

Corporate Social Responsibility Report

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14,276

Employees with great
commitment to our
Customers.

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Introduction

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RELEVANT REGULATIONS

Our Corporate Social Responsibility Report (CSR report for short) or sustainability report informs you about the economic, ecological and social impacts of our business activities in fiscal year 2022/2023. The reporting period corresponds to our fiscal year, which runs from 1 October 2022 to 30 September 2023.

Bertrandt publishes a condensed separate non-financial report (hereinafter referred to as 'non-financial report'), which is embedded in the sustainability report and which is prepared according to Section 315c in conjunction with Section 289c to 289e of the German Commercial Code (HGB). In addition to the disclosures on non-financial aspects pursuant to Section 289c (2) HGB, Bertrandt fulfils its obligation to disclose information under the EU Taxonomy Regulation (EU 2020/852 Article 8 in conjunction with Article 10 (2) of the Delegated Regulation). Unless otherwise stated, the disclosures in this report relate to the Bertrandt Group and the parent company Bertrandt AG.

As the focus in this reporting period was on expanding sustainability management and on fully preparing for the EFRAG standards under the CSRD, Bertrandt did not apply a framework when preparing this non-financial report. This decision is reviewed annually within the Group.

All of the disclosures taken from the annual report are supported by the report of the auditor PricewaterhouseCoopers (PwC). The data collected specifically for corporate social reporting have not been confirmed by an auditor's report. The non-financial report was audited by the Supervisory Board in compliance with Section 171 German Stock Corporation Act (AktG). In addition to the external audit of our annual report by PwC, we conduct our own analyses and continuously review our targets, the measures we have adopted and our fields of action. The last audit of the CSR report by PwC was conducted for the fiscal year 2021/2022).

Reporting boundaries and collection of data

The business-related disclosures are identical to the information provided in the Annual Report 2022/2023. The relevant figures were taken from the notes to the group management report. All disclosures on risk management are based on the use of standardised processes in group controlling and the Corporate Management System (CMS). The 'Group Management Report' and 'Consolidated Financial Statements' chapters of the Annual Report 2022/2023 were audited by auditing firm PricewaterhouseCoopers GmbH Wirtschaftsgesellschaft (PwC). The figures disclosed regarding employees are consistent with the Annual Report 2022/2023 as well. The data on environmental protection within the organisation and the specific environmental and energy data were provided by the responsible staff. To enhance readability, this text uses masculine forms only. It is used to address all genders equally. For purposes of equal treatment, the corresponding terms apply to all genders.

Disclaimer

The information and data contained in this report have been collected with the utmost care. All of the report contents were reviewed by those responsible for them. Nevertheless, we cannot exclude the possibility of errors. Where we make assertions about the future development of our company, we rely on the information and forecasts available at the time of publication. The current sustainability report was published on 14 December 2023. Our next report will be published in December 2024.



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SUSTAINABLE CORPORATE GOVERNANCE AT BERTRANDT

At Bertrandt, we attach overwhelming importance to sustainable, socially balanced and responsible corporate governance. We are aware that we will only achieve lasting success if our business actions are in harmony with the needs of the environment and wider society. This also includes taking into account the issues that matter to our stakeholders, i.e. our employees and investors, and also our customers. We ensure that the services we provide to them meet high quality standards; to this end, we are continuously improving our corporate processes and service portfolio. Our suppliers are involved in all matters of quality and environmental management, occupational safety and economic efficiency. Suppliers undertake to comply with the Code of Conduct. As a result of this ongoing innovation process, we can ensure a consistently high level of customer benefit. Our development performance accelerates technological progress and makes a significant contribution to sustainable solutions for the future.

We use our comprehensive expertise and cross-technology and cross-industry know-how to work on tailor-made solutions that accelerate our customers' progress as well as our own and that of society. To this end, we empower our employees through individual expert careers and a wide range of training opportunities to keep up with the times and lay the foundations today from which we will also benefit in the future. A crucial factor in this is our commitment to enhancing our employees' skills and expertise and promoting their individual development on an ongoing basis. Bertrandt's corporate culture provides the setting for this with its focus on team spirit, flat hierarchies, an employee friendly work environment, flexible and dynamic approach, and performance orientation. A sense of togetherness at Bertrandt is also nurtured by a broad-based brand identity. The growth and progress thus achieved cannot be measured in numbers alone.

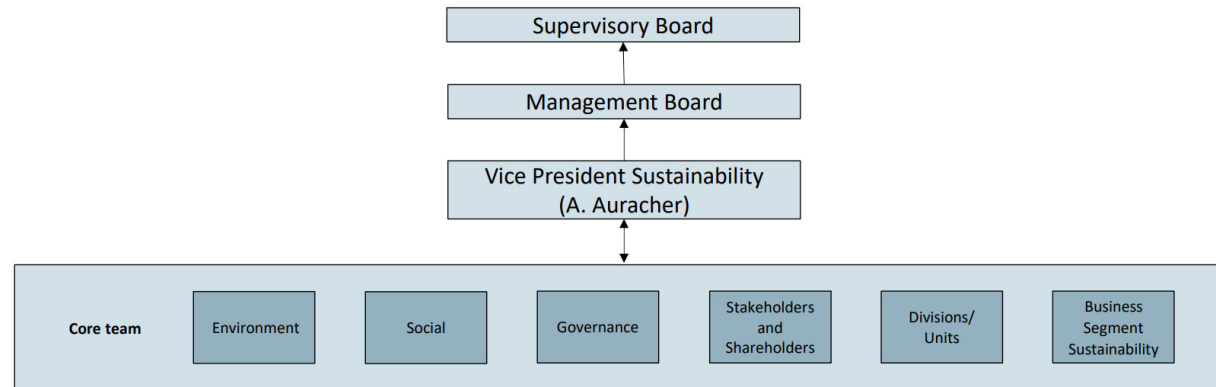
Sustainability management and organisation

Our approach to sustainability is a holistic approach as it affects all stakeholder interests. For this reason, the topic of sustainability is not assigned to just one member of the Management Board, but is the collective responsibility of the entire Management Board. A senior executive acts as Sustainability Manager and keeps the Management Board involved and informed at all times about the Group's sustainability measures and initiatives. The Sustainability Officer heads an interdisciplinary team that brings together all of the Group's sustainability topics, projects and initiatives. This means that our sustainability management is organised centrally. In addition, each functional area in the Company is responsible for implementing sustainability goals in its own sphere. In line with our corporate culture we rely on flat hierarchies and an open door policy, so that the heads of units and divisions of our subsidiaries and executives across all hierarchy levels can be approached at all times. The Management Board pays regular visits to the subsidiaries. This enables a direct exchange of opinions.



PROJECT ORGANIZATION SUSTAINABILITY

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Stakeholder dialogue

We maintain an open dialogue with our stakeholders. There is an ongoing exchange with our employees, customers, suppliers and investors, and also with representatives from the respective local communities and potential job candidates. We are a member of various (industrial) associations and in this capacity represent our interests in political and societal contexts.

Important memberships of our Group entities

- German Association of the Automotive Industry (VDA)
- German Association for Small and Medium-sized Businesses (Bundesverband mittelständische Wirtschaft, BVMW)
- Beuth Verlag
- Electromobility Baden-Württemberg (Elektromobilität Baden-Württemberg), competence and innovation cluster
- German Investor Relations Association (Deutscher Investor Relations Verband e.V., DIRK)
- German Aerospace Industries Association (Bundesverband der deutschen Luft- und Raumfahrtindustrie e.V., BDLI)

We cooperate in an open and constructive manner with the authorities, external circles and interest groups, and believe this is a vital element of our corporate policy. We regularly review our requirements in the area of social, ethical, remuneration-related and labour law topics and coordinate in this respect with the parties concerned. If critical events arise, we collaborate as closely as possible with the parties affected to ensure that such issues are resolved. The Company is also in ongoing contact with its partners.

Dialogue with our employees

Ongoing dialogue with our employees keeps them up to date with all major developments concerning the Company. To this end, we use online media such as our intranet, or social media formats. The subsidiaries organise events on a regular basis to enable direct communication with the staff on site. Additionally, we conduct regular employee surveys to learn about our employees' satisfaction with their work situation and our company.



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Potential employees are mainly approached through our website and social media. We attend recruiting events where we answer the questions of interested young people, and we use videos in addition to various image brochures to provide information on the Company.

Dialogue with our customers

It is essential for an engineering specialist like Bertrandt to cater to the demands and requirements of its customers. We utilise our website, social media and especially our own events to maintain contact with our customer base. Our communication tools also include newsletters and mailings. Additionally, we continuously evaluate our customers' satisfaction with our services. To this end, we also use our customer newsletter to conduct surveys. However, the feedback that is most important to us is from our employees, who are in direct contact with the customers. Potential new customers are informed about the range of our services in either in direct dialogue or through offers, our website, social media or in newsletters, brochures and product sheets.

Communication with investors

We attach great importance to transparent, comprehensive and timely capital markets communications. A key component of our corporate policy is the exchange with institutional and private investors, analysts and bank representatives, as well as the media. Engaging in these activities, we aim to position Bertrandt's shares and debt instruments as long-term investments. Our company complies with the high transparency requirements of the Prime Standard of Frankfurt Stock Exchange.

Our investors can choose from a wide range of dialogue opportunities: in addition to our annual press and analyst conferences, we are present at capital market conferences and we organise roadshows across Europe and invite investors to visit our subsidiaries. We also facilitate virtual meetings and conference calls to discuss current issues.

Main fields of action and goals

A technology service provider like Bertrandt is expected to align its actions with sustainability principles. We have defined three important fields of action and goals for ourselves in order to ensure sustainable corporate success: customers, human resources and natural resources. In these fields of action we have set ourselves the following overarching goals:

Customers

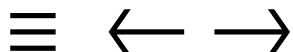
- Continuing to increase customer satisfaction
- Strict observance of our compliance policy and keeping the ratio of zero severe violations per year
- Ratings of our customers

Human resources

- Improving our attractiveness as an employer to gain new employees
- Strengthening employee satisfaction and retention
- Increasing the proportion of women
- Gender equality in employee promotion
- Developing our employees' know-how and providing individual support on an ongoing basis to enable them to meet the high requirements of responsible corporate governance

Natural resources

- 15% greenhouse gas reduction by the year 2030
- Complete climate neutrality by the year 2039
- Resource efficient use of materials
- Energy and resource efficient operation of plants
- Observance of our purchasing and compliance policies



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Tax strategy

The tax strategy as approved by the Management Board of Bertrandt AG sets out the Company's approach to its treatment of tax matters and, in particular, tax risks. Bertrandt AG and all entities belonging to the Bertrandt Group conduct their business in compliance with the laws of the jurisdictions in which these entities have their registered offices. The tax strategy is designed to ensure that all rules and regulations and local requirements are complied with. We do not pursue a tax avoidance strategy. Long-term market success is only possible where a company is able to convince its customers in the long term through innovation, quality, dependability and fairness. In our view, an essential aspect of this is to comply with statutory provisions as well as with the Company's own policies and ethical principles (compliance). Such internal rules and policies at Bertrandt are founded on factors such as integrity in business dealings, protecting our leading-edge knowledge and adhering to antitrust law and all foreign trade related regulations. Proper accounting and financial communication, equal opportunities and the principle of sustainability are equally important factors.

Responsible conduct in tax matters

The Bertrandt Group is managed based on business KPIs; taxes to be paid in the corresponding tax jurisdiction are derived from the Group's tax accounting in accordance with local regulations. Bertrandt is aware that paying public levies and taxes is a matter of social responsibility and necessity. The relationships we maintain with our business partners, for example customers and local tax authorities, are open and respectful. Bertrandt focuses on filing tax returns in time and paying related taxes and levies when they are due. Bertrandt AG submits the report to be prepared based on country-by-country reporting ('CbCR'), according to the guidelines of the Organisation for Economic Co-operation and Development (OECD), to the German Federal Central Tax Office as the parent company for the entire Bertrandt Group. Bertrandt refrains from general publication of the CbCR report, as the required transparency is already ensured by providing the relevant figures and data to the tax authorities for proper inspection.

Functioning of the governance bodies of Bertrandt AG

The managements of the domestic and foreign subsidiaries in which Bertrandt AG holds 100% of the shares report directly and indirectly to the Management Board of Bertrandt AG. The Management Board comprehensively informs the Supervisory Board as the highest governance body in a timely manner and on a regular basis of all key matters concerning corporate strategy, planning, business performance, the financial position and earnings situation, the risk situation and risk management activities as well as compliance. It submits to the Supervisory Board the capital expenditure and financial planning of the Group as well as earnings projections for the upcoming fiscal year. The Bertrandt Group's entities in Germany and in the other countries where locations are maintained use, apart from their own qualified staff, external consultants who keep records of daily activities and prepare tax returns according to local requirements. The corporate tax department centrally coordinates the tax returns for the domestic and foreign subsidiaries, adhering to the 4-eyes principle, and ensures that local laws are complied with. Furthermore, it supervises the review of the foreign tax assessment notices and subjects them to an auditor's review.

Tax risk management

Dealing carefully with potential risks to the Company is accorded high priority in our day-to-day work. We have set up a risk management system that helps us to detect risks and to minimise risk positions. This system is constantly being developed and adapted to changing circumstances. The Audit Committee set up by the Supervisory Board deals in particular with matters involving accounting, risk management (including the internal control system), compliance and the selection and required independence of the auditor. At Bertrandt, the accounting and controlling functions maintain an internal control and risk management system that ensures complete, accurate and timely provision of information.



