsibility for the qualification strategy lies with the Executive Board of the BAUER Group. Some of the training activities are implemented centrally by personnel development worldwide. In this context, initiation and requests are the responsibility of management and employees themselves in many cases – particularly in areas where specialist requirements cannot be centrally defined. Alongside such programs, the BAUER Training Center also offers its own programs, particularly in the area of equipment training and technical sales training for the Equipment segment. Courses are organized independently by the BAUER Training Center in the shared learning management system. In addition, individual departments conduct their own training initiatives in exceptional cases. This occurs for example with regard to IT topics such as security awareness training, which is rolled out in collaboration with personnel development using IT platforms.

All employees have the same access to ongoing education offerings as a rule. In regular performance reviews – at subsidiaries as well – individual targets are defined for professional development as well as the performance of duties. According to the specific requirements for their activities, particularly in the areas of quality, environment, safety and health protection, employees are offered targeted training courses.

Training programs and skill development initiatives

To provide targeted support for our employees, we offer an extensive range of ongoing education courses. These include training to build on professional, methodological, social and leadership-related skills along with technical equipment training. The content of these courses extends from technical training to training of soft skills, digital expertise and management topics. The content outlined below is provided as an example and is not intended to be an exhaustive list.

1. Technical and specialist qualification initiatives

Operation, maintenance and safety of equipment

- Basic technical training in digital format
- Training in proper operation and maintenance of equipment and machinery
- Training on safe handling of hydraulic and electronic systems
- Basic and advanced training for mechanics and service personnel (e.g. in electrics/electronics, hydraulics, repair technology)

Specialist continuing education

- Expanding on technical skills in areas such as welding technology, construction technology, concrete technology and construction management
- Training on occupational safety

2. Legal and business management training

- Fundamentals of data protection, export control and contract law
- Training on business management topics such as cost accounting and VAT tax

3. IT training

- IT security, compliance (e.g. Code of Conduct, human rights)
- SAP systems and additional administrative applications

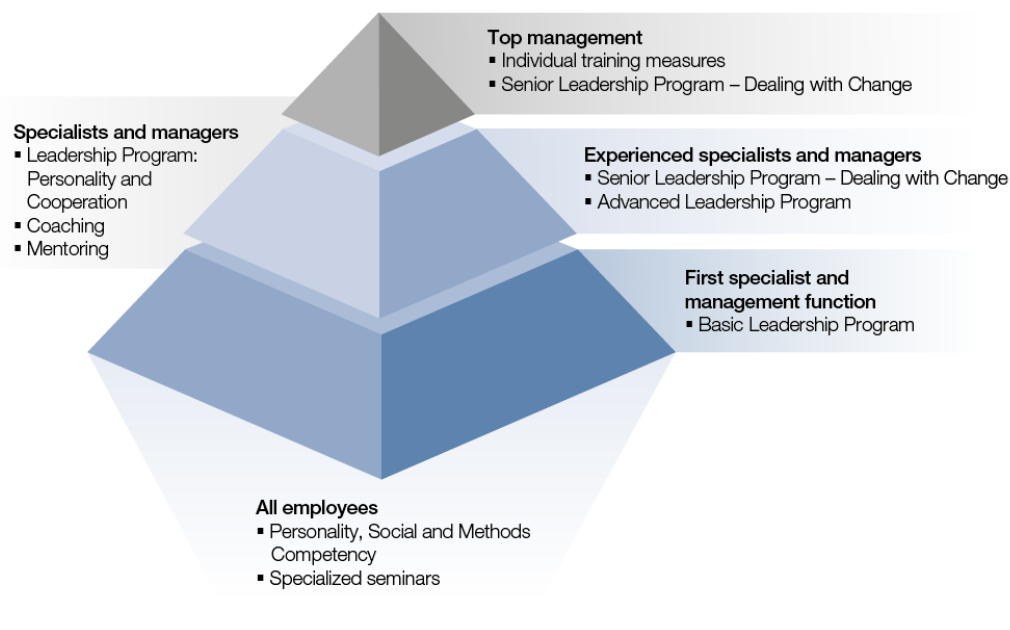
4. Personal development and soft skills – communication and collaboration

- Public speaking and presentation training
- Training courses on effective moderation of meetings and workshops
- Training courses on resilience, self-organization and effective time management in a professional context
- Health promotion

5. Manager development

- Introduction to management tasks and responsibility for disciplinary managers, department and project heads
- Enhancement of leadership skills and strengthening of management personality
- Individual coaching and mentoring opportunities

Participation in training initiatives is open to all employee groups, regardless of the type of employment, working time model or hierarchy level. Digital learning formats in particular allow for flexible participation regardless of the location.



From our seminar program: Skill development for our managers.

Educational formats

To optimally support individual learning needs and work contexts, the BAUER Group relies on a wide spectrum of educational formats. These allow for flexible participation from any place and at any time, while taking different learning preferences into account:

- In-person training: Classical learning through direct dialogue with trainers and participants on site
- Webinars (Learn it live): Virtual live sessions with opportunities for interaction
- E-learning (On-demand): Online training at flexible times for independent completion
- Blended learning – Combined teaching formats with in-person and online learning elements

Goals and results of training programs

The goal of the training programs in the BAUER Group is to continually improve the capacities and skills of employees and to prepare them for changing conditions the work environment, such as increasing requirements (for example digitalization and complex production processes). They contribute toward implementing the company strategy, particularly with regard to retaining skilled employees, occupational safety and technical development, as the following results demonstrate:

- Technical training: Improvement of knowledge in operation and maintenance of equipment such as drilling rigs, pile driving equipment and duty-cycle cranes, which leads to improved efficiency and occupational safety.
- Soft skills: Strengthening of interpersonal abilities such as communication, teamwork and resilience.
- Manager training: Development and enhancement of leadership skills with positive effect on employee guidance and development.