Description of the business model

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As one of Europe's leading engineering service providers, Bertrandt has been a reliable partner in projects in all areas of research and development for more than 50 years and will continue to play this role in the future. We operate at more than 50 main locations in Europe, Asia, Africa and the USA. Bertrandt offers a comprehensive range of customised and all-in solutions along the entire product engineering process, from conceptual design and development right through to vehicle construction, simulation and testing. Almost 90%, and thus by far the largest share, of our revenues are accounted for by the automotive sector. The most important drivers of the Bertrandt business model are innovations such as environmentally friendly individual mobility, automated and connected driving, and an increasing variety of models and variants of battery electric vehicles. Digitalisation and resource efficiency are cross-industry megatrends. We are an active contributor to innovations both in the mobility and non-mobility sectors and never lose sight of customer needs and changing market conditions.

Outside the mobility industries, we provide services in such forward-looking sectors as energy, medical technology, electrical engineering as well as machinery and plant engineering. We are a reliable partner committed to getting things done when it comes to meeting current and future challenges across all engineering project stages. Qualified people are at the heart of our business success. As at the reporting date of 30 September 2023, Bertrandt employed 14,276 people worldwide.

Corporate values

Bertrandt is guided by clearly defined values. These are honesty, credibility, dependability, transparency and mutual trust. On the basis of these values, we have developed a mission statement to which all our employees adhere and which is evaluated on an ongoing basis. The mission statement guides our corporate strategy, day-to-day conduct and social responsibility. Whether customer or employee – we work on an equal footing, internally and externally, and create a working environment characterised by trust, partnership and flexibility that responds to individual needs and produces tailor-made solutions. For our customers, we are a long-term partner offering compelling and customer-oriented consulting expertise and reliable added value. Every individual at Bertrandt is given the scope for their personal development. Our corporate culture is based on diversity and equal opportunities, demands fairness and appreciation, leaves room for participation and initiative and promotes trust and individuality. A modern workplace for our employees and a flexible working time model for a healthy work-life balance are just as much a basic requirement for us as helping hands and mentoring. Our corporate culture guidelines govern not only the way in which we treat each other within the Group but also our relationships with customers and shareholders. It also identifies what we consider to be the roots of our success: being a reliable partner over many years for our customers, shareholders and employees, and our lasting commitment to wider society. The latter ambition is reflected in our Code of Conduct.



Opportunities and risks assessment

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As a leading technology service provider, Bertrandt has been devising specific and tailored solutions on behalf of its customers at 50 main locations in Europe, Asia and the United States for close to 50 years now. Our services for the automotive and aerospace industries include all process steps in the project phases of conceptual design, CAD, development, design modelling, tool production, vehicle construction and production planning right through to production launch and production support. In addition, individual development steps are validated by simulation, prototype building and testing. This means that we implement collaborative projects of different sizes at our technology centres. The technology centres provide dedicated design studios, electronics labs as well as testing facilities. Spurred by shorter lead times and new technologies, the complexity of individual mobility solutions in the automotive and aerospace sectors is constantly increasing. Trends towards environmentally friendly individual mobility, automated and connected driving, an increasing variety of models and variants of vehicles or Industry 4.0, for example, require detailed technical know-how and integrated thinking throughout product development. As an active contributor to the development of the mobility of the future we are constantly adapting our range of services to customer needs and changing market conditions. Bertrandt's particular strength lies in the linking up and further development of know-how, and this makes us one of the leading European partners on the market for engineering services. The engineering expertise Bertrandt has built up over many years of activity in the mobility industries provides a firm foundation upon which the Company can realise and take forward customised development solutions in new sectors. Our customer base comprises nearly all European manufacturers as well as major system suppliers. We also provide technological services outside the mobility industries in such forward-looking sectors as energy, medical technology, electrical engineering as well as machinery and plant engineering throughout Germany.

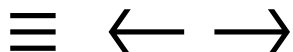
Thanks to our consistency, reliability and sustainable management, in particular, customer relationships are thriving. Non-financial performance indicators, which are key factors for our success, therefore play an important role in the management of our business model. To evaluate and appraise these indicators on a regular basis, Bertrandt has identified five particularly important assessment areas, and has installed a comprehensive management system. The non-financial performance indicators of Bertrandt's subsidiaries are aggregated for purposes of the assessment within the internal management system of the Group.

Non-financial performance indicators are assessed along a 100-point scale with the values associated with the following findings:

< 50	The analysed non-financial performance indicator shows deviations from target. The cause for the deviation must be determined and sustainable corrective action must be initiated. Effectiveness must be ensured.
50 – 75	The analysed non-financial performance indicator is stable and controlled. However, changes and potential deviations are to be expected. Preventive action must be initiated. Effectiveness must be ensured.
> 75	The analysed non-financial performance indicator is stable and controlled, sustainability and effectiveness are ensured. Activities are focused on maintaining the process as is or on increasing efficiency and performance.



		Bertrandt's key non-financial performance indicators	Individual aspects	Categorisation by aspects accordance to the consolidated non-financial statement (German Commercial Code)	Target value
02	The fiscal year 2022/2023	Performance of the management system	<ul style="list-style-type: none"> – Target process of the management system and its accomplishment – Results of external and internal audits and reviews – Controlling of resources – Responding to a changing corporate environment 	<ul style="list-style-type: none"> – Environmental matters – Social matters 	> 75
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The underlying management system is reviewed on an annual basis by external accredited bodies.

Reviews are based on the requirements of the following standards:

- DIN EN ISO 9001 Quality Management
- DIN EN ISO 14001 Environmental Management
- DIN ISO/IEC 27001 Information security in conjunction with the TISAX industry standard / prototype protection as specified by the German Association of the Automotive Industry (VDA)
- DIN EN ISO 45001 Occupational health and safety management in conjunction with the ‘AMS’ safety and health system as specified by the administrative employers’ liability insurance VBG
- DIN EN ISO/IEC 17025 for accredited test laboratories
- EN 9100 Quality management requirements relating to design, development and software development services for the aviation industry
- DIN EN ISO 13485 Quality management requirements relating to design and verification services for the manufacture of medical devices and the development of medical device software
- Energy audit pursuant to the German Energy Services Act (Gesetz über Energiedienstleistungen und andere Energieeffizienzmaßnahmen, EDL-G)

Bertrandt has installed a risk management system to identify risks resulting from a deviation from the target values described above as early as possible, and to minimise or completely avoid them. This is aimed at averting possible harm to the Company and any potential threat to it as a going concern. Bertrandt Group’s four-tier internal control and risk management system identifies and documents risks to the Company’s financial performance and continuing existence.

The risk management system is applicable to all Bertrandt Group entities, both domestic and foreign. The Management Board, the Vice Presidents Operations, the Global Account Managers and the Vice Presidents Commercial of the respective divisions, units and/or subsidiaries work closely together with corporate functions such as Group Controlling in identifying risks and devising corrective actions. Both regular and ad-hoc risk reviews are carried out to assess all the identified risks that could affect our business performance

with regard to amount of loss, probability of occurrence and importance. For this purpose, similar or identical risks affecting domestic and foreign operating units are aggregated to make their importance to the Group transparent. Depending on the results, appropriate corrective action plans are devised with top priority and compared with best practices. The corresponding strategy is implemented without delay by the responsible managing directors in cooperation with supporting corporate functions.

The assessment and identification of risks per division or operating unit are based on the maximum amount of loss and the probability of occurrence. The amount of loss describes the impact on the EBIT of the respective subsidiary.

Amount of loss is described by the following categories:

- Low is an amount of loss between EUR 0.050 and 0.250 million
 - Medium is an amount of loss between EUR 0.250 and 0.500 million
 - High is an amount of loss between EUR 0.500 and 1.500 million
 - Very high is an amount of loss exceeding EUR 1.500 million
-

Probability of occurrence is expressed in the following categories:

- Low is a probability of between 0 and 25%.
 - Medium is a probability of between 25 and 50%.
 - High is a probability of between 50 and 75%.
 - Very high is a probability of between 75 and 100%.
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Risks are assessed on this basis in gross and net terms. The gross assessment assesses the risk event without accounting for the effects of corrective action that may already have been taken. The net assessment accounts for corrective action already taken and thus enables an appraisal of its effectiveness. Amount of loss multiplied by the probability of occurrence equals risk magnitude. At group level, risks are assigned to one of the three categories A, B and C:

- A risk corresponds to a risk magnitude of \geq EUR 3.0 million
- B risk corresponds to a risk magnitude of between EUR 3.0 and 1.5 million
- C risk corresponds to a risk magnitude of $<$ EUR 1.5 million

The identified risks are updated several times a year and an aggregated risk report is prepared to provide the Management Board with an overview of the exposure of the Group. New risks arising between regular updates are described in ad-hoc risk reports and submitted to the Management Board.

Bertrandt's risk profile is updated constantly and shows the following potential individual risks. These identified risks are evaluated in order to determine whether they are essential risks. Moreover, risks of lesser importance were checked for plausibility, but are not separately stated here because of their low probability of occurrence, expected amount of loss and lack of materiality (C risks). The most important individual risks are summarised in the following sections under the respective aggregated risks.

Overall, Bertrandt considers the risk that the non-financial performance indicators fall below 75 points a category B risk with a low probability of occurrence. In relation to our business operations no material risks according to Section 289 c (3) nos. 3 and 4 German Commercial Code that are highly likely to cause seriously adverse impacts on the aspects stated in the CSR Directive Implementation Act were identified. No relevant connections with amounts in the consolidated financial statements required to be reported were identified.

The assessment procedure carried out to evaluate the business processes of the Bertrandt Group showed the following outcome for our non-financial performance indicators in fiscal year 2022/2023:

Assessment areas	Points
I. Performance of the management system	90
II. Service delivery	85
III. Continuous improvement	81
IV. Risk management	92
V. Personnel and human resources	91

The results can be regarded as indicators of the stability and sustainability of the business processes under our integrated management system. As in the previous year, the results for all assessment areas clearly exceed 75 points, the threshold which characterises the business processes as stable and controlled and ensures sustainability.



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Bertrandt was able to attain most of its non-financial objectives in fiscal year 2022/2023. This includes increasing quality in projects and in the supply chain with the aim of achieving a lasting high level of customer satisfaction, reducing the environmental footprint, increasing the attractiveness for applicants and employees, ensuring and further expanding good corporate governance as a reliable company with integrity, and developing a working environment that focuses on the health and safety of employees. In all of the areas mentioned, we assigned responsibilities throughout our company, implemented improvement measures and evaluated their success. Further measures to optimise target management are planned for the 2023/2024 fiscal year and are already being implemented in some cases.

In the assessment area 'Performance of the management system' further improvements introduced in the previous year are also having a positive effect: thanks to its regularity and the follow-up of the measures introduced, the environment and stakeholder analysis brings better transparency of internal and external opportunities and risks. The plan for the new fiscal year is to expand the process to include a comprehensive ESG materiality analysis.

Another example of the management system's increased performance is the advanced professionalization of the internal audit system. In this area, too, the course was set in previous years, so that the focus in the 2022/2023 fiscal year could be placed on increasing effectiveness and efficiency through standardised processes and procedures backed by metrics as well as through optimising the tools used.

As a result, Bertrandt's management system can be considered to be stable and controlled. No extraordinary activities or measures are therefore required.

In the area of service delivery, the structural reorientation in sales and the provision of services has once again proved to be the right approach. The value achieved in the assessment area remains at a high level.

The realignment of complaints management undertaken in the 2021/2022 fiscal year has become established and is being successfully implemented. During the period under review, the adapted process was anchored in the Bertrandt management manual (BMM) and publicised within the Company. The systems provide initial data and evaluations that can now be used to identify and eliminate the causes of faults even more effectively. Future activities will focus on further establishing the adapted process at all Bertrandt locations and in all entities.

The key topics for the coming years identified in fiscal 2022/2023 are the development of a comprehensive systems engineering process environment and the full integration and connection of acquired or newly incorporated foreign businesses. The internationalisation and, increasingly, also the inorganic growth of our business open up new opportunities for customer development and business success. However, they also pose challenges as all units need to be connected to the standardised system and process environment. Moreover, they require further ensuring our high quality, ESG and sustainability standards are met. The introduction of a revised BMM 3.0 management manual with updated software and content planned for the 2023/2024 fiscal year will make another important contribution to efficient and effective digitalisation, along with many other initiatives and measures.



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One focus in the area of ‘Continuous improvement’ was again the implementation of the exacting ESG requirements. Bertrandt has set itself ambitious aims: to become CO₂-neutral by 2039 and to bring down CO₂ emissions by 15% by 2030. These aims have been firmly fixed in our company and were supported by some first actions in the year under review. The interdisciplinary sustainability project team set up in the previous year met regularly to discuss and coordinate activities in this area. Further plans include better system support for the recording and evaluation of sustainability indicators.

In fiscal year 2021/2022 no ex-post analyses under investment controlling had been due. A material key figure for determining the value for assessment area III had therefore been missing and, consequently, the result was unusually high. Key figures are now available again in fiscal 2022/2023 for all associated aspects, including ex-post analysis, so that the final result for the period under review is back in the range of previous years. The inclusion of the innovation management process in the management manual should be mentioned as an associated measure implemented in this area of assessment. To obtain further meaningful information in this field in the future, process performance indicators are to be defined and regularly collected and evaluated.

In the area ‘IV. Risk management’, risks and opportunities continue to be identified in good time, and we implement the required actions or devise measures that we expect will be successful. This is due to the firmly established and stable risk management process in conjunction with opportunity and risk assessments at various levels. Besides the regular environmental and stakeholder analyses already referred to and the professional internal audit system, the committee and meeting landscape at Bertrandt also helps to ensure that targeted measures are introduced at an early stage. For instance, we have established management meetings, which focus on the respective legal entity, and a process steering committee, whose composition has been adapted to the changes in the corporate organisation and which focuses on the Group as a whole. The result of assessment area IV is therefore stable.

Bertrandt continues to provide ample opportunities to work remotely insofar as the nature of work permits this. Remote working meets the needs of employees, for example for a better work–life balance or reduced time needed to commute.