Evaluating the effectiveness of training programs

The effectiveness of training initiatives is regularly reviewed through:

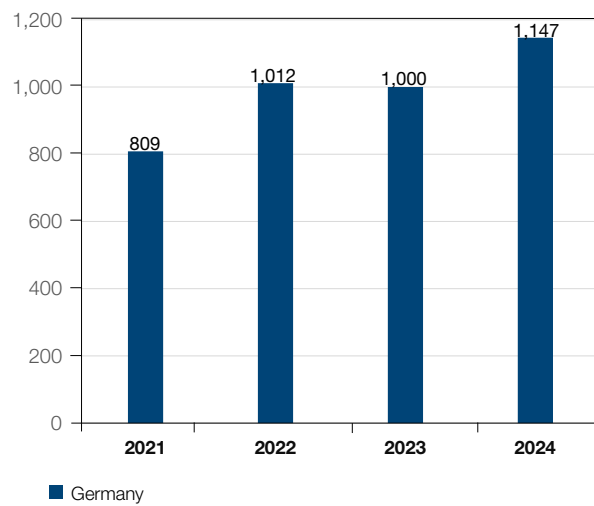
- Participant feedback: Evaluation of content, trainer quality and practical relevance
- Success monitoring: Tests or practical exercises, particularly in the case of technical training courses
- Long-term observation: Observation of performance development and skills growth over time
- Selective data collection: Recording participant numbers, modules completed, satisfaction and effects on performance

Plans and strategies for future training and skill development initiatives

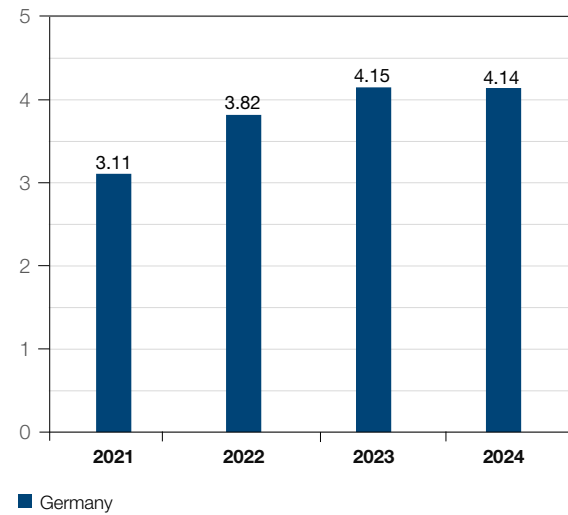
The BAUER Group will further expand its training and development initiatives in the coming years:

- Expansion of e-learning offerings for added flexibility and reach
- Focus on digital skills to assist with the digital transformation
- Individual development plans for targeted promotion of personal career goals as well as potential areas for improvement
- Structuring/improving the proactive follow-up plan
- Strengthening management culture through continual training for managers
- Regular enhancement of programs based on feedback, strategic requirements and technological developments

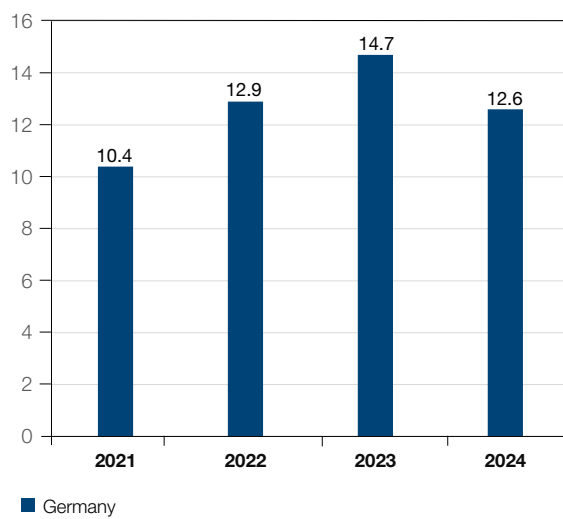
These initiatives help to ensure the BAUER Group's ability to compete on the long term and prepare our employees for future challenges.

Participation in training programs**Number of seminars****Continuing education costs**

in EUR million

**Average number of training hours per employee**

in hrs.



APPRENTICESHIPS AND DUAL STUDY

Our apprentices can expect to receive a varied education that is practical and future-oriented. Year after year, we train numerous young people in about 30 different professions in the industrial, technical or commercial area. In 2024, the number of trainees was 250 (previous year: 265). Because we know that our workforce is our greatest potential, continuing education plays an important role with us, right from the apprenticeship phase.

Our student employees can complete a combined degree program which allows them to start their careers with a bachelor's degree and a vocational qualification that is fully recognized by the Chamber of Industry and Commerce (IHK). We also employ interns, working students, dual students and trainees.

BST YOUNG PROFESSIONALS NETWORKING MEETING

The Young Professionals Networking Meeting was held for the second time in Dubai from March 6 to 9, bringing together roughly 55 participants from different countries. Specialist lectures, a site visit and group activities offered valuable insight into international projects, encouraged the exchange of knowledge and strengthened international networks – with a particular focus on diversity and promotion of women.

RESPONSIBILITY AND STRATEGY FOR ENCOURAGING DIVERSITY AND INCLUSION

The responsibility for encouraging diversity and inclusion lies with the Executive Board of the BAUER Group and is a core component of our company culture and business strategy. Our employees come from various cultures and ethnic groups and play a key role in the company's success. Diversity is a strength which we actively promote in order to optimally use the different backgrounds of our international teams and achieve our common goals.

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

In both the hiring and further development of our employees, we attach great value to an assessment based exclusively on their personality and qualification. Approximately 9.6% of Group employees were women in 2024 (previous year: 9%), which essentially reflects the construction sector and the technical nature of our business, and the low number of women applying for such careers. The Executive Board specified a female target quota of at least 21.43% in the first executive level beneath the Executive Board by June 30, 2027. For the female target quota in the second executive level beneath the Executive Board, a target of 29.16% was defined by the same date. At the end of the year under review, these targets were not reached at the first level of management, where the female quota was 14.29%, but the target was reached at the second management level, where the quota was 29.17% (rounded). The background for not achieving this target at the first management level is that the positions are, as a rule, appointed based on the suitability of the persons being considered, and gender is not the deciding factor for filling the management position in the event of better suitability.

Regardless of the legal requirement to set target quotas, the Group is committed to supporting women and men who want to become executives and, as a technology-driven company, is especially interested in inspiring women to pursue technical professions.

Initiatives for promoting women in the construction industry

Our company has launched various initiatives specifically aimed at recruiting and promoting female talent in the construction sector. These measures are intended to improve equal opportunities and increase diversity among our employees. We ensure that our job listings are formulated in a gender-neutral manner in order to equally address both female and male applicants. Our recruiting strategy includes specifically addressing women through special career fairs, networks and platforms. We also regularly carry out training courses and awareness initiatives to increase awareness around diversity and inclusion.