Bertrandt contributes to the health of its employees with an attractive and dynamic health management system. Following the difficulties during the pandemic, the Company's occupational health management system was able to resume normal operations in the 2022/2023 fiscal year. The offering was updated to meet the new requirements and circumstances of the working world and included – in addition to the established on-site health days – a digital health week, seminars on work–life balance, stress management, mental stress and resilience, as well as offers on motivation and appreciation in remote and hybrid work situations.



Materiality analysis

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In the reporting period, Bertrandt AG identified key sustainability issues by means of a materiality analysis in accordance with the German Commercial Code (HGB). Representatives of the responsible departments covered the respective stakeholder interests, primarily those of customers, investors and employees. The following 17 material non-financial matters were identified as part of this analysis:

Matters in accordance with the German Commercial Code (HGB)	Material non-financial matter
Environmental matters	<ul style="list-style-type: none"> – Environmental protection in customer projects – Environmental protection within the organisation – Waste – Climate change mitigation
Employee-related matters	<ul style="list-style-type: none"> – HR strategy – Recruiting new staff – Vocational and further training – Attractive employer – Employee retention – Diversity at the workplace – Occupational health and safety
Social matters	<ul style="list-style-type: none"> – Education – Charity projects – Local engagement – Customers
Respect for human rights	<ul style="list-style-type: none"> – Business partners
Combating corruption and bribery	<ul style="list-style-type: none"> – Compliance

As we aim to become CO₂-neutral by 2039, the focus is primarily on environmental sustainability issues where the Company can make a significant contribution. Furthermore, as we are an engineering service provider, a large amount of our expenses are for personnel. Therefore, all matters related to employees and the respect for human rights are of particular importance to Bertrandt. We take account of the impact of our activities on the environment and society, and of stakeholder expectations, material ESG requirements, Bertrandt AG's business model and compliance with statutory regulations and internationally established reporting standards. The matters identified as material define the structure of our corporate social responsibility report.



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ENVIRONMENTAL MATTERS

Environmental protection in customer projects

When working on a customer project we always consider the complete life cycle of products and services, from project planning, production and delivery through to disposal. Furthermore, the controlled use of raw materials, operating materials and supplies is of particular importance in the implementation of the concepts that we develop. Our customers face multifaceted challenges, especially in their efforts to meet environmental requirements. The ambitious climate targets of many governments, for example, necessitate the development of even more fuel-efficient vehicles with even lower emissions. In response to requirements such as these, we are constantly extending our range of services, designing new powertrain technologies for e-mobility and developing lightweight structures in order to reduce vehicle weight, fuel consumption and CO₂ emissions.

In our engineering work for automotive customers we develop reuse and recovery concepts to support sustainable end-of-life strategies. For example, OEMs are required by law to prove that at least 95% of an end-of-life vehicle can be reused and recovered. This target is equally integral to the development process as the requirement for vehicle parts to be remanufactured as easily as possible. We also advise our customers on how to best organise the return of parts for remanufacturing or of vehicles for reuse and recovery, as well as on the dismantling and disposal of prototypes by certified disposal firms in an environmentally friendly manner. Prototypes are frequently manufactured from materials that Bertrandt receives directly from the customer. For secrecy reasons, they must be completely destroyed at the end of each project. Bertrandt also continuously increases the share of green electricity in customer-specific projects.

Environmental protection within the organisation

The focus of Bertrandt's environmental management system is on improving and measuring environmental performance and preventing environmental incidents. This results in significant opportunities, such as reducing energy and water consumption as well as used water, waste and emissions in relation to production activity. A guideline for the environmental management system and other relevant processes provide the framework for the Bertrandt companies' local environmental management. We conduct internal and external audits of our corporate processes every year to verify our compliance with environmental legislation as currently applicable, and take action as required. Bertrandt has a reporting process in place for environmental incidents such as breaches of environmental regulations or pollution caused by spillages. In each case that occurred, the necessary measures were taken to reduce the environmental impact of the incident. Environmental incidents are recorded and processed internally. Where this is required, Bertrandt reports the incident immediately to the relevant authorities. Environmental incidents are analysed to determine their causes and prevent future incidents.

We also expect our suppliers to protect the environment and comply with environmental legislation, regulations and standards as applicable at any time. Compliance with these regulations is ensured by including them in corresponding contracts. Environmental protection is also anchored in our Code of Conduct for suppliers.



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Bertrandt, we are mindful of using natural resources such as energy, water, soil and air in a responsible manner. Everywhere at Bertrandt – at the administrative level, in our technology labs or at the test rigs – we measure our power, energy and water consumption in order to analyse and improve the environmental impacts of our business activities on an ongoing basis. We have installed testing processes in all relevant facilities to detect contamination or non-compliance with drinking water quality parameters. The local authorities are informed immediately if critical deviations from the local drinking water specifications are discovered. The used water from our operations is household-type waste water from toilets, kitchenettes, canteens and technical facilities, which is pre-treated by means of grease and light-liquid separators. The used water is discharged to the public sewage system via defined outlets. Strict regional and local legal requirements are followed for the discharge of wastewater. In our endeavour to save resources, we have installed water fountains extensively at all our sites and, as a result, bottled water is now rarely used by our staff. Water taps in the sanitary rooms as well as toilet flushes are in many cases sensor-controlled and switch off automatically after a short period of time.

WATER CONSUMPTION

Fiscal year	2022/2023
Water consumption in m ³	39,488
Water consumption (m ³) relative to m ²	0.12
Total ground area in m ²	324,546

To raise awareness for the sustainable use of water, we require each employee to complete a corresponding e-learning programme. Over the last few years we have optimised the utilisation of ground areas and buildings. Before buying or using the land, we always examine such properties for their geology as well as for possible previous pollution to ensure the greatest possible sustainability. When planning the energy supply for new buildings, we always opt for cogeneration or photovoltaic systems in order to use energy more efficiently or to generate our own energy in a climate-neutral way.

It is always our goal to clearly undercut, wherever possible, the savings target set by the German energy savings decree (EnEV). In order to increase energy efficiency, all our lighting fixtures are equipped with energy-saving lamps. EV drivers can now charge their vehicles at any time at 25 charging stations across the Bertrandt Group. Three of them are fast chargers. By expanding the number of charging stations, we are driving forward electromobility in order to reduce CO₂ emissions drastically by 2030 and achieve the goal of being CO₂-neutral by the end of 2039.

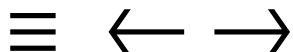
All IT hardware at our offices goes to power-saving mode after a short time. Moreover, we replace all our PCs, laptops, monitors and printers after three years at the latest with more energy-efficient equipment. This, however, is not the end of the lifecycle of these products. All IT and mobile devices that have become obsolete at Bertrandt go to AfB social&green IT, where they are reconditioned and sold on. Thanks to this cooperation, we help the environment and save resources while creating jobs for people with disabilities.

Our building services include programmes for energy optimisation focusing on air conditioning, heat pump systems, compressed air generation and IT.

CO₂ EMISSIONS ENERGY

Fiscal year	2022/2023
CO ₂ emissions – total in t CO ₂ (power, gas, district heating, oil)	21,080
Total ground area in m ²	324,546
CO₂ emissions in t – total per m²	0.07

The ecological footprint of CO₂ emissions caused by the Company's energy consumption (energies: electricity, gas, district heating, oil) was 21,080 t* in the 2021/2022 fiscal year.



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In addition, we encourage our employees to make sparing use of consumables such as paper and other office supplies. We promote the flexible workplace model throughout the Group, which has the advantage that employees are making more use of digital filing. We also only use recycled paper or FSC-labelled paper.

PAPER CONSUMPTION

Fiscal year (absolute values)	2022/2023
Paper consumption (t)	13.2
Paper consumption (t) relative to m ²	0.04

Paper consumption amounted to 13.2 t in fiscal 2022/2023.

Waste

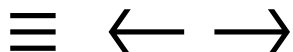
One aspect of being mindful of the environment is producing as little waste as possible. We encourage our employees to avoid waste wherever possible and, where they produce waste, to separate and sort it for recycling. Batteries and toner cartridges are collected and disposed of separately. Component parts and operating fluids from test rigs, such as, for example, lubricant and cooling fluids, are recovered and reused, or disposed of, in line with statutory requirements. We have defined a detailed process chain describing how to handle different types of waste. The process first requires the separation of all hazardous waste. Any hazardous waste is then disposed of appropriately and professionally as specified in our waste disposal manual and applicable branch-specific rules and regulations. Written records are kept and archived on the disposal of hazardous waste. At the end of each fiscal year we prepare a waste balance sheet, which is based on the relevant environmental KPIs. Reporting of our waste management performance indicators has become more detailed compared with previous years. The more transparent presentation enables an in-depth analysis and evaluation of the data and related improvement actions.

WASTE DISPOSAL

Fiscal year	2022/2023
Waste total (t)	3,168
Waste for recovery (t)	432
Paper (t)	283
Recyclables (t)	1,552
Hazardous waste (t)	396
Construction and demolition waste (t)	136
Packaging waste (t)	304
Other waste from workshops (t)	21
Canteen waste (t)	20
Green waste (t)	24

The waste volume in fiscal year 2022/2023 was 3,168 t.

Total waste amounted to 3,168 tonnes of which 396 tonnes are qualified as hazardous waste; the rest is divided among other fractions (see table Waste Disposal). We continue to strictly insist on the responsible handling of waste. One example of this is the pragmatic approach of using less packaging material and the preferred use of deposit systems.



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Climate change mitigation and emissions

Bertrandt is also adapting to climate change and its effects. As a technology development provider focusing on the automotive industry, we are constantly working on methods to further reduce the fuel consumption and CO₂ emissions of vehicles in particular. In the year under review the main focus in the divisions was on increasing efficiency, saving energy and thus reducing CO₂ emissions. Within our company we are striving to set a good example by using particularly fuel-efficient company cars and by updating our fleet every three years. We examined the emissions of around 944 vehicles of our own fleet and determined an average value of g CO₂ per kilometre. In addition, at many of our sites we operate electrified vehicles, which produce zero emissions locally. The average mileage per vehicle was 17,768 km in fiscal year 2022/2023. As we collect better data regarding the actual type of fuel used (Diesel, petrol) we will be able to make more accurate statements on the average CO₂ emissions (in g) in relation to the average mileage of all vehicles. This will allow us to define better targets in the future to help us reduce CO₂ emissions. In order to bring down this value, we educate our employees on e-mobility and other available modes of transport; in addition, we strongly encourage the use of videoconferencing. Compared to the previous year, which was still influenced by the pandemic, the mileage of our fleet vehicles increased in fiscal year 2022/2023, reaching 16,772,888 km. The use of digital communication means is still increasing, yet a return to normal after the pandemic can be felt, which also has an impact on mileage travelled and fuel consumption.

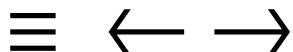
New fleet policy

A new policy for the vehicle fleet was introduced within the Group in the 2022/2023 fiscal year. It promotes vehicles that contribute to the reduction in CO₂ emissions. Specific CO₂ limits have been set for this purpose. Additional monetary budgets are calculated using the combined 'Worldwide Harmonized Light Vehicles Test Procedure' (WLTP) value. If the vehicle configuration is such that emissions fall below the specified limit, an extended monetary budget is released. To continue to make an active contribution to environmental protection, we successively reduce the limits. This is a key measure in achieving our goal of CO₂ neutrality by 2039.

VEHICLES

	2022/2023
Number of all of vehicles incl. pool vehicles and executive managers' vehicles	944
CO ₂ report (in t CO ₂ e) of the vehicles in FY 2022/23 (excl. project cars used for test drives)	3,413.17
Total vehicles	
Mileage in km	16,772,888
Ø mileage per vehicle (km)	17,768
Ø-g CO ₂ emissions per Ø-km mileage per vehicle	204

The Ø-g CO₂ emissions per Ø-km mileage per vehicle in fiscal 2022/2023 were 204 g CO₂/km.



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EMPLOYEE-RELATED MATTERS

Responsibility and organisation

Our employees are the key to the Group's success. The expertise and commitment of our workforce have a direct impact on Bertrandt's success and our position as one of the leading engineering service providers. A fundamental part of the HR strategy and the thrust of the People & Culture department is therefore to be and remain an attractive employer. A consistent aim of the department's strategy is to recruit new and motivated people for Bertrandt, to integrate them optimally and to maintain their enthusiasm for Bertrandt in the long term. As at the reporting date of 30 September 2023, the Bertrandt Group employed 14,276 people (previous year 13,179) worldwide.

Generally, all our managers are responsible for managing Bertrandt's personnel; however, one member of Bertrandt's Management Board assumes executive-level responsibility for human resources management. The issues of diversity, equal opportunities, inclusion and the related goals are also firmly anchored in this role. Overall, our People & Culture organisation consists of specialist Centers of Competence (CoCs). The Talent Acquisition & Marketing and HR Development functions are organised centrally and consistently focus their work on the candidate and employee journey. This ensures that expertise is bundled. Processes and new programmes are designed, managed and continuously developed in the CoCs as part of the human resources strategy.

The HR supervisors and HR business partners ensure comprehensive on-site HR support for staff and managers. Furthermore, the functional area People Operations concentrates support for smaller locations centrally through shared service centre units.

Bertrandt has established Organizational Development as an independent functional area to ensure that the organisation and its employees are accompanied and supported in organisational and cultural change processes. This functional area aims to maintain the organisation's performance in the midst of change.

To strengthen communication at Bertrandt, we have developed the functional area of People & Culture Communications. This is where all HR-related topics are prepared professionally, for specific target groups and on an ongoing basis, and made available to employees and managers. We have also established an ESG function in the department, thereby creating a central point of contact for the topic of social sustainability. This function is responsible for managing and coordinating the topics as well as defining a structured and professional approach for incorporating sustainability aspects in the area of human resources.

Thanks to the further specialisation of the functional areas and standardisation of HR processes, we are benefitting from the high quality of HR services, promotion of cross-location collaboration and consistent focus on our internal customers.



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Human resources strategy

We successfully derived and implemented numerous services, actions and measures in the fiscal year 2022/2023 that have a direct impact on Bertrandt's attractiveness as an employer. We have established our organisational development and further expanded the Bertrandt Academy where all the interdisciplinary and professional development measures as well as vocational and further training programmes for our employees are pooled. This enables us to offer them the best possible support in our industry's transformation process and ensures that our workforce has the qualifications it needs.

The Group-wide employee survey, followed by a review of the actions taken, guarantees transparent communication with the workforce and provides opportunities to participate actively in the Company's processes. We have also set up an interdisciplinary and cross-departmental team where we developed a comprehensive concept for the further development and professionalization of all internal communication at Bertrandt. The 'Viva Engage' community platform introduced in the 2022/2023 fiscal year provides us with a wide range of opportunities to promote dialogue and knowledge sharing with and among our employees and managers.

We have always applied market and performance-related criteria to the remuneration of our employees, and our approach here is clear and transparent.

The department's key tasks also include establishing a culture of diversity and inclusion across the Group. Values such as openness, trust and respect must not only be anchored in policies, but must above all continue to be lived throughout the organisation. Among other things, these values lay the foundations for respecting human rights and for respectful and constructive interaction within the Group and in cooperation with business partners.

We conduct our business within the framework of applicable laws and regulations and comply with the professional and ethical standards of our industry. This also applies to the legal standards relating to employee-related matters and occupational health and safety at all our locations. The rules of conduct that apply to all Bertrandt employees are collated and stipulated in our mission statement and Code of Conduct, which are publicised on our website. These principles apply both to internal cooperation and to conduct towards our external partners. In this context, Bertrandt and its employees are committed to promoting international social standards and respect for human rights, because everything we do must be compatible with respect for people and the environment. We respect and uphold human rights within our sphere of influence and are expressly committed to the abolition of all forms of forced and child labour. Furthermore, Bertrandt respects the right to freedom of association and the right to employee representation within the framework of the applicable laws.

Personnel decisions are made in the Bertrandt Group on the basis of candidates' aptitudes and qualifications. We are committed to firmly opposing any form of discrimination based on gender, gender identity and sexual orientation; race; age; skin colour; religion; marital status; social origin; physical, psychological or mental impairment or any other characteristic that enjoys special protection under applicable laws or regulations. This refers in particular to discrimination against employees. We respect the personal dignity, privacy and personal rights of every employee. All colleagues treat each other with honesty and openness, and are guided by respect and responsibility. To ensure that our employees are always aware of these issues, we conduct mandatory annual training sessions on the various dimensions of diversity, prevention of discrimination and our social responsibility, among other things. Our managers are expected to act as role models in every respect, to monitor the legality of all conduct on behalf of the Bertrandt Group in particular and to promote professionalism, ethical behaviour and compliance as part of Bertrandt's corporate culture. Laid out in the Code of Conduct published on our website, these principles also apply to our suppliers.



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The Group is in continuous constructive dialogue with employee representation bodies. We have discussed employee needs in working groups and set out in writing their rights and options with regard to various topics, such as desk sharing and Microsoft 365 productivity cloud, within the framework of agreements and clear corporate policies.

The continuous measurement and monitoring of other key performance indicators, such as fluctuation during the probationary period, the hiring rate or the number of performance reviews conducted, ensures that the measures implemented pay off in terms of achieving our overarching goals. Early fluctuation is a significant factor for us and our focus is therefore specifically on the rate of fluctuation during the probationary period.

The Bertrandt Way

Bertrandt introduced a new corporate identity in the 2022/2023 fiscal year. This was also used to redevelop Bertrandt's employer brand. A yellow 'b' is the trademark that now represents our corporate values and the so-called 'Bertrandt Way'.

'The Bertrandt Way' expresses our corporate identity and sense of togetherness, which is characterised by teamwork and flat hierarchies. A core element of this is 'Enabling Progress', which describes how we embed a wide range of development opportunities in the Company for all our employees. 'Human Centricity' is also at the very heart of our identity. This describes the fact that people and their needs take centre stage at Bertrandt. Our corporate culture is based on diversity and equality, demands fairness and appreciation, allows for participation and personal responsibility and promotes trust and individuality.



Recruitment of new employees

Recruitment will continue to be a priority in the fiscal year 2022/2023, especially for the Talent Acquisition function.

In view of the ongoing shortage of skilled professionals it is essential that we have a very good understanding of the needs of applicants. It is therefore very important for us to interact closely with them. In the fiscal year 2022/23 we again learned a great deal about how we are perceived, especially at job fairs, in social media and through our cooperation with universities. These opportunities enable us to approach young and experienced professionals alike and to excite their interest in our company. Feedback provided by candidates, for example after interviews, is clustered centrally so that it can flow directly into and optimise the process. The evaluation of various surveys has shown that our candidate journey at Bertrandt is rated very positively overall.

During the course of the 2022/2023 fiscal year, our employee referral programme, Firstbird, developed into a very successful and important acquisition channel. This is reflected not only in the quantity of applications that are generated, but also in the quality of those applications. The quality rate of our acquisition channels is regularly reviewed. The quality rate compares the number of applications received via an acquisition channel with the number of contract offers generated. Firstbird's quality rate is very high compared to other acquisition channels. This makes it one of Bertrandt's most successful channels.

In early 2023 we launched the so-called 'StepStone Quick Apply' in cooperation with the recruitment platform StepStone. Applicants can now apply to Bertrandt directly via the StepStone interface without being redirected to the Bertrandt careers page. The 'quick apply' label also signals to candidates that the application process will run smoothly without them having to jump to another page. This simplifies applications and improves our candidate journey by significantly shortening the procedure and eliminating the need to switch platforms.



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Encouragingly, our extensive efforts and innovations in Talent Acquisition have resulted in a significant overall increase in applications of around 54% year on year. In absolute terms, this amounts to over 170,000 applications. In the 2022/2023 fiscal year, our average time to hire in the Group was 31 days.

Talent Acquisition & Marketing also intensified its dialogue with our international locations in the 2022/2023 fiscal year. The aim of this initiative is to increasingly standardise all processes across the Group in order to harmonise the candidate journey and the values behind the Bertrandt employer brand. As part of the opening of our new location in Morocco, an induction programme for new HR managers has also been developed to ensure that best practice is shared between locations at an early stage.

Vocational and further training

The vocational training and development of our employees as well as continuous professional development in the sense of lifelong learning are one aspect of the work of the People & Culture department. We consistently support our qualified employees and executives and invest in numerous internal and external vocational and further training programmes. These programmes are all carried out in the Bertrandt Academy and validated and refined by HR Development on an ongoing basis.

Further training activities start at the earliest stage possible: Various models, such as internships or information events, are in place that enable school students to learn about training opportunities at Bertrandt, to share their ideas with us and to gain initial hands-on experience.

Vocational training

Vocational training at Bertrandt combines work-integrated learning, continuous support of seasoned professionals and attractive career prospects with a high probability of being employed on a permanent contract upon completion of the training. Our apprentices and students on dual study programmes are the skilled workers of tomorrow. It is for this reason that we attach such importance to maintaining the high standard of training at Bertrandt.

We have a permanent working group in place for this purpose that focuses on increasing the transparency of our vocational training areas, ensuring the efficiency of processes and increasing our competitiveness in the field of vocational training.

As a result, we were able to derive and implement many measures, such as increasing the salaries we pay our former apprentices in technical and IT professions when they become permanent employees. It is also important to us to validate our vocational training and portfolio of study programmes on an ongoing basis and to align them with future market requirements and technological developments. As at 30 September 2023, we were training 212 apprentices and 12 students on dual study programmes in technical, commercial and IT-related professions.

Further training

The knowledge of our employees plays a critically important role in the success of our company as they provide the basis for the high quality demanded by our customers. Vocational and further training is a key element in ensuring the long-term performance and competence of our employees.

HR Development focuses on supporting employees on their individual development paths. However, learning and development needs differ significantly between employees and today's learning and development opportunities should consequently be much more flexible and individualised. Moreover, the training that employees require is constantly changing. To account for this, we have aligned the Bertrandt Academy with our corporate strategy. In the 2022/2023 fiscal year 4,238 employees completed 28,646 training days in internal and external training and development programmes aimed at further developing their technical competence. Numerous briefings and training sessions were additionally held on technical and legal topics. The focus in the reporting period was primarily on promoting intercultural and language skills as well as expanding project management and sales knowledge and skills.



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We support the individual development of our employees according to their needs through our Centers of Competence Learning & Qualification, Development Consulting, People Diagnostics and Coaching & Team Consulting. We offer e.g. team-building facilitation, coaching and soft-skills training through to a modular 'Leadership Development Programme' and multi-level development counselling.

Within this framework, we have set ourselves the goal of ensuring the continuous expansion of our vocational and further training budget. In the fiscal year 2022/2023 Bertrandt invested a total of EUR 8.4 million (2021/2022: EUR 5.5 million | 2020/2021: EUR 3.5 million) in continuous professional development (CPD). The average number of CPD hours per employee in the Bertrandt Group was 16.8 hours in the reporting period.

Tech Academy

Under the umbrella of the Bertrandt Academy, the Tech Academy was able to further establish itself as a sparring partner for the operating units in the fiscal year 2022/2023. We support the professional development of our employees through our self-developed qualification programmes and training courses. A selected range of our training and qualification paths is also available to our external customers.

In line with the maxim 'sharing experience from practice', around 40 of Bertrandt's own experts take on the role of speakers and trainers, creating a close link with Bertrandt and its day-to-day project work. Almost all training is delivered as blended learning concepts (a combination of e-learning, live online training and/or virtual classrooms). The learning modules are modular and scalable. They take into account project requirements and the individual's own learning pace.

Our comprehensive range of services is designed to meet individual needs, the latest developments in a dynamic market, the needs of our service areas and the Group's strategy. Selected training programmes are already included in our onboarding process to ensure that people get off to a good start. Our range of learning opportunities is complemented by an external learning platform, which offers a wide range of topics for both professional and personal development.

Development support

Special efforts were made in the fiscal year 2022/2023 to provide comprehensive development input with the specific aim of supporting employees and managers who are seeking a change of role. With this in mind, the HR Development department has permanently expanded its advisory services in the form of discussions and individual development plans. This enables all-round support to be given to staff for future roles.

Digital learning

The department has also expanded the digital learning portfolio for sustainable learning to ensure flexible and location-independent participation in CPD measures. To this end, a range of new learning content, such as e-learning units, video tutorials, webinars and podcasts have been designed, developed and made available. In total, we are now able to provide 82% of our training courses digitally, with around 18% taking place in person.

Bertrandt also developed and implemented its first virtual reality training course as part of a cooperation project. The participants experience cultural differences and similarities and different ways of building relationships at first hand. We use these immersive learning environments to promote intercultural cooperation between our teams in the long term.

Career paths

A practice-based example that communicates and makes visible the potential career paths and potential stages along a career route for Bertrandt employees has been developed. This has made the opportunities for further development at Bertrandt more transparent for employees. Personal development can be pursued in various ways at Bertrandt. Many of our employees not only seek to move up within the Company but also opt for professional career pathways. Alternatively, people with a strong interest in particular projects can take on responsibility as project leaders. The same applies to the sales specialists within our workforce.



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E-Learning evaluation

In order to benefit in the future from a uniform and efficient evaluation process for training, we developed and implemented a concept in the fiscal year 2021/2022 that will enable the success of training measures to be determined as beneficially and uniformly as possible, necessary action to be identified and new ideas to be generated. Only by constantly evaluating our measures can we ensure as an employer that further training at Bertrandt continues to be of high quality.

Attractive employer

Our employees are the pillars of our Company, the driving force behind our business success and have top priority at Bertrandt. We therefore attach great importance to the needs and concerns of our staff. In addition to the project group on uniform remuneration, we are pursuing further measures to make Bertrandt even more attractive.

In addition to modern working spaces and attractive sabbatical opportunities, the People & Culture department also focuses on flexible working hours and reconciling the demands of work and family life. We also offer part-time opportunities across all hierarchies. We not only provide corporate benefits, job bike leasing for employees, pension plans, employee loans, additional and employee benefits, our employees are also covered by a group accident insurance policy. With up to 30 days leave for employees on full time contracts, we offer significantly more time off than the legally required minimum. Our employees additionally receive special leave for marriage, the birth or adoption of a child and relocation for operational reasons. A total of 1,428 days of special leave were taken by our employees in the 2022/2023 fiscal year.

Our job bike ('JobRad') leasing programme once again turned out to be a very popular measure adopted by employees for promoting their health and fitness. Under this programme, Bertrandt employees can order up to two new bikes from over 5,500 dealers in Germany. In the 2022/2023 fiscal year, a total of 428 new job bikes were ordered and sponsored by Bertrandt. This even earned us the 'Top JobBike Employer 2023' award from our cooperation partner JobRad GmbH.

In addition, we were again able to offer our employees the popular employee share scheme in this fiscal year. When employees purchase one Bertrandt share under this scheme, they receive two additional shares from Bertrandt that are exempt from tax and social security contributions ('1 + 2 share package').

New employees receive a comprehensive onboarding programme right from the start and a go-to person for 1 to 1 mentoring.

Further training and development opportunities that are designed and pooled in our Bertrandt Academy are also anchored in our corporate strategy. The leadership behaviour of our functional and line managers is being regularly reviewed and developed.



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We offer all employees the opportunity to work remotely, as far as the nature of their work allows. Three remote working days per week, as defined in the Germany-wide policy on remote working, serve as a benchmark for this purpose. Our employees' work performance continues to be of high quality and our company goals are met when they work remotely. It is therefore a matter of course for us place full trust in our employees when they are working remotely. We support employees who wish to work remotely by contributing towards the cost of an ergonomic chair and by providing a basic technical package consisting of a laptop and monitor, mouse and headset.