Girls' Day

One particular highlight of our effort is the BAUER Group's participation in Girls' Day. On April 25, 2024, the BAUER Group opened its doors in Schrobenhausen to around 20 female students with a passion for technology. These participants had the opportunity to visit different departments at the company and gain practical experience. Girls' Day is an important element of our strategy for encouraging more women to pursue technical careers and improve the diversity in our workforce.

"Women in Construction" work group

The "Women in Construction" work group plays a central role in our efforts to actively promote diversity and inclusion within the BAUER Group. The program extends Group-wide across all segments and companies, and was established to address the specific challenges and needs of women in the construction industry. The work group offers a platform for exchanging experiences and established practices throughout the entire company.

Regularly organized meetings and events are dedicated to topics like equal opportunities, professional development and work-life balance. These initiatives foster an open dialogue that helps to break down barriers and create a more inclusive work environment.

Another core concern of the work group is to increase the visibility and appreciation of women in this traditionally male-dominated field. The work group is committed to ensuring that the perspectives of women are given greater consideration in company strategies and decisions. This also includes promoting initiatives to improve working conditions and to support the professional development of women in the construction industry.

With its efforts, the "Women in Construction" work group makes a key contribution toward improving professional opportunities for women in the construction sector and strengthening diversity within the BAUER Group.

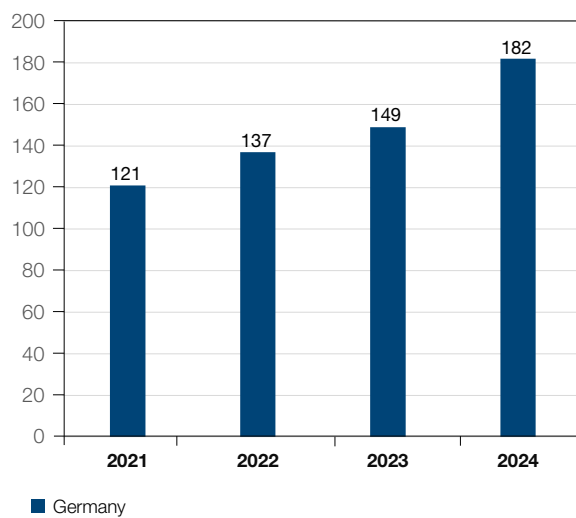
Mentoring project for women in specialist foundation engineering

A pilot project for promoting women in specialist foundation engineering was successfully completed in 2024. The goal was to increase dialogue between experienced industry experts and young female talent. The core of the project were tandems, each with one experienced female mentor and a mentee. These duos met up regularly and worked together to find solutions for current issues. In addition, they shared their knowledge and developed strategies. The mentors contributed their years of experience, while the mentees came to the conversations with fresh perspectives and new ideas. This resulted in a mutual dialogue that enriched both sides.

Diversity monitoring

The topic of diversity has a firm place in our company. To better understand the diversity of our workforce, we regularly collect data on various aspects such as gender, age, origin or potential disabilities. We treat this information anonymously and confidentially. Evaluating this information helps us to identify trends and arrange our activities more strategically in the area of diversity and inclusion. In this way we are able to estimate where we are already well positioned and where there is still potential for further development.

Number of employees with disabilities



WORK-LIFE BALANCE

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

AT BAUER, WE PUT PEOPLE FIRST

This is illustrated by various initiatives for employees. Regular opportunities for cozy get-togethers with colleagues after work include the Bauer Stammtisch and “Zam kemma” meetings in the head office and plants. Visitors to the spring rock concert in 2024 experienced a memorable evening with Hydraulica & Friends. How many companies can say that they have their own rock band? Not only does Bauer have its own rock band – they also manage to captivate their audience! There were employee celebrations in 2024 in Schrobenhausen as well as in many subsidiaries across Germany. In 2024, the joint summer celebration for all German GWE locations took colleagues to the banks of the Elbe in Magdeburg, where they tried their hand at raft building among other activities. And for the employee afternoon in Schrobenhausen, the organizers once again put together a varied program. The young guests enjoyed a goal-shooting contest, bouncy castle and carousel. One highlight for all ages were the large drilling rigs on display in the roundabout from the in-house exhibition held just before. The beer garden provided a perfect setting for lively discussions and relaxing moments. Children of employees were given another opportunity to get to know their parents’ workplace at the 2024 “Take your child to work” day. To resolve the problem of childcare in Bavaria on the Day of Prayer and Repentance, Bauer has organized a “Take your child to work” day for several years now. Again this year, roughly 90 young boys and girls had the opportunity to experience a special morning full of fun and adventure.



The employee afternoon in Schrobenhausen is a highlight for families.

A lively company culture means more than just having celebrations. The “People at the company” work group regularly meets to launch initiatives and campaigns that improve the culture and community at the BAUER Group. Workshops have also been held with salaried employees and tradespeople from various company divisions on the topic “Be a part of cultural change – Shaping the future of Bauer together.” In the process, one thing became clear: Changing the company culture is a long-term process that requires constant attention.

OCCUPATIONAL HEALTH AND PROTECTING THE SAFETY OF OUR EMPLOYEES

Principle and strategic foundation

For the BAUER Group, protecting the health and safety of its employees is an integral component of the company's responsibility. The goal is to create a working environment that not only protects them against work-related dangers, but also improves physical and mental well-being. The prime responsibility for implementing and further developing the HSE Policy lies with the Executive Board of the BAUER Group. A central HSE committee prepares for strategic decisions. This is comprised of segment managers, the head of HSE and other employees in HSE functions. This committee meets at least four times per year.

HSE management system and standards

The BAUER Group has established a Group-wide HSE management system that is oriented on international standards such as DIN EN ISO 45001, AMS-BAU, SCC and the requirements of the International Labor Organization (ILO). This ensures a uniform procedure across all locations. The system's effectiveness is ensured through regular audits (internal and external), management evaluations and continual improvements. Subsidiaries are also integrated in the implementation process via an internal audit program.

Roles, responsibilities and involvement

All managers bear direct responsibility for compliance and implementation of HSE rules within their area of responsibility. Employees are also obligated to contribute actively to occupational safety – by complying with safety rules, wearing personal protective equipment and reporting unsafe situations. Employee representatives are involved in all significant matters relating to occupational health and safety. Binding company-wide agreements have been established, as well as co-determination rights according to labor protection laws. Communication occurs via various channels such as toolbox meetings, staff meetings, Intranet, newsletter or works council meetings.

Risk assessment, accident analysis and measures

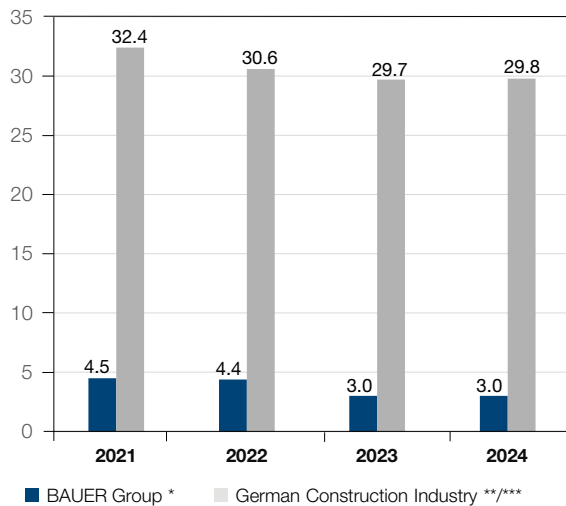
In the course of systematic risk assessments, the BAUER Group identifies potential hazards and derives technical, organizational and personal measures. The effectiveness of these measures is regularly reviewed and adjusted as required. Accidents, near accidents and unsafe conditions are documented and analyzed in the central HSE reporting system. The findings are incorporated directly into preventive measures.

Key figures concerning success measurement

By introducing established health, safety and environment standards and continually improving them, we work to consistently minimize our accident and damage rates with the clear goal of "zero" work accidents. For 2025, the Group-wide HSE committee for the BAUER Group has defined clear goals: No fatal work accidents, no severe work accidents, LTI rate of BAUER Group below 0.8 and reduction of work-related accidents (involving time off work) by 2% compared with 2024. The Lost Time Incident Frequency Rate (LTIFR) serves as one of the key figures for measuring success in 2024.

Work-related accidents

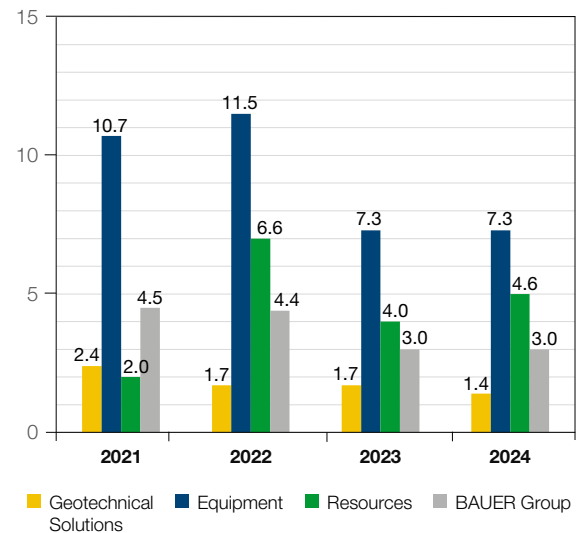
LTIFR*



* 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

LTIFR*



Training, health promotion and prevention

Employees in the BAUER Group are regularly trained in safety-related topics. New employees receive a comprehensive HSE briefing before starting work. The HSE department also organizes refresher training courses, special instructions for construction sites and topical events. In Germany, an annual safety competition with prizes motivates employees to get actively involved with occupational safety matters.

To promote health, Bauer also offers programs and lectures on topics such as occupational medicine, nutrition, fitness or stress management. Occupational checkups and healthy workplace design are also part of the program, along with the bike leasing service that contributes to sustainability mobility.

Emergency preparedness

Emergency plans and reaction measures are defined in all operations and regularly reviewed. These include evacuation procedures, first aid concepts and handling specific emergency scenarios such as fires or hazardous substance leaks. Regular exercises ensure that employees are prepared for emergencies.

Location and activity-related risks

The BAUER Group considers specific risks depending on location and activity. On construction sites, the focus is on protecting against physical hazards and wearing suitable protective equipment. In office areas, the emphasis is on psychosocial risks such as stress, overload or bullying. In the production environment, specific risks such as noise, equipment accidents and handling of hazardous substances are taken into account. Preventive measures, support services and ergonomic optimizations are provided for all contexts. On construction sites, the measures implemented include provision of personal protective equipment, regular safety inspections and training for accident prevention. In office workplaces, measures are adopted for stress management, promoting a positive work environment and providing support through company health services. In the

production environment, measures such as noise control, safe equipment operation and handling of hazardous substances are secured with training courses and safety protocols.

SAFETY AWARD FOR BAUER SPEZIALTIEFBAU GMBH

For its commitment to occupational health and safety, BAUER Spezialtiefbau GmbH was honored with the silver SAFETY AWARD 2024. The award was granted by the Federation of the German Construction Industry. This award recognizes outstanding success in the reduction of work accidents.



Presenting the SAFETY AWARD 2024 to BAUER Spezialtiefbau GmbH (© HDB, BFA Spezialtiefbau).

V. GOVERNANCE

Our company's success is based on people – our employees as well as our customers and partners. As a result, respect for and upholding of human rights form part of our basic understanding of social responsibility. Within the ethics management system, we commit to respecting human rights. Child labor and forced labor are not tolerated in the BAUER Group. It is an important task of our managers to raise awareness for these topics among the on-site employees during their regular visits to our branch offices worldwide. In line with our understanding of values, discrimination, particularly on grounds of religion, age, gender, race or sexual orientation, has no place in our company. We expect that our suppliers and subcontractors adhere to the United Nations Universal Declaration of Human Rights and not be involved in any human rights breaches. Accordingly, suppliers are provided with a supplier code that is also published on our company website. Furthermore, we have established a working group to address the implementation of requirements arising from the Supply Chain Due Diligence Act ("Lieferkettensorgfaltspflichtengesetz"), which specifically outlines due diligence obligations and preventive measures with regard to human rights risks in the supply chain.

The following values are particularly important for the BAUER Group: Appreciation, innovation, down-to-earth attitude, responsibility, openness. Integrity is the basis for all our actions. We fulfill our requirements with regard to the respect of human rights and environmental protection in a best possible way both in our own area of business as well as when selecting our suppliers and maintaining our business relationships with them. The Human Rights Policy of the BAUER Group is a supplement to our Bauer Code of Conduct and is based on internationally applicable standards and guidelines. This declaration explains the key measures we adopt in order to identify and prevent risks relating to human rights and the environment. The requirements of the law concerning corporate due diligence obligations to prevent human rights violations in supply chains, known as LkSG for short, are implemented by this declaration.