Bertrandt is an attractive company, as was confirmed in the 2022/2023 fiscal year with the 'Employer of the Future' award. The seal issued by the German Innovation Institute for Sustainability and Digitalisation (Deutsches Innovationsinstitut für Nachhaltigkeit und Digitalisierung) emphasises the importance of these two attributes for employers. Companies that are awarded this seal are therefore considered particularly attractive for young and highly skilled employees.

Employee retention

Bertrandt works on several levels to increase employee loyalty on a long-term basis. In addition to an extensive range of training and continuous professional development measures, bonuses and corporate benefits, we use a continuous and structured feedback process to derive measures that help improve retention.

One result of the employee survey is, for example, an adapted communication concept for our retention measures. We have added content that clearly shows which of the measures adopted by People & Culture increase employer attractiveness and employee loyalty. Here, benefits with added value for internal employees are listed for different areas, e.g. 'Working environment and organisation' (remote working), 'Role & Career' (individual coaching offers), 'Health & Leisure' (international soccer tournaments), 'Culture & Communication' (exchange formats for managers) and 'Compensation & Benefits' (job bike). Bertrandt is also continuously developing its concept of own employee retention.

The success of our employee retention measures can be seen, among other things, in the reduction in our voluntary fluctuation rate by 2.2% to 14.9% compared to the previous year. We made a conscious decision to communicate the voluntary quota, as this is closely linked to employee retention measures.

Feedback from employees

We obtain feedback from our employees through diverse channels and surveys on specific issues in order to increase employee satisfaction and employer attractiveness and to reduce fluctuation in the Company.

Performance reviews are held at least once a year to promote a feedback culture between employees and line managers. These reviews are managed across departments. Bertrandt also worked on the continuous improvement of these reviews in the fiscal year 2022/2023 to make the process more effective, in particular in the form of regular feedback with managers. The overall process was made more flexible by, in particular, integrating the lead structure. Regular information from the leads has enabled managers to prepare more effectively for and to develop performance reviews.

The most important feedback tool at a collective level is the employee survey, which takes place every two years. It includes a new feature implemented in the 2022/2023 fiscal year, i.e. a review of actions taken in the year following the implementation of the respective action. The last employee survey in the 2021/2022 fiscal year achieved a very good participation rate of over 75%. The aim of the review of actions carried out in the 2022/2023 fiscal year is to assess the progress of the actions and to learn what the employees think about them.



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We also conduct annual executive surveys or topic- or project-related surveys on a regularly basis. Moreover, we have enabled our departments to conduct their own surveys in their areas of responsibility, so that individual issues are evaluated more specifically. Feedback is also collected from employees who leave the company. In this case, quantitative data is collected by means of a questionnaire and exit interviews are conducted on a personal level. This data is compiled and analysed at regular intervals to derive recommendations for action as required.

Onboarding

Bertrandt has a standardised onboarding process that is specifically aligned with the corporate strategy. As well as an introductory event at each location, a Group introductory event is also attended by all new employees in Germany. This allows direct networking to take place across locations on the very first day of work.

The ‘Net Promoter Score’ was introduced as a key performance indicator for onboarding in early 2023. The ‘Net Promoter Score’ is typically used as a key figure to measure customer satisfaction, loyalty and retention. Customers (i.e. in Bertrandt's case, new employees who have recently been through the onboarding process) are asked how likely they would be to recommend the product in question – in this case, Group onboarding. The scale used allows for a score of between 0 (not at all likely) and 10 (very likely). The ‘Net Promoter Score’, which lies between –100 and +100, can then be calculated from the responses of all respondents. If the score is above 70, the recommendation rate is exceptionally high.

Since its introduction, the ‘Net Promoter Score’ for Group onboarding has been around 72. The recommendation rate for our Group onboarding programme is therefore exceptionally high, which underlines the quality of the events from the participants' perspective.

Mentoring model

We make sure that all new employees have an assigned mentor they can go to at any time during their probationary period and whose job is to help new hires get off to a good start. In the first few months, in particular, mentors take time to answer questions and impart basic knowledge about Bertrandt. Mentors also makes an important contribution to social integration within the team. Towards the end of the mentoring period, usually after six months, the participants take stock and provide anonymous feedback on the mentoring and the mentoring model.

A survey of employees after the end of their probationary period has shown that mentors play a very important role in helping to integrate new employees. This is why we place particularly high value on the quality of mentors.

Various tools have been available and an e-learning course has been in place since the fiscal year 2021/2022. These are designed to ensure high quality mentoring and to prepare mentors for their task. Mentors are selected by the responsible executives and must observe specific guidelines.

Work–life balance

We support our employees with various programmes that enable them to combine work, family and leisure time. In addition to a flexitime scheme, we also offer part-time jobs and remote working to promote a family friendly working environment. This includes different schemes for parental leave and partial retirement, in accordance with statutory rules. In total, 1,098 of 14,276 employees were employed part-time as at the end of the fiscal year (see table ‘Distribution by type of employment’). Our employees have the opportunity, moreover, to take sabbatical leave as agreed individually. We also offer our employees the opportunity to work remotely, as far as the nature of their work allows. Three remote working days per week, as defined in the Germany-wide policy on remote working, serve as a benchmark for this purpose.



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DISTRIBUTION BY TYPE OF EMPLOYMENT

Number of employees	2022/2023
Bertrandt Group	14,276
Full-time	13,178
Part-time	1,098

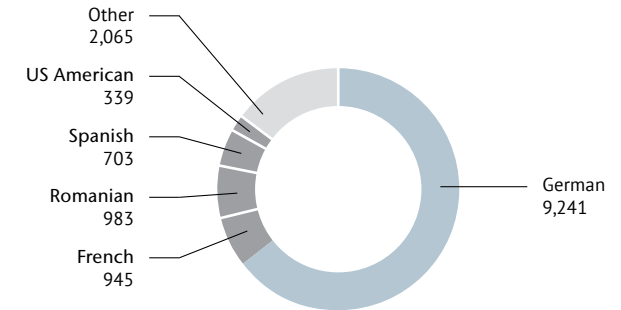
Diversity at the workplace

We are an internationally operating company where people from 111 different nations and many different cultures meet every day. This diversity creates a lively collaborative environment and ensures that we are continuously developing our intercultural learning. The Bertrandt Way describes the unique feeling of being part of something and represents a corporate culture that understands how diversity drives innovation. Respecting the individuality of each employee and using the diversity of our workforce for our joint success is important to Bertrandt. We promote equal opportunities and do not tolerate any form of discrimination. These principles are firmly anchored in our corporate policy. We treat all employees equally, regardless of gender, gender identity and sexual orientation; race; age; skin colour; religion; marital status; social background and physical, psychological or mental impairment. Everybody respects the personal dignity, privacy and personal rights of other people. All colleagues treat each other with honesty and openness, and are guided by respect and responsibility.

NATIONALITIES

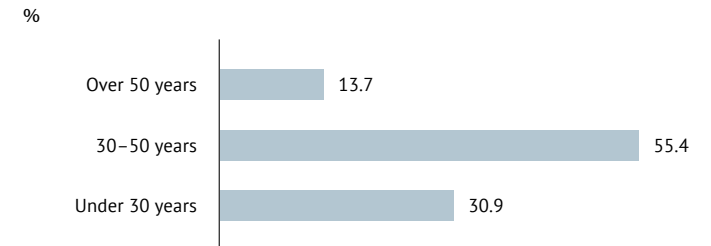
The 5 most common nationalities at Bertrandt AG as at the reporting date 30/09/2023

Number of employees



A diverse workforce is a fundamental element of our HR strategy. For example, we also aim to achieve a balanced mix of experienced and junior employees and we are striving to increase the proportion of women in management positions. The average age of employees as at the reporting date was 36.8 years.

TOTAL WORKFORCE BY AGE GROUP





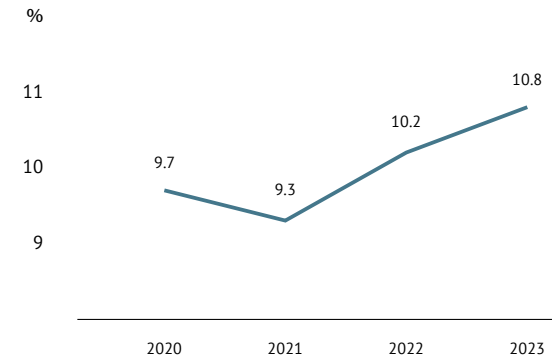
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We have also initiated a number of activities around diversity and inclusion at the workplace in fiscal year 2022/2023. The 'Diversity & Inclusion Management' project group identified key fields of action and developed measures to ensure that the idea of diversity is firmly anchored in our HR organisation and processes. We have also started to create a comprehensive communication platform that brings together internal and external points of contact for our employees, provides information on the core dimensions of diversity and raises awareness among the workforce.

Gender equality

On the whole, women are underrepresented in our industry. This is due, among others, to the fact that girls and young women still appear to be less interested in technical domains, such as electronics, engineering sciences or IT. According to a study by the Ministry of Economic Affairs, Labour and Tourism of the federal state of Baden-Württemberg published in September 2023, the percentage of women among all employees in the STEM professions (sciences, technology, engineering, maths) in the southwestern German state was 18.0% in 2022. In comparison, the Bertrandt Group reported a 23.5% proportion of women in the 2022/2023 fiscal year. We are striving to increase the percentage of women in our workforce by encouraging women's interest in our industry. For instance, we organise information days specifically for women, which aim to demonstrate the diversity of technical and scientific professions in practice. We design our job advertisements to ensure that they appeal to women, men and people of all genders. In general, female interest in technical training is already increasing. According to the above-mentioned study, the proportion of female STEM graduates in Baden-Württemberg was 33.6% in 2022, compared to 27.1% in 2016. The proportion of female managers in the Group was 10.8% as at 30 September 2023 (2022: 10.2%, 2021: 9.3%, 2020: 9.7%).

WOMEN IN MANAGEMENT POSITIONS



We have been awarded the 'Top Career Prospects for Women' seal for Germany by the magazines Focus and Focus Money.

Occupational health and safety

As an employer, it is our aim to ensure a high level of health and safety at the workplace and in the working environment for all our employees. This includes ergonomic workplace design and offers ranging from activities within the framework of our 'Bertrandt Health Management' (BGM) through to occupational safety management. When it comes to occupational health and safety, we rely on preventative measures and the personal responsibility of employees. The occupational safety concepts are adapted to the specific circumstances of the functional areas, which record data on occupational health and safety in line with legal requirements. Only healthy employees can make full use of their skills and in the process make a significant contribution to Bertrandt's ongoing development. From the ergonomic design of workplaces through to health management offers and occupational safety management – the preventive and long-term protection of our employees' health is absolutely essential for us.



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Occupational health and safety at the Bertrandt Group is organised centrally. Within the functional areas, internal occupational safety specialists monitor and advise on the application of relevant regulations and the specific sets of rules that may apply to local entities, or define approaches to be followed by the functional areas such as company-wide rules. Relevant data is reported regularly in order to identify deviations. Where deviations occur, a root cause analysis is initiated, the results are evaluated and, if necessary, corrective or preventive measures are introduced. Regular, annual internal audits support the review of data and management approaches in the Bertrandt companies. This ensures that internal rules and legal requirements are complied with.

Our company health management system was centralised in the 2022/2023 fiscal year and thus offers all employees in Germany access to numerous preventive and health-promoting measures, regardless of their location and place of work. We can make health a top priority for all of us at Bertrandt: our employees can have medical examinations carried out, attend company medical consultations and make use of other health offerings.

Health offerings

As in the past, we also held numerous BGM events in the fiscal year 2022/2023. The offerings ranged from in-person events, such as health days and flu vaccinations, company runs and fruit deliveries, to live digital offerings, such as target group-specific keynote speeches and blended learning units. It is with these varied and targeted health offerings that we want to emphasise that we appreciate our employees and care for their wellbeing.

Remote working and health

We aim to address the health challenges associated with frequent remote working in the best possible way. We therefore launched a digital knowledge base in the fiscal year 2021/2022 that provides our employees with information on issues related to remote working, such as ergonomic workplace design, self-discipline, boundaries between work and private life and break regulations. As an employer, we also encourage ergonomic sitting postures for employees engaged in remote work by contributing towards the cost of a privately purchased ergonomic chair or by making ergonomic chairs available on loan.

BGM offered a digital live programme, especially for our managers, on the topics of motivation, appreciation and team development in the home office and in hybrid work situations.

SOCIAL MATTERS

We have always understood Bertrandt as being both a part of and a partner to society. The size and global scope of our company give rise to obligations and, above all, responsibilities towards our stakeholders. These stakeholders include not only our customers and employees, but also and especially all our partners – regional, national and international – with whom we cooperate in a spirit of trust along value chains, generate growth and contribute to social development.

We take our responsibility towards society very seriously and hold the firm conviction that we can only be successful in a world that is sustainable in all its various dimensions and offers prospects for the future.

We have therefore identified, bundled and implemented measures that we consider to be necessary in this context. Our corporate social responsibility activities range from involvement in issues relevant to the environment and the future of the planet through to social projects and helping to raise the level of education in our society.



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Education

In addition to our internal vocational and further training initiatives, we attach great importance, as a technology partner, to bringing young people into contact with technology and science at an early age. Education is the foundation for our future. We work towards this goal by taking part in numerous training and career fairs, regularly visiting technical colleges and cooperating closely with universities.

It is therefore a matter of course for us that we sponsor several universities and participate in various education-oriented competitions. For this reason, we again decided in the 2022/2023 fiscal year to support four Formula Student teams from various universities, such as the Technical University of Munich or Ostfalia University of Applied Sciences, both financially and by providing corresponding consulting services.