COMPANY CULTURE

Strategic anchoring

The company culture in the BAUER Group is actively shaped, managed and regularly reviewed by the Executive Board. It is firmly anchored in the company's strategic orientation and provides a central frame of reference for management and collaboration on all levels. The Executive Board is responsible for ensuring that the defined values are practiced and continually developed throughout the company.

Our Values

Our company culture at BAUER AG is characterized by a clear value orientation that is reflected in our daily business. The values of responsibility, openness, appreciation, innovation and a down-to-earth attitude guide our conduct as well as the way we collaborate as a company – both internally and externally. These values are the core of our culture and our success:

- **Responsibility:** We rely on mutual trust and encourage each other to make decisions independently. We overcome challenges by working together as a team. The principles of integrity, reliability and appropriate conduct govern our daily actions.
- **Openness:** As an internationally operating company, we are open to new ideas and have the courage to make changes. The diversity of cultures and variety of people at our company make us who we are.
- **Appreciation:** We put people first. We interact on an equal footing and treat each other with respect and honesty. Maintaining a positive attitude, we work together in trusting collaboration with our employees, customers and partners.

- **Innovation:** We enthusiastically develop ideas and sustainable solutions for the challenges of the future. Our international experience and many years of expertise provide the foundation for our innovative capacity.
- **A down-to-earth attitude:** As a family business, we are committed to acting sensibly and responsibly. We make our decisions pragmatically and with foresight on the big picture.

Tools to promote the company culture

Our company culture is supported by a range of specific tools and initiatives that promote dialogue and employee involvement. These include regular performance reviews, which give us the opportunity of addressing the needs and concerns of our employees. Furthermore, we regularly conduct employee surveys, which provide us with valuable feedback on various aspects of company management and culture. Work groups and conferences also offer space for dialogue and further development of common ideas and solutions. These include the work group "People in the company," which comprises employees from all different divisions working together on measures that promote the company culture. Our values are anchored in our Code of Conduct and are communicated to employees through training programs.

Diversity as a strength

Our diverse workforce is one of our greatest strengths. We employ roughly 11,000 people from about 100 countries worldwide, which further strengthens our culture of diversity and respectful interactions. This diversity is a crucial factor for our success and one of the keys to our innovative spirit and ability to overcome the challenges of a globalized world.

Responsibility beyond the limits of our company

We also take on responsibilities beyond the limits of our company. We are committed to social projects worldwide, particularly for the promotion of education and training. Numerous employees engage in volunteer work for various social concerns in their free time, thereby representing the values of the BAUER Group in the community as well. More content can be found under the section "Community involvement" on Page 70.

Culture as a key component of strategy

Our company culture is not just an internal guideline, but also a core component of our long-term company strategy. It considerably influences Bauer's ability to achieve targets and contributes to sustainably managing the challenges of the future. Our culture helps us to grow as a company, develop innovative solutions and ensure the long-term success of our company.

RECOGNITION FOR OUTSTANDING SERVICES

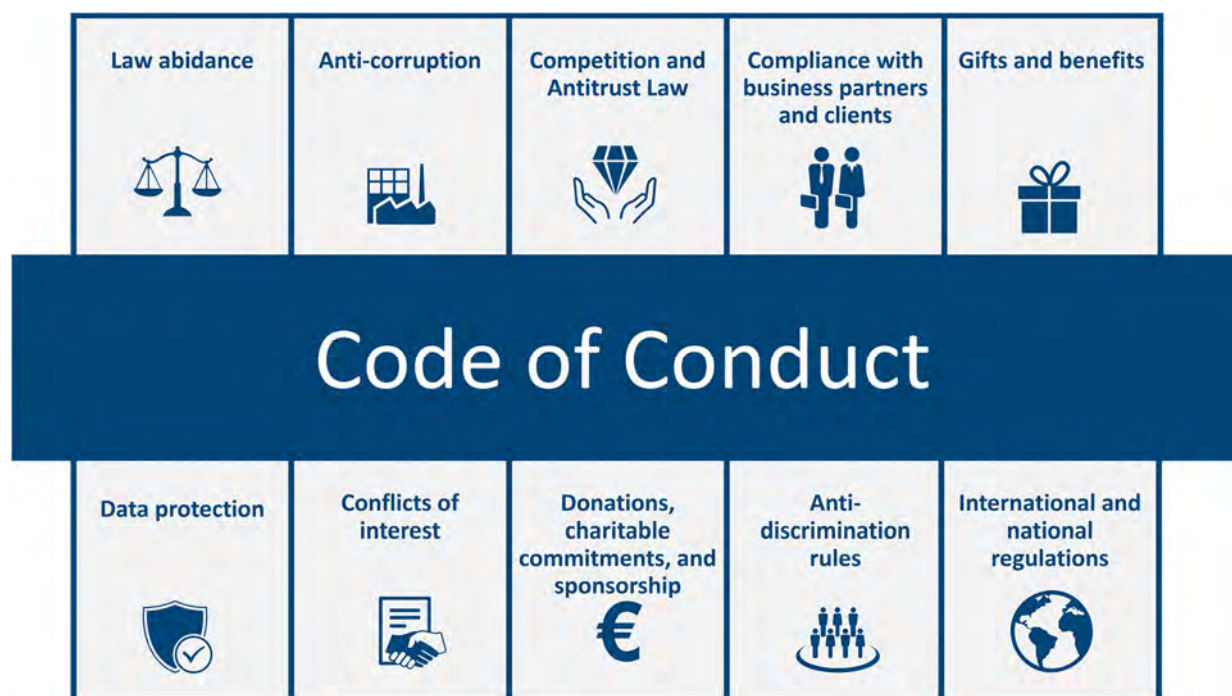
Every company has them: Silent heroes working the background to make sure everything runs smoothly. Because they're not in the spotlight, their services often receive far too little open appreciation during everyday work life. In order to change that, the BAUER Appreciation System was developed. Rather than visible successes, this system recognizes the essential services that are performed behind the scenes. By doing so, it promotes a work culture characterized by appreciation and respect.

PREVENTING AND FIGHTING CORRUPTION AND BRIBERY

The BAUER Group adamantly rejects any form of bribery and corruption. In all countries in which we market our products and services, our companies are required to comply with ethical standards that go above and beyond the legal requirements. Corrupt behavior, whether active or passive, is not tolerated anywhere in the world. Our fundamental belief is that decent and proper conduct is the foundation for long-term entrepreneurial success. This attitude is firmly anchored in the Group's ethics management system.