Mobility and safety

Reductions in consumption and emissions in the field of individual mobility have become the buzzwords of our time. With its 'Green Deal' initiative, the European Union once again set stricter framework conditions in this fiscal year. The mobility sectors are consequently stepping up their investment in alternative drive technologies, which is why in the fiscal year under review various OEMs announced that they would be phasing out the combustion engine by 2035. Affected by this change as well, the aviation industry is responding to the altered conditions by accelerating its research and development activities regarding alternative drive systems. We support our customers in their innovation and development activities.

Our technological and technical advances – achieved together with our customers – are also aimed at reducing the traffic accident rate as far as possible. Vehicle technology, including active and passive safety, accordingly is a core capability of the Bertrandt Group. We do pioneer work in various customer projects where we develop driver assistance systems that support the international safe mobility campaign 'Vision Zero'. Statistics underline that the efforts for more traffic safety and the implementation of the 'Vision Zero' concept significantly reduce the number of traffic fatalities. The main goal of the concept is to reduce the number of traffic fatalities to close to zero by 2050. In Germany, a master plan was drawn up as early as 2004 by the association Verkehrsclub Deutschland (VDC), which has since been promoted through political lobbying, campaigns, actions and the dissemination of information.

Safety in society also plays an important role for Bertrandt and is actively promoted in various projects. One example is the engagement of Bertrandt staff members in the local fire brigade in Tappenbeck since 2020. In addition, Bertrandt again financed various items of fire-fighting equipment for the local fire brigade in Lehre during the course of the fiscal year.

Charity projects

Sustainability not only plays an important role for us as a global company – our Bertrandt employees also identify with the issue and want to make a contribution.

For example, around 50 employees from the Hermannstadt, Munich and Steyr locations launched an environmental and climate protection campaign in July 2023. In a major clean-up operation, they cleared the local forest in Hermannstadt of around 70 rubbish bags full of bottles, plastic and other rubbish. On the same day, they helped out at Hermannstadt Zoo by preparing animal feed, painting and mowing the grounds. This has instilled in these colleagues the need to be mindful of the responsible use of natural resources such as energy, water, soil and air.



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Our socio-cological engagement is also very important to us. We were delighted to receive another award from our partner AfB social & green IT – a non-profit organisation that refurbishes and sells used IT equipment. 54% of the around 4,000 IT devices we handed over were loaded with new software and resold last year alone. Compared to manufacturing new devices, the partnership has saved around 846,000 kWh of energy and more than 1.6 million litres of water. In addition, five jobs were secured for people with disabilities.

Local engagement

Sustainable action and social responsibility are key components of Bertrandt's corporate strategy. This is also underlined by the regional cooperation with the Tennental Village Community for people with disabilities. Together with the community's Branch Wood Workshop, Bertrandt has designed a hand-crafted present for its employees to celebrate the birth of a child.

Other local projects were also undertaken during the fiscal year 2022/2023, enabling our branches to do good in the community. For example, blood donation campaigns were once again organised at various Group locations.

Customers

At Bertrandt, we regard our customers and suppliers as valued and trusted partners. We feel a special responsibility towards our customers whose satisfaction is paramount for us. In order to fulfil their needs, we strive – together with our people and suppliers – to ensure the consistently high quality standard of our products, services and processes. This is also confirmed by customer-specific audits. As a technology partner Bertrandt maintains close relations with its customers. The trust they put in our company is of crucial importance. We have to earn this trust anew every day. The satisfaction of our customers is the result of innovation and high-quality services. We seek to add value for our clients and are conscientious in honouring agreements and commitments.

Our customer relationships are shaped by a high level of dependability and strict project confidentiality. Our solid financial standing and the transparency of our organisation are additional important prerequisites for partnerships based on trust. We reject unscrupulous methods of obtaining information. For Bertrandt, loyalty, mutual respect and integrity in dealings with business partners, customers, suppliers and other stakeholders are at the heart of communities of shared values that in the long run prove to be the best value-creating communities. We have supported manufacturers and suppliers in the international automotive and aerospace industries as well as the machinery and plant engineering, power engineering, medical technology and energy sectors for almost 50 years, bringing our expertise to bear in the development of their products. Our activities are driven equally by the challenges of the present and those of the future and the solutions we develop are tailored to the individual needs of our customers. It is our aim to support them by acting as a competent partner with a can-do attitude. They can rely on our know-how and expertise, as well as on a high degree of flexibility in the processes of engineering. Through our development performance we accelerate technological progress. This enables us to make a significant contribution to a sustainable future and promote social and individual independence.

Focus on automotive

Some 90% of our revenues are generated with customers in the automotive industry. Together we work on the development of the 'automobile of the future', focusing in particular on environmental sustainability, safety, comfort and connectivity. We accelerate technological progress in the megatrends that are relevant to us, i.e. digitalisation, the holistic approach to e-mobility, autonomous mobility and sustainability, and we find solutions to the questions they raise in our global development network. With close to 50 years of cross-industry experience, a global presence and our expert organisation, we help shape the future and implement innovative projects for our customers. Our strengths are our many years of transformation experience, our capacity to perform all-round projects from the initial idea through to implementation, production transfer and after-sales, as well as the speed at which we can scale projects.



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Whereas 10 years ago our focus was on the design of individual parts and modules, we are today proactively helping our clients in the development of complete model variants or model series. As a result, the boundaries between different disciplines are becoming increasingly fluid and permeable. For example, the integration of a battery into an electric vehicle always involves several disciplines. Our engineers from the powertrain team work on the dimensioning of the battery and its configuration in the actual vehicle. The electronics specialists contribute their expertise in energy management. Then our testing experts put the system through its paces in different testing cycles, for example to test the discharge behaviour or energy consumption. During the entire production process, we review system suppliers for their ability to manufacture the required components to the best quality and at optimum cost. All this requires seamless interface management between our company, the customer and the system suppliers, as well as between the different disciplines in our engineering team.

Customer centricity

Bertrandt invests in the expansion of its range of services and customer landscape in a targeted manner and with a strong customer focus. The Group demonstrates its cross-location cooperation and competence in the field of electromobility: the construction and modification of entire vehicles has played a major role at Bertrandt for many years. Entire series validation vehicles are constructed in customer projects, from pre-assembly to equipping the vehicles with the corresponding measurement technology. Whether a single vehicle or a small series – Bertrandt supports its customers along the entire life cycle of vehicle prototypes, providing tailor-made solutions and scalable project management.

In the eMobility Systems unit individual components can be manufactured using the laser welding process. This technique is very elaborate and at the same time significant for the future. We also validate series batteries in our laboratories and climate chambers and perform electrical and functional tests on road-to-rig test benches. We are able to offer our customers the full range of tests required and also advise them on test design. One of the special features in the eMobility Testing Solution unit is that we use our own toolchain to provide customers with a comprehensive analysis of the results very quickly after the end of the test. In demanding and dynamic

projects, Bertrandt is able to respond flexibly and at short notice to customers' wishes.

Bertrandt acquired 100% of the shares in Concept AG in July. With this move we are further expanding our range of services, which now also include organisational and process consulting, particularly in manufacturing. This reinforces our range of consulting services. By combining the consulting approach of Concept and the technological expertise offered by Bertrandt, we expect to originate complementary services and open up new service areas in the trend topics of e.g. automation, digitalisation, e-mobility, factory of the future. We also want to share Bertrandt's customer access and further expand customer segments.

Our clients are increasingly demanding sustainability-related services.

In this context, Bertrandt offers sustainable services in the After Sales Solution segment, e.g. in the area of conformity of materials or chemical products or regarding 'Handling End of Life'. For instance, Bertrandt helps its customers implement the technical regulations for handling end-of-life vehicles and batteries. The focus here is on the implementation of take-back schemes for end-of-life vehicles. We develop an end-of-life strategy for HV lithium batteries for our customers that covers environmental requirements worldwide and offers new opportunities through 2nd-life concepts.

Customer satisfaction

In our quality management we are guided by our customers' needs, and in particular by customer satisfaction. In the spirit of our corporate strategy 'All services for all customers', our customer focus is closely aligned with the value chain. In order to determine the degree to which we live up to this promise, we continuously evaluate our customers' satisfaction. These evaluations are based on various key performance indicators (KPIs), which allow us to assess the satisfaction levels we achieve with our customers in the run-up to, during and after the completion of a project.



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Customer satisfaction KPIs are measured and assessed regularly under the processes of our integrated management system, which is certified, among others, to DIN EN ISO 9001. At a strategic level, we also monitor our market share as an additional indicator of customer satisfaction. For example, we determine on a regular basis the number of vehicle models that are launched to the market and the proportion in which Bertrandt was involved. However, our most important gauge has always been our people and the immediate feedback they receive from the customers they work with on a daily basis.

Corporate security and data privacy

We attach highest priority to non-disclosure and the confidential treatment of customers' data. Our internal Compliance and Security Circle was established to define and enforce corporate security and IT security as well as data privacy requirements. We comply as a matter of course with all statutory rules and regulations. Security and data privacy are the responsibility of every individual – whether inside our company or externally. This is why not only our employees, but also our customers and business partners are part and parcel of our security and privacy concept. We disclose the purpose and consequences of data processing and storage and demonstrate how important it is to treat collected data with the highest levels of care. In this way, we ensure that our employees process all data according to a defined purpose and adhere to our security policies. We protect ourselves against threats and risks by investing in effective technologies. Implementation is governed by organisational and technical standards. As part of our corporate security initiatives, regular external audits and approvals are carried out in accordance with the TISAX AL3 standard for all relevant locations. TISAX is based on ISO 27001 and extends the standard's controls to include TISAX-specific maturity levels as well as technical and organisational measures. Our employees receive dedicated training on security matters upon joining Bertrandt, and after that once a year. All Bertrandt employees must sign a non-disclosure agreement (NDA). The NDA also lays down the sanctions to be expected in the case of a severe breach of our rules. Detailed documentation, such as on the confidentiality of documents, the handling and categorisation of information as well as on the use of mobile communication devices and assets, is available to our staff on the intranet.

In order to prevent vulnerabilities, we have developed our IT security processes in particular in the last few years, which we also coordinate with our customers. The development of our security processes has been intensified especially due to the coronavirus pandemic as we needed to ensure business continuity through enabling remote work for our workforce. Thanks to well-prepared processes, we managed quickly to provide the required IT infrastructure to enable the highest possible degree of remote work with the highest possible security for all those employees for whom working away from the office was feasible.

In the period under review there were no breaches arising from the wilful violation of a statutory or contractual provision that triggered a sanction involving a customer or supplier.

RESPECT FOR HUMAN RIGHTS

Business partners

Social standards in the supply chain

As a company acting at a global scale, we believe it is an important aspect of our corporate responsibility to uphold human rights and social standards across our organisation and in the supply chain. We also aim to assume responsibility beyond the Company. Risks in the supply chain are systematically assessed according to the provisions of the German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz) and effective remedial mechanisms are implemented to prevent any potential violations of human rights.



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Management concept

Our commitment to the protection of human rights is set out in our Code of Conduct for Suppliers and Service Providers ('CoC'). The code contains an obligation for our business partners to act responsibly in compliance with the law. The CoC is an integral part of the general purchasing conditions; directly contracted suppliers are required to oblige their sub-contractors as well to comply with these guidelines, and to ensure compliance. The scope of the CoC also extends to our expectations with regard to human rights due diligence obligations in accordance with the provisions of the German Supply Chain Act. The CoC has for a long time been a mandatory basis for establishing a business relationship with Bertrandt. With regard to our existing suppliers, we concentrated in 2022 on consistently implementing the CoC across the group of active business partners. Bertrandt pursues a risk-based approach to identifying potential sustainability risks and human rights violations in the supply chain. This includes using a risk filter for the external ranking of countries according to their compliance with human rights standards. We combine this risk filter with a commodity group-specific view to produce a regular risk report for the Company's senior executives that provides a condensed overview of the risks to which the Company is exposed. Sustainability and other aspects are also evaluated in external quality audits to provide a control mechanism. To ensure better traceability, monitoring and verification of the supply chain, we decided to implement IntegrityNext as a cloud-based platform. This covers aspects of sustainability and CSR requirements relevant with regard to the supply chain. Thanks to ready-made questionnaires, a large number of suppliers can be monitored with minimal administrative effort. In the case of particularly high-risk suppliers or in concrete suspected cases of wrongdoing, our procedures provide for on-site sustainability assessments as part of the quality audits. If deviations are identified, the Company and the supplier agree on corrective action that must be implemented within an appropriate time window. The implementation of such corrective action is verified by Bertrandt. If necessary, issues are escalated via the existing channels, first to the respective head of the business unit and then, as a last resort, to the Management Board of Bertrandt AG.

Where serious violations occur, Bertrandt reserves the right to terminate the business relationship. In addition, Bertrandt provides suppliers, other external third parties and employees with secure reporting channels to report suspected violations. The Company runs an online whistleblowing platform through which employees and third parties can raise concerns about non-compliant behaviour or possible wrongdoing, such as violations of applicable laws or failure to respect internal policies. The platform provider has implemented technical measures that guarantee that, if requested, such concerns can be raised with complete anonymity. The whistleblowing platform represents a further building block in Bertrandt's compliance management and is available to employees on the intranet. Business partners, customers or other third parties can report violations or suspected wrongdoing via Bertrandt AG's website. The system anticipates the requirements that are expected to apply after the transposition of the EU's Whistleblowing Directive into national law.

Selected measures in 2022/2023

In the reporting year we focused in particular on the compliance-oriented implementation of the provisions of the German Supply Chain Act. To this end, an interdisciplinary working group involving the Group's legal department was set up, which dealt intensively with possible actions required under the Supply Chain Act. Besides the country- and product group-specific risk analyses described above, we adapted the agreements with some suppliers and in particular supplemented our central supplier guidelines, also by including stricter requirements. The work results are summarised in a risk report for the Company's senior executives, which is reissued at regular intervals. To increase transparency in the supply chain, we introduced a cloud-based platform that documents the status of each panel supplier in a transparent manner.