Governance, guidelines and responsibilities

The ethics management system of the BAUER Group was introduced by the Executive Board and bindingly governed by the corporate management manual. This applies Group-wide and forms the foundation for proper conduct in all companies. A core element of the system is a Group-wide Code of Conduct, which is published on our website and available for all employees. This specifies in detail our five core company values – responsibility, openness, appreciation, innovation and a down-to-earth attitude – in the form of standards of conduct and rules for specific topics, including the topic of corruption.



Training content for compliance training

Responsibility for the implementation of the ethics management system lies with the Executive Board. Ethics officers are appointed in all organizational units, who carry out a risk assessment with the responsible management and define suitable measures to adopt. In addition, specialized company officers are appointed for specific individual topics.

Risk management and integration processes

Corruption risks are regularly analyzed on the context of Group-wide risk management system. The results are documented in the risk inventory and handled in the responsible committees. The aspects considered include bribery/accepting bribes, export control and data protection. The ethics officers strive continually to enhanced and adapt the system.

Training and raising awareness

To encourage employees to conduct themselves with integrity at the company, regular training courses are offered. These include:

- special in-person training programs on anti-corruption, anti-trust law and data protection.
- an e-learning program from EMB-Wertemanagement Bau e.V. for companies involved in construction, as well as
- in-depth training for roles involving significant risk, e. g. purchasing or sales.

New employees receive the ethics management system including Code of Conduct when starting work. The content is regularly communicated by the management.

Monitoring, effectiveness and improvement

The Internal Auditing department regularly reviews the effectiveness of the ethics management system. In member companies of EMB Value Management System for Construction, external audits are also carried out. Audit findings are used to improve the system.

One central tool for internal control in corruption prevention is the dual review principle anchored in the corporate management manual, which is a mandatory requirement for significant business processes.

Whistleblower system

Employees and external third parties are provided with a whistleblower system that can be accessed via an internal reporting office as well as the external ombudsman. The accompanying rules of procedure can be viewed publicly and ensure confidentiality as well as protection against reprisals. More detailed content about our whistleblower system can be found under the section "Whistleblower system and protection of whistleblowers."

Significant key figures

Once again in 2024, BAUER AG remained free of sentences, monetary fines or lawsuits based on violations of anti-corruption laws, bribery laws or human rights, so that no monetary penalties, fines or damages were imposed.

WHISTLEBLOWER SYSTEM AND PROTECTION OF WHISTLEBLOWERS

Promoting an open company culture and ensuring ethical conduct are core elements of the BAUER Group's governance structure. The internal whistleblower system is a key tool in this context. Responsibility for the internal whistleblower system lies with the Executive Board of BAUER AG, who ensure that the system is regularly reviewed and continually developed in order to guarantee effectiveness and legal compliance. The internal whistleblower system is based on the relevant legal and regulatory requirements, allowing both internal and external persons to report breaches against compliance guidelines and legal regulations.

The whistleblower system is an integral component of the overarching ethics management system of the BAUER Group, which also includes topics such as anti-corruption, anti-trust law, product safety and data protection. This ensures that both internal and external whistleblowers can report breaches safely and confidentially without fear of reprisals.

Reports from the Internal Reporting Office regarding submitted tips are generally presented to the Executive Board once a year. In addition, the Internal Reporting Office informs the Executive Board on an as-needed basis. In the process, the person submitting tips remains confidential and their identity is only disclosed by mutual agreement.

Reporting channels

Whistleblowers can report violations through various channels:

- Internal: Internal Auditing
- External: Ombudsman
- For Germany, the following external reporting offices have also been designated: Federal Office of Justice, BaFin, Federal Cartel Office

The contact data for reporting violations, including Internal Auditing and the external ombudsman, are published on the BAUER AG website and accessible at any time.

Confidentiality and anonymity

As a rule, reports made to the internal reporting office are made at BAUER AG by disclosing the whistleblower's identity, since openness and taking responsibility are part of the company culture at the BAUER Group. For this reason, anonymous tips are not accepted. Nevertheless, if a whistleblower does not wish to disclose their identity to the company, they can contact the designated external ombudsman confidentially.

The ombudsman maintains strict confidentiality when receiving tips. At the whistleblower's request, the ombudsman only passes on the reported circumstances to the company, without disclosing the whistleblower's identity. Confidentiality is reliably ensured in this process by the attorney's obligation of secrecy, the right to refuse to give evidence as anchored in the law, as well as by contractual regulations.

Even if the whistleblower has to disclose their identity to the ombudsman, this information remains protected and is only disclosed to the company with express consent.

Protective mechanisms for whistleblowers

The BAUER Group protects whistleblowers against reprisals. Acts of retaliation by employees or executive bodies of the BAUER Group will not be encouraged and can lead to warnings under labor law or termination. The identity of a whistleblower who reports information about violations, is protected and treated as confidential unless inaccurate information is reported about violations in a willful or grossly negligent manner.

Processing and response

Tips received at the internal reporting office are confirmed within seven days and processed within three months at most. Responses to whistleblowers are made confidentially and documented.

Training and raising awareness

All employees are regularly informed about the whistleblower system and receiving training on the topic. This occurs through talks at seminars or conferences, articles in the employee newspaper and e-learning programs. Furthermore, training programs are conducted on the topics of anti-corruption, anti-trust and product safety in order to encourage awareness for ethical conduct and compliance within the Group. In addition, posters with the values of the BAUER Group along with information about the whistleblower system were distributed at central locations in our operating facilities worldwide to further increase visibility and awareness for this important reporting option. In this way the BAUER Group ensure that all employees are thoroughly informed of their options and the protection offered by the whistleblower system.

Reporting

In 2024, seven tips were submitted to the internal reporting office of BAUER AG. These tips were examined by the internal reporting office, in part in connection with discrimination and regulatory compliance. The BAUER Group handled all reported topics with priority, so that they have now been concluded.

The findings of the whistleblower system are regularly evaluated to identify potential areas for improvement. Findings from the evaluation influence the ongoing development of the whistleblower system.

BAUER stands for:



Freedom of assembly
and association

Sustainability

Freedom of thought, belief and religion

Human rights

Occupational health and safety

Freedom of
expression

Responsibility

Environmental
protection

Health protection

Fair working
conditions

Equality

BAUER does not tolerate:



Suggestive comments

physical violence

Corruption **Child labor**

Bribery

Sexual harassment

Mobbing

Discrimination

Forced labor

Illegal forced evictions

The BAUER Group advocates respect for human rights worldwide.