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Results and achievements

Bertrandt is striving to further increase the maturity level regarding environmental protection and occupational safety in the supply chain. The Company has therefore further specified the minimum requirements for suppliers and also raised them for individual product groups. These minimum requirements are firmly anchored in our management system and transparent for everybody in our organisation. By consistently pushing our panel strategy we contribute to the continuous improvement in the quality of our supply chain. The cloud-based platform solution Integrity-Next has improved the transparency and traceability of our suppliers. In the reporting period no violations of human rights or environmental standards and regulations were reported to Bertrandt.

COMBATING CORRUPTION AND BRIBERY

Compliance

A key element of sustainable and responsible corporate governance is a value-based understanding of compliance. Integrity and transparency are the values that guide us in our business activities. We are therefore committed to full compliance with applicable law, our own corporate policies and the ethical standards of our industry. This is not exhaustive, but applies explicitly to the areas of corruption and bribery, competition law, accounting and reporting obligations and compliance with human and employee rights, and it applies both within the Group and in the supply chain.

Bertrandt has a compliance management system in place and is consistently developing it further. The Chief Compliance Officer reports directly to the Management Board of Bertrandt AG. The compliance management system pursues the strategic approach of preventing misconduct in advance, investigating suspected wrongdoing such as of breaches of regulations or hazards as quickly as possible and responding appropriately with the necessary measures.

With regard to prevention, risk analyses and audits, codes of conduct for employees and business partners and a broad range of training courses are key components of the compliance management system.

A comprehensive whistleblowing system, which also enables anonymous reporting and communication with Bertrandt's compliance officers, is used to identify risks and clarify suspected cases. The internal investigation process follows clear rules and defined responsibilities and involves the compliance, corporate security and internal audit departments.

In response to identified risks or breaches of regulations, clear compliance reporting mechanisms are used, among other things, to provide the Management Board, Supervisory Board or management with appropriate information. Operational and disciplinary measures are taken in response to breaches of regulations or grievances.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) at Bertrandt means that we are aware of our responsibility to contribute to society and take actions to play our part. This applies to all our locations. While the Management Board is responsible for the process, the responsibility for implementing CSR measures lies with all employees. Bertrandt's Code of Conduct and Compliance Policy are the foundation of our corporate social responsibility provisions.



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Bertrandt Code of Conduct

Our Code of Conduct is an important basis for responsible corporate governance and constitutes an element of the preventive approach in our compliance management (see above). The code summarises the principles and policies that govern both teamwork within the Company and the way we work with external partners. All staff are required to comply with the Code of Conduct. Moreover, superiors act as role models in every respect. They play a monitoring function regarding legal conduct, and demand professionalism, ethical behaviour and compliance as part of Bertrandt's corporate culture. Non-conforming conduct or work processes can be anonymously reported to a compliance officer who assess suspected cases of wrongdoing from a legal point of view. The internal investigation process follows clear guidelines and defined responsibilities and involves the compliance, corporate security and internal audit departments. Where required in individual cases, measures are recommended and their implementation is verified.

Compliance Policy ('15 Golden Rules')

The Compliance Policy specifies the principles set out in the Bertrandt Code of Conduct. It is also an internal Group code of conduct and is intended to prevent breaches of rules by Bertrandt Group employees, particularly in their dealings with competitors, customers or third parties. Fifteen compliance rules provide the framework for ensuring compliance in fundamental areas. Additional explanations are provided in an accompanying Q & A catalogue (FAQs Bertrandt: Compliance Policy).

The Compliance Policy is a topic in different trainings and there is a prominent link to the policy document on our intranet site that is easy for employees to find. All Group employees can report violations or suspected wrongdoing according to the above procedure to the Group's compliance department, which will look into the matters and take follow-up measures.

The compliance officers were notified of 76 suspected breaches of our Compliance Policy. However, further investigations showed that these did not severely affect Bertrandt's actions as a business. The Compliance department attributes the increase in the number of reports over the previous year to the improved organisational processes in the reporting system.

Corporate Governance

Bertrandt AG is the parent company within the Bertrandt Group, which operates with independent legal entities or permanent establishments in Germany, Austria, China, France, Italy, Morocco, Romania, Spain, Turkey, the United Kingdom and the United States of America. As a joint stock company (Aktiengesellschaft) incorporated under the law of the Federal Republic of Germany, Bertrandt AG has a dual management structure consisting of a Management Board and a Supervisory Board. The three members of the Management Board are responsible for managing the Company and are its legal representatives. One of the key tasks of the Management Board is to ensure that statutory provisions are complied with and also that internal policies and ethical principles are followed (compliance). The Supervisory Board comprises six members, two of whom are women. The Supervisory Board supervises and advises the Management Board and appoints its members. The shareholder representatives are elected at the annual general meeting; the last election was in 2019. Following the resignation of a shareholder representative with effect from 30 April 2022, a new member of the Supervisory Board was appointed by the court in his place on 18 May 2022 for the duration of the replaced member's regular term of office. The employee representatives are elected by the employees; the last election was in 2018. Since one employee representative left Bertrandt with effect from 31 December 2022, a new member of the Supervisory Board was appointed by the court in his place by decision on 9 May 2023 for the duration of the replaced member's regular term of office.



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To perform its duties, the Supervisory Board has formed a Human Resources Committee and an Audit Committee. The Management Board meets every two weeks and ad hoc if needed; the Supervisory Board usually meets four times a year and as required. The Supervisory Board and the Management Board maintain an intensive and ongoing dialogue. The Management Board provides the Supervisory Board in a timely manner as well as on a regular basis with comprehensive information on the strategy, the course of business and the Group's situation (including risk situation, risk management, and compliance) and also on the corporate forecast and direction. It also presents to the Supervisory Board the Group's capital expenditure and financial planning and earnings projections for the upcoming fiscal year. The Management Board advises the Chairman of the Supervisory Board without delay of any events that might be of material significance in judging the Company's situation and performance and for its management. Transactions and measures that require the Supervisory Board's approval are submitted to the Board in good time. The members of the Management Board are obliged to immediately disclose to the Supervisory Board any conflicts of interest and also to notify the other Management Board members. No sideline activities, in particular as supervisory board members outside the Group, may be exercised by members of the Management Board unless they have been approved by the Supervisory Board. The Management Board acts without any specific committees. The remuneration structures for the members of the Management Board and the Supervisory Board are comprehensively described in our annual report and are approved by the annual general meeting. The subsidiaries of Bertrandt AG are run independently by their own management. The interests of the Management Board and of the respective subsidiaries' management are coordinated at regular meetings. The recommendations of the Government Commission on the German Corporate Governance Code (GCGC) as amended on 28 April 2022 and published in the electronic Federal Gazette on 27 June 2022 have been and are being fundamentally complied with. The Company has refrained and continues to refrain from applying a small number of recommendations. These deviations are specified in the Company's declaration of conformity of 25 September 2023 and reevaluated on a regular basis.



EU Taxonomy

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Legal background

The non-financial report contains a section with disclosures to be made in accordance with the EU Taxonomy Regulation (EU 2020/852 Article 8 in conjunction with Article 10 (2) of the Delegated Regulation 2021/2178).

The EU Taxonomy is an important component of the European Commission's Action Plan and aims to channel capital flows into sustainable economic activities. The regulation is thus an important building block for achieving climate neutrality by 2050 in line with EU targets as well as the Paris Agreement. It focuses on the following six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

In accordance with the current EU Taxonomy Regulation and the supplementary delegated acts (Article 8 (EU) 2020/852 in conjunction with Article 10 (2) of the Delegated Regulation (EU) 2021/2178), Bertrandt AG is obliged to report only on the first two environmental objectives for the 2022/2023 fiscal year. In last year's report, the taxonomy eligibility of the two environmental objectives was examined and, as from this fiscal year 2022/2023, their taxonomy conformity ('alignment') must also be examined and analysed.

Core business

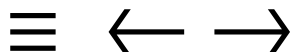
Bertrandt AG has audited all Taxonomy-eligible economic activities listed in the 'Delegated Act on the Taxonomy Regulation' (Delegated Regulation (EU) 2021/2139) based on our business activities as a provider of contract- and project-based engineering services.

After this in-depth review we conclude, as in the previous fiscal year 2021/2022, that our core economic activities do not fall under the classification system of the Delegated Act on the Taxonomy Regulation. They are consequently not reported as Taxonomy-eligible. We have defined activities that, in the case of the Bertrandt Group, are merely supplementary to carrying out our core business activities as Taxonomy non-eligible, because they do not generate external revenues on a stand-alone basis. When considered in isolation, these activities could come under the classification system.

The EU Taxonomy Delegated Act focuses on those economic activities and sectors that have the greatest potential in meeting EU environmental objectives. This essentially includes all those economic activities with a large contribution of greenhouse gas emissions and/or with the greatest emissions saving potential, and economic activities focusing on the long-term storage of carbon or its decomposition in the atmosphere. The economic activities referred to by the Taxonomy Regulation

- a) Annex 1
 - 9.1. ('Close-to-market research, development and innovation'),
 - 9.2. ('Research, development and innovation in the field of direct CO₂ capture from the air')
- b) Annex 2
 - 9.1. ('Engineering activities and related technical consultancy dedicated to adaptation to climate change')
 - 9.2. ('Close-to-market research, development and innovation')

focus among other things on research, applied research and experimental development. These activities do not correspond to the business activities of an engineering services provider such as Bertrandt who works on a project-by-project basis to develop near-production or production solutions on behalf of customers.



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Taxonomy-eligible share of revenues

The above analysis explains why the proportion of our revenues from Taxonomy-eligible activities is 0%. Nevertheless, the Group's economic activities can contribute to the European Union's environmental goals. For example, we are involved in development projects for lightweight design, alternative or zero-emission drive systems or vehicles, and we conduct testing activities for batteries or program software solutions to reduce consumption or emissions.

Taxonomy-eligible proportion of capital expenditure (CapEx) and operating expenditure (OpEx)

In addition to the turnover KPI, CapEx (capital expenditure) and OpEx (operating expenditure) are among the other relevant key performance indicators (KPIs) in the Taxonomy Regulation. Pursuant to Article 10 (2) of the Delegated Act on Article 8 of the Taxonomy Regulation, the KPIs relating to Taxonomy-eligible economic activities and Taxonomy non-eligible economic activities must be disclosed for fiscal year 2022/2023. As our economic activities as an engineering services provider do not come under the Delegated Act supplementing the Taxonomy Regulation and thus the Taxonomy-eligible proportion of our revenues is 0%, the associated capital expenditure and operating expenditure is consequently also 0% in each case (see Table EU Taxonomy KPIs). Given the analysis above, there are no investment plans aimed at improving a Taxonomy-eligible economic activity in order to align it to the Taxonomy or to expand an economic activity.

However, we are also required to report any capital and operating expenditure associated with the purchase of output from Taxonomy-eligible economic activities and certain individual measures that enable their target activities to become low-carbon or lead to a reduction in greenhouse gas emissions. These CapEx and OpEx will be considered in this chapter.

Accounting methods

The Taxonomy-eligible KPIs are determined in accordance with the statutory requirements of Annex I of the Delegated Act supplementing Article 8 of the Taxonomy Regulation. The accounting method applied is described as follows:

Turnover KPI

The proportion of Taxonomy-eligible economic activities of our total revenues was calculated as the portion of net revenues derived from products and services related to Taxonomy-eligible economic activities (numerator), divided by total net revenues (denominator). The denominator of the turnover KPI is based on our consolidated net revenues in accordance with IFRS 15. Further details on our accounting principles for reporting our total revenues are provided in the notes to this Annual Report on pages 147 to 149. For the numerator, we have not identified any Taxonomy-eligible activities, as explained at the outset. Our total revenues can be derived from the consolidated financial statements (see consolidated income statement and consolidated statement of comprehensive income).

CapEx KPI and OpEx KPI

1. CapEx KPI

The CapEx KPI is calculated by dividing Taxonomy-eligible CapEx (numerator) by total CapEx (denominator) as per Taxonomy Regulation.

The numerator is explained below in the chapter 'Explanation of the CapEx and OpEx KPI numerators'. In accordance with the Taxonomy Regulation, total capital expenditure as the denominator includes additions to property, plant and equipment (IAS 16), additions to intangible assets (IAS 38) and additions to right-of-use assets (IFRS 16) during the fiscal year, before depreciation, amortisation and remeasurement, including those additions resulting from remeasurements and impairments and excluding changes in fair value. Additions to the group of consolidated companies are also included. Goodwill is not included in CapEx as it is not defined as intangible asset under IAS 38.



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Further details on capital expenditure can be found in this Annual Report on page 92. Our total capital expenditure can be derived from the notes to the consolidated financial statements. They are the sum of the additions of the previously mentioned items.

2. OpEx KPI

The OpEx KPI is calculated by dividing Taxonomy-eligible OpEx (numerator) by total OpEx (denominator) as per Taxonomy Regulation. The numerator is explained below in the chapter ‘Explanation of the CapEx and OpEx KPI numerators’. By definition, the total operating expenditure denominator covers direct, non-capitalised costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, and all other direct expenses related to the day-to-day servicing of assets of property, plant and equipment. This includes the following:

- The volume of non-capitalised leases was determined in accordance with IFRS 16, and it includes expenses for short-term leases and leases of low-value assets (cf. page 168 of this Annual Report). Although leases of low-value assets are not explicitly referred to in the Delegated Act supplementing Article 8 of the Taxonomy Regulation, we have interpreted the legislation to include such leases.
- Maintenance and repair costs and other direct expenses related to the day-to-day servicing of property, plant and equipment assets were determined on the basis of the maintenance and repair costs allocated to our internal cost centres. The corresponding cost items can be found in various line items of our income statement and also include building renovation measures.
- There are no significant research and development expenses at Bertrandt due to our business model: we conduct research and development on behalf of our customers in our day-to-day business and report the related revenues directly as total revenues.

As a rule, these items are costs for services and materials for daily maintenance and for regular and unplanned maintenance and repair measures. This does not include expenses for the day-to-day operation of property, plant and equipment, such as the cost of employees operating machinery and expenses for raw materials, electricity or fluids needed to operate property, plant and equipment. Direct costs for training and other measures related to employees are not included in either the denominator or the numerator. The reason for this is that Annex I of the Delegated Act supplementing Article 8 of the Taxonomy Regulation lists these costs only for the numerator, so that no mathematically meaningful calculation of the OpEx KPI is possible.

Explanation of the numerators of the CapEx and OpEx KPIs

Bertrandt AG has not identified any Taxonomy-eligible economic activities and has no CapEx plans aimed at improving a Taxonomy-eligible economic activity in order to align it to the Taxonomy or to expand a Taxonomy-aligned economic activity. Therefore, CapEx and OpEx related to assets or processes associated with Taxonomy-eligible economic activities are not included in the numerator of the CapEx KPI or OpEx KPI.

Only CapEx and OpEx of ‘category (c)’ can therefore be classified as Taxonomy-eligible, i.e. as CapEx or OpEx related to the purchase of output from Taxonomy-eligible economic activities and individual measures that enable specific target activities (our Taxonomy non-eligible activities) to become low-carbon or to lead to greenhouse gas reductions (according to Annex I section 1.1.2.2. (c) of the Delegated Act supplementing Article 8 of the Taxonomy Regulation). We have evaluated this category for fiscal 2022/2023 as follows for Taxonomy eligibility purposes:

CapEx/OpEx that fall into this category are classified as Taxonomy-eligible if the purchased output or measure meets the description of the economic activity in question. This applies, for example, to the purchase of output from an individually Taxonomy-eligible economic activity, regardless of whether these CapEx or OpEx result in greenhouse gas reductions.



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The following economic activities that give rise to CapEx and OpEx and that can be considered as purchased output or measures that are by themselves Taxonomy-eligible have been identified pursuant to the Delegated Act supplementing the EU Taxonomy Regulation:

Description of the purchased individually Taxonomy-eligible output or measure	Related economic activity pursuant to Annex I of the Delegated Act supplementing the Taxonomy Regulation
Bicycle fleet (rental, maintenance, repair and leasing)	6.4 Operation of devices for personal mobility, cycle logistics
Passenger car fleet (rental, maintenance, repair and leasing)	6.5 Transport by motorbikes, passenger cars and light commercial vehicles
Renovation measures on existing buildings	7.2 Renovation of existing buildings
Maintenance and repair of energy-efficient equipment in existing buildings	7.3 Installation, maintenance and repair of energy efficiency equipment
Charging stations for electric vehicles	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
Devices for central control of heat flows for building heating and air conditioning	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings

For allocation purposes, we have identified the relevant purchases and measures and the primary related economic activity specified in the Delegated Act supplementing the EU Taxonomy Regulation to ensure that neither CapEx nor OpEx items are considered more than once.

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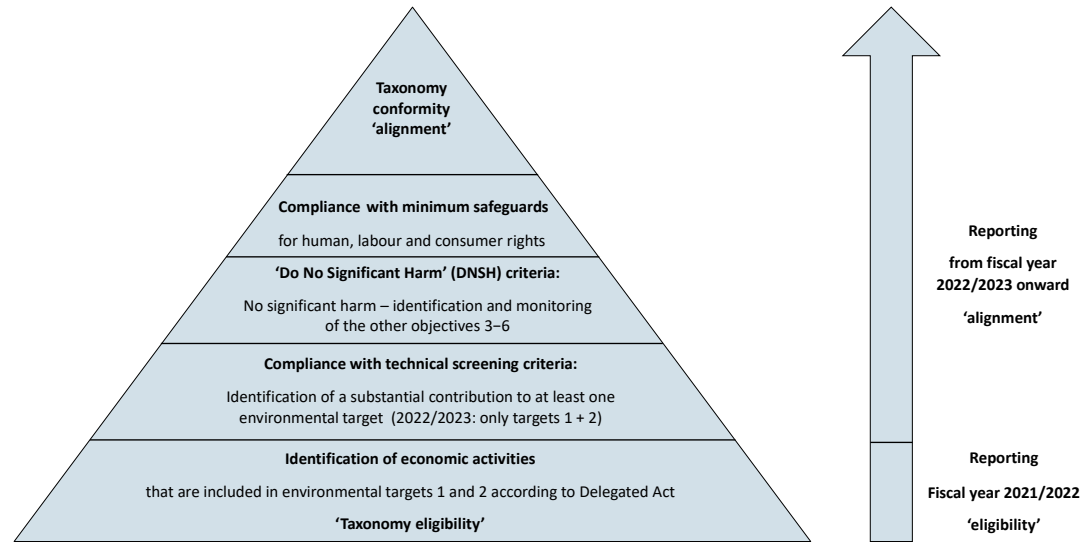
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Taxonomy-aligned economic activities of Bertrandt AG

The Bertrandt AG carried out a taxonomy conformity audit in the 2022/2023 fiscal year for the Taxonomy-eligible economic activities listed above. These include compliance with the technical evaluation criteria, the so-called minimum safeguards and the ‘Do No Significant Harm’ (DNSH) analysis. The activities associated with category (c) CapEX and OpEx are so-called ‘purchase of output’ activities. The main services or products in connection with these activities are purchased from third parties. Due to a lack of information from third parties, Bertrandt AG was not able to make a well-founded statement on the Taxonomy-aligned proportion

of such activities and to report them accordingly. For example, no concrete and well-founded statement can be made about economic activity 6.4 as the necessary data could not be collected. By way of support, an ESG platform (Environment, Social and Governance) and a process for informing and surveying suppliers about ESG have been established. The platform is intended to help obtain the relevant information from third parties. The implementation of this platform and the process will be continued in the 2023/2024 fiscal year, so that the Taxonomy-aligned proportions (category (c) CapEx and OpEx) can be determined and evaluated in future. However, this requires suppliers to implement the corresponding Taxonomy-aligned processes as well.



TURNOVER KEY PERFORMANCE INDICATOR (KPI)

		Criteria for a material contribution							DNSH criteria ('no significant harm')												
		Codes	Absolute turnover in EUR million	Proportion of turnover in %	Climate mitigation in %	Adaptation to climate change in %	Water and marine resources in %	Circular economy in %	Environmental pollution in %	Biodiversity and ecosystems in %	Climate mitigation Y/N	Adaptation to climate change Y/N	Water and marine resources Y/N	Circular economy Y/N	Environmental pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Category (enabling activity) E	Taxonomy-aligned proportion of turnover, year 2021
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27	Introduction	A. Taxonomy-eligible activities (%)																			
32	Description of the business model	A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
33	Opportunities and risks assessment																				
39	Materiality analysis																				
40	Mandatory disclosures under Section 289c (2) German Commercial Code (HGB)	Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
63	<u>EU Taxonomy</u>	A.2 Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned)																			
72	C GROUP MANAGEMENT REPORT																				
122	D REMUNERATION REPORT																				
141	E CONSOLIDATED FINANCIAL STATEMENTS	activity 6.4	77																		
		activity 6.5	49																		
		activity 7.2	49/53/77																		
		activity 7.3	42/43/71																		
		activity 7.4	42/43/71																		
213	F FURTHER INFORMATION	activity 7.5	42/43/71																		
		Turnover from Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned) (A.2)																			
		Total (A.1 + A.2)																			
		B. Taxonomy non-eligible activities																			
		Turnover from Taxonomy non-eligible activities (B)																			
		Total (A + B)																			



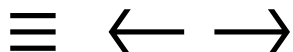
OPEX- KPI

		Criteria for a material contribution										DNSH criteria ('no significant harm')									
		Codes	Absolute OpEx in EUR million	Proportion of OpEx in %	Climate mitigation in %	Adaptation to climate change in %	Water and marine resources in %	Circular economy in %	Environmental pollution in %	Biodiversity and ecosystems in %	Climate mitigation Y/N	Adaptation to climate change Y/N	Water and marine resources Y/N	Circular economy Y/N	Environmental pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy-aligned proportion of OpEx, year 2022	Taxonomy-aligned proportion of OpEx, year 2021	Category (enabling activity) E	Category (transitional economic activity) T
02	The fiscal year 2022/2023																				
04	WE are Bertrandt																				
06	A A LETTER TO THE SHAREHOLDERS	Economic activities																			
25	B CORPORATE SOCIAL RESPONSIBILITY REPORT																				
27	Introduction	A. Taxonomy-eligible activities (%)																			
32	Description of the business model	A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
33	Opportunities and risks assessment	OpEx from environmentally sustainable activities (Taxonomy-aligned) (A.1)																0			
39	Materiality analysis	A.2 Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned)																			
40	Mandatory disclosures under Section 289c (2) German Commercial Code (HGB)																				
63	<u>EU Taxonomy</u>																				
72	C GROUP MANAGEMENT REPORT																				
122	D REMUNERATION REPORT	activity 6.4	77	1,340	15.6																
		activity 6.5	49	2,439	28.4																
141	E CONSOLIDATED FINANCIAL STATEMENTS	activity 7.3	42/43/71	1,978	23.1																
		activity 7.5	42/43/71	487	5.7																
213	F FURTHER INFORMATION	OpEx from Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned) (A.2)																			
		Total (A.1 + A.2)		6,244	72.8													0			
		B. Taxonomy non-eligible activities																			
		OpEx from Taxonomy non-eligible activities (B)		2,333	27.2																
		Total (A + B)		8,577	100																



CAPEX KPI

		Criteria for a material contribution								DNSH criteria ('no significant harm')											
		Codes	Absolute CapEx in EUR million	Proportion of CapEx in %	Climate mitigation in %	Adaptation to climate change in %	Water and marine resources in %	Circular economy in %	Environmental pollution in %	Biodiversity and ecosystems in %	Climate mitigation Y/N	Adaptation to climate change Y/N	Water and marine resources Y/N	Circular economy Y/N	Environmental pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy-aligned proportion of CapEx, year 2022	Taxonomy-aligned proportion of CapEx, year 2021	Category (enabling activity) E	Category (transitional economic activity) T
02	The fiscal year 2022/2023																				
04	WE are Bertrandt																				
06	A A LETTER TO THE SHAREHOLDERS	Economic activities																			
25	B CORPORATE SOCIAL RESPONSIBILITY REPORT																				
27	Introduction	A. Taxonomy-eligible activities (%)																			
32	Description of the business model	A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
33	Opportunities and risks assessment	CapEx from environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0														0			
39	Materiality analysis	A.2 Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned)																			
40	Mandatory disclosures under Section 289c (2) German Commercial Code (HGB)	activity 6.5	49	3,997	10.5																
63	<u>EU Taxonomy</u>	activity 7.2	49/53/77	34	0.1																
72	C GROUP MANAGEMENT REPORT	activity 7.3	42/43/71	96	0.3																
122	D REMUNERATION REPORT	activity 7.4	42/43/71	421	1.1																
141	E CONSOLIDATED FINANCIAL STATEMENTS	CapEx from Taxonomy-eligible activities that are not environmentally sustainable (not Taxonomy-aligned) (A.2)																			
213	F FURTHER INFORMATION	Total (A.1 + A.2)	4,548	12.0														0	0		
		B. Taxonomy non-eligible activities																			
		CapEx from Taxonomy non-eligible activities (B)	33,426	88.0																	
		Total (A + B)	37,974	100																	



CR PERFORMANCE INDICATORS

		KPI	2022/2023	2021/2022
		Unit		
		Workforce		
		Workforce development		
		Employees	14,276	13,179
		Change over previous year	1,097	1,149
		Organic growth	1,061	722
		Distribution by gender		
		Male	10,925	10,257
		Female	3,349	2,922
		Diverse	0	0
		Not specified	2	0
		Most frequent nationalities		
		German	9,241	8,839
		French	945	866
		Romanian	983	761
		Spanish	703	408
		US American	339	294
		Type of employment		
		Full-time	13,178	12,241
		Part-time	1,098	938
		Employee retention		
		Voluntary fluctuation rate	14.9	17.1
		Age (mean)		
		Years	36.8	37.0
		Age distribution		
		Per cent		
		Under 30 years	30.9	27.7
		30–50 years	55.4	58.8
		Over 50 years	13.7	13.6
		Women in management		
		Per cent		
		Women in management positions	10.8	10.2
		Women in 2nd level management positionen	7.4	6.1
		Women in 1st level management positionen	12.7	12.5
		New hires		
		Numbers		
		Male	3,046	2,787
		Female	1,051	781
		Diverse	0	0
		Continuous professional development		
		Hours		
		CPD hours per employee	16.8	-
		Days		
		Training days, total	28,646	-
		EUR million		
		Cost	8,366	5,500

		KPI	2022/2023	2021/2022
		Unit		
		Governance/integrity		
		Compliance management		
		Hours		
		Compliance training for employees	1,065	n. s.
		Numbers		
		Reported suspected violations of anti-corruption and anti-bribery rules	0	0
		Numbers		
		Confirmed violations of anti-corruption and anti-bribery rules	0	0
		Sustainable purchasing		
		%		
		CoC quota	92,3	n. s.
		CO₂ emissions energy		
		m ²		
		Total ground area in m ²	324,546	292,175
		t/m ²		
		CO ₂ emissions	0.07	0.105
		Paper consumption		
		t/m ²		
		Paper consumption	0.04	0.05
		Tonnes		
		Waste disposal		
		Waste total	3,168	2,797
		Waste for recovery	432	592
		Paper	283	332
		Recyclables	1,552	1,146
		Hazardous waste	396	345
		Construction and demolition waste	136	123
		Packaging waste	304	159
		Other waste from workshops	21	34
		Canteen waste	20	27
		Green waste	24	27

n. s. = not specified