Report regulatory violations without fear of consequences!

More information about the whistleblower system at <https://www.bauer.de/en/ethics-management>

VI. SOCIAL COMMITMENT

As the BAUER Group, we aim to contribute actively to the common good in the regions where we do business. Our social commitment is more than a positive external effect – at the same time, it also strengthens our company from within. We see ourselves as an integral part of society and take our social responsibility as seriously as our commercial responsibilities. That's why we are engaged both regionally and within our sectors – in part through active contribution to numerous relevant associations and unions. The BAUER Group promotes important initiatives and projects with donations – in strategic areas where sustainable motivation can be provided for society, education, environment or social cohesion. Since 2024, the Group is also involved in numerous social institutions and initiatives in Germany and around the world.

Since 1994, BAUER Maschinen GmbH is active on the Indian market with its subsidiary Bauer Equipment India. Such a long journey together gives room to establish a deep connection with the country and people. To give something back to society, Bauer distributed 1,000 school bags to secondary school students from twelve schools in poorer rural regions of India.

In June, the Schrobenhausen region was affected by historic flooding. In order to help the employees harmed by the flood, the donation campaign "Bauer for Bauer" was launched. A total of 110,000 euros were handed over. In addition, a kindergarten in Schrobenhausen that was destroyed by the flood received EUR 2,000 from Bauer for repairs.

With the traditional wish tree initiative, the Bauer workforce once again fulfilled the Christmas wishes of children in need. In addition, Bauer donated EUR 12,000 to six regional institutions, including the Schrobenhausen food bank and the Regens-Wagner vocational school.



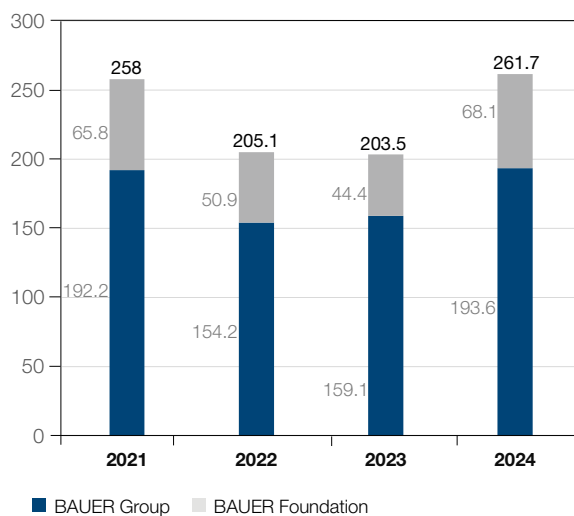
Bauer workforce fulfill Christmas wishes of children in need.

The apprentices at GWE GmbH supported the “Parcels for Peine” initiative once again. They organized and packaged numerous Christmas parcels for people in need. KLEMM Bohrtechnik donated a total of EUR 8,800 to four non-profit projects, including the child and youth hospice foundation Balthasar.

The BAUER Group and the BAUER Foundation donated a total of EUR 261,700 in 2024. The BAUER Foundation supported initiatives such as the construction of a bikers’ sports facility, the voluntary fire brigade and a children’s home.

BAUER Group and BAUER Foundation donations

in EUR thousand



SUPPORTING YOUNG TALENT WITH PROSPECTS

The BAUER Group is actively engaged with getting young people excited about the company and offering them interesting opportunities for their development. At the renowned university fair Bonding, this commitment was rewarded once again with a top place in the vote for “Student’s Favorite.” Bauer lets students get a glimpse of practical operation on location in Schrobenehausen as well as on construction sites. In late June, a group of mechanical engineering students from the Ruhr University Bochum visited Schrobenehausen for the lecture on “Mobile hydraulics in the context of construction equipment.” Students at the Geotechnical Institute of Stuttgart University traveled to Rottach-Egern for a site visit to see the deep soil mixing method in action. On a site in Munich, Bauer welcomed students from the Technical University of Munich. One highlight was the first practical day of BAU Erleben in March 2024. University students from Augsburg, Regensburg and Munich had the opportunity to experience Bauer equipment in action on a site and see how they are manufactured at the Aresing plant. In Schrobenehausen, they were also able to learn more about Bauer and specialist foundation engineering in exciting lectures and presentations.

It's not just university students who can receive practical insight at Bauer. Younger students also have the chance to make their first points of contact with the professional world early on. Through a mentorship program with the non-profit association "TfK-Technik für Kinder e.V.", Bauer apprentices visited primary school students to get them excited about a practical course in technology. Every year during the Easter vacation, Bauer offers student internships in the company's wide range of training professions, and the Training Night is also a long-standing event on the calendar. Participants at the event follow a tour through the Bauer Training Center. At numerous activity stations, they can try things out for themselves. One particularly popular stop in 2024 was the CNC cutter where the students could engrave their name in a bottle opener, as well as the VR goggles that simulated the operation of a drilling rig. The BAUER Group companies in Nordhausen, Thuringia, also arrange activities for young professionals. At the Forum Berufsstart fair, they presented themselves at a shared stand.



At the Training Night, many students learned about the apprenticeships available at Bauer.

VII. 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.	4 of 6	continuous
Improve ESG reporting	<p>The goal is to improve data quality and expand reporting to other companies in the BAUER Group. Work is currently underway to compile the relevant ESG data into a report. In 2024, a central platform for the collection and maintenance of ESG data was successfully set up with the introduction of the "WeSustain" software solution. The software is scheduled to go live in 2025. Work on improving data quality and availability is ongoing.</p> <p>The full integration of EU taxonomy and CSRD requirements into ESG reporting is planned for the coming years, taking into account the changes brought about by the Omnibus Regulation, in order to further strengthen regulatory compliance and transparency.</p> <p>Work is also continuing on expanding internal reporting.</p>	5 of 6	continuous

Status of sustainability goals in health and safety

Goals/Actions	Situation	Status	Implementation
Improve HSE culture throughout the Group	In 2011, senior management adopted a Group-wide health, safety and environmental policy. The policy defined goals and fundamental principles. A key goal is to continue our extensive efforts to improve this safety policy. Efforts to raise employee awareness will focus on behavior recognition, feedback and communication as well as evaluating insights and defining personal goals based on these insights.	5 of 6	continuous

Status of environmental sustainability goals

Goals/Actions	Situation	Status	Implementation
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 Schrobenehausen 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 Schrobenehausen plant was upgraded and a film press was added.	3 of 6	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 Schrobenehausen site. The long-term goal is to ensure consistent measures and documentation throughout the company.	3 of 6	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 the successful introduction and use of the first electrically powered equipment in previous years – such as the MC 96 duty-cycle crane and the eBG 33 drilling rig – the development of innovative drive technologies gained further momentum in 2024. In 2024, targeted efforts were made to advance low-emission and low-noise technologies for use in urban specialist foundation engineering. These include the eRG 19 T hybrid, with a combined diesel and electric drive that significantly reduces fuel consumption and lowers CO ₂ emissions by more than 7 tons per month, as well as the BCS 185 power pack, which features an electric drive unit, zero emissions, and low noise emissions for flexible use in confined urban environments. In addition, a project was launched to develop a methodology for calculating the Product Carbon Footprint (PCF), and initial PCF calculations for our equipment were conducted.	4 of 6	continuous
Digitalization in the BAUER Group	For many years now, the BAUER Group has been a driving force behind digitalization. By implementing a digitalization and AI department at the corporate (AG) level and centralizing software development, the focus on digitalization is being further intensified. The topic of AI is thus centrally represented and supported all departments throughout the Group. In the Geotechnical Solutions and Resources segments, 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, digital measurement with drones and mobile devices 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 and BAUER Resources GmbH to optimize their construction site use and thereby avoid wasting resources. As part of the deeper integration of digital construction site applications, digital managers were trained in every subsidiary worldwide in the Geotechnical Solutions segment to support construction site personnel on site as local key users. Other current topics at Bauer Resources include the roll-out of digital standards to all parts of the company, automation in BIM processes and construction robotics. Bauer Maschinen continues to pursue the topics of digital fleet management and digital construction sites. Thanks to continuous product optimizations and enhancements, customers benefit from even more efficient ways of managing and evaluating their fleet and planning, executing and documenting their construction sites. A central element of this is the recording and analysis of machine and production data in real time. Since 2024, the segment has also been dedicated to the "Digital User Portal" project - the new, central point of entry into the digital world of Bauer Maschinen. The aim is to lay the foundation for an end-to-end, user-centric customer journey. At the same time, the research team is working on solutions for integrating artificial intelligence into equipment components such as drilling tools.	4 of 6	continuous
Developments to increase the efficiency of our construction methods	We continuously enhance sensor technology, equipment technology and our process analysis methods in order to analyze potentials for increasing efficiency in our construction methods. In addition to previous development work in connection with the instrumentation of our tools, such as the deep vibrator, we have also driven forward development projects in connection with the monitoring of manufactured elements in special civil engineering using IoT devices. In addition to the digital recording and storage of data in the BAUER Cloud, this also enables us to use this recorded data to drive forward the further development of intelligent, AI-based design tools for competitive and optimized design, for example. This will not only enable us to digitally record the load-bearing behavior of the geotechnical solutions elements we manufacture in the future and thus monitor them efficiently, but also to use this data for optimized planning that conserves resources as much as possible. This will help us to use our special civil engineering methods even more efficiently for the respective construction task.	4 of 6	continuous

Status of sustainability goals with regard to stakeholders

Goals/Actions	Situation	Status	Implementation
Support of volunteer activities	Community involvement and projects initiated by our employees are selectively and actively supported, while volunteering continues to be backed by flexible arrangements to facilitate participation. We assist associations and organizations through material donations and by offering our expertise and services.	6 of 6	continuous
Establishment of regional partnerships with universities and research organizations	We continuously develop existing collaborations with local academic and research institutions to strengthen the region. 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.	5 of 6	continuous

Status of sustainability goals in human resources

Goals/Actions	Situation	Status	Implementation
Expand "Be Mobil" program across the Group	The "Be Mobil" program is currently being revised. The aim is to provide our employees with clear and transparent information about possible opportunities abroad. In addition to business trips and secondments, there will continue to be a program for interested employees who want to develop their professional, methodological and social skills in a different culture and broaden their personal horizons. For all assignments abroad, the Human Resources Department offers preparatory support such as language courses or intercultural awareness training.	2 of 6	continuous
Development of young employees	The HR Department defines training concepts for young employees that include workshops as well as digital initiatives and coaching. A training program was developed and implemented for international management staff as well. The process for strategically developing our young employees was supplemented by a high-potentials program and enriched with additional development modules, such as job rotation, international deployments and mentoring.	5 of 6	continuous
Expanding skills through digital learning	E-learning is an established method for developing skills throughout the entire Group. With the HR Portal, we enable all employees to receive further education at their own pace with access to information that is being maintained constantly at time. The offer of digital learning content is continually improved and expanded.	6 of 6	continuous

VIII. ABOUT THIS REPORT

The contents of the non-financial report were brought together with the content of the sustainability report that was previously published separately, and compiled in this report. The reporting is based on the requirements of the Corporate Sustainability Reporting Directive (CSRD) of the European Union as well as the European Sustainability Reporting Standards (ESRS), whereby a full implementation of the requirements is currently still in preparation and is planned for the coming years. The goal is to integrate core elements of this guideline into our reporting from an early stage, and thereby further increase transparency and ease of comparison for sustainability information. For the sake of legibility, the German text primarily uses masculine forms. However, it refers equal to all persons regardless of gender.

REPORTING PERIOD

This report covers the fiscal year from January 1, 2024, to December 31, 2024. In certain cases, information from other periods may be provided. The editorial deadline was in June 2025.

REPORTING BASIS AND LIMITS

Because the data is collected from various departments, its scope and range varies. This 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 data is included in 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. 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 2024 (in EUR million)	Employees in 2024
Schrobenhausen location	982.0	2,405.0
Nordhausen location	151.0	851.0
KLEMM Bohrtechnik GmbH	64.0	270.0
EURODRILL GmbH	28.2	93.0
BAUER MAT Slurry Handling Systems *	26.6	86.0
Total Germany	1,251.8	3,705.0
BAUER Equipment America Inc.	164.1	151.0
BAUER Tianjin Technologies	48.9	178.0
BAUER Equipment Malaysia	16.7	132.0
Total International	229.7	461.0
Total key figures recorded	1,481.5	4,166.0
as a % of the Group	67.9%	36.6%
BAUER Group	2,183.4	11,380.0

* Branch office of BAUER Maschinen GmbH

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Photos

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District of Neuburg-Schrobenhausen (Page 40)

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