
ZEPPELIN
WE CREATE SOLUTIONS
SUSTAINABILITY REPORT
2024

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STATEMENT BY THE GROUP MANAGEMENT BOARD*

Alexandra Mebus, Matthias Benz, Christian Dummler

DEAR CUSTOMERS, PARTNERS AND READERS, DEAR EMPLOYEES,

Since 2019, Zeppelin has voluntarily reported in accordance with the Global Reporting Initiative's (GRI) international standard. This is the sixth report on the Zeppelin Group's sustainability and the first to be prepared based on the new European Sustainability Reporting Standards (ESRS), representing a further professionalization of our non-financial reporting.

The 2024 financial year was challenging for the Zeppelin Group, marked by unfavorable market developments, margin and cost pressures, and special factors. To safeguard earnings, measures were introduced and implemented early in 2024. Despite these challenges, the Zeppelin Group increased its investments in Corporate Social Responsibility (CSR) by over 12 percent compared to the previous year, reaching EUR 7.69 million in 2024. The focus remains on achieving greenhouse gas neutrality in ongoing business operations (Scope 1+2) by 2030. To this end, we are carrying out extensive energy-efficient renovations of our properties, ensuring that all new buildings meet the greenhouse gas neutrality standard, and expanding our electromobility initiatives. These measures have resulted in significant improvements in energy efficiency, reduced freshwater withdrawal, and a more attractive working environment for our employees at modernized locations.

Zeppelin is committed to measurable, sustainable development with clearly defined Environmental, Social, and Governance (ESG) goals. The company's commitment is illustrated by progress such as achieving electricity self-sufficiency at the Friedrichshafen site, saving energy and emissions, and constructing a climate-neutral building in Eschweiler. Additionally, sustainable initiatives were promoted during CSR Week 2024 and World Cleanup Day. Biodiversity and ecological land use were promoted through the focus topic, "Biodiversity." Sustainable products and services are also a key component of the sustainability strategy. In summer 2024, Zeppelin Rental and Wacker Neuson organized a "Zero Emissions: Sustainable Construction" Day of Action.

At five interactive stations in a gravel pit near Wolfertschwenden, 100 invited guests were given insight into the two companies' zero-emission solutions. Zeppelin's social commitment continued in the form of financial support for various social projects, such as supporting HIV-infected street children in Africa through the "Home from Home" program, as well as by giving employees time off to help with clean-up efforts in the event of severe weather disasters. Zeppelin has supported sports facilities for many years, including sponsoring the multiple German champion VfB Volleyball Friedrichshafen and supporting cultural events such as the Erl Festival and the Kulturhaus Caserne Friedrichshafen.

Looking ahead, sustainability management in the Zeppelin Group will continue to be dynamic. In the coming years, changing regulations and the takeover of the sales and service organization for Cat construction equipment, rental solutions, and power systems in Norway and the Netherlands from Pon Holdings will be key influencing factors. Norway and the Netherlands are both pioneering nations when it comes to sustainable innovations and developments. Consequently, this acquisition brings significant opportunities for Zeppelin to expand its sustainable product and service portfolio, facilitate knowledge transfer, and strengthen our sustainable corporate culture.

On behalf of the Group Management Board
Matthias Benz, Christian Dummler, Alexandra Mebus

* Group Management Board in the year 2024

VOICES FROM THE ZEPPELIN GROUP

More than 200 Zeppelin employees from 26 countries, spanning all strategic business units and nearly all departments, contributed to this report. The Zeppelin Group Sustainability Report 2024 is a great group-wide team effort, from data collection and verification to clarifying specific issues and processes to final reporting. Thank you to everyone involved!

Sebastian Kopp
CSR Manager – Zeppelin GmbH

Zeppelin is diverse. In 2024, we employed people from 91 different nationalities in 26 countries. These individuals have diverse backgrounds, experiences, perspectives, limitations, and disabilities. Equal opportunities and diversity are important to Zeppelin, both ethically and strategically. They are key factors in our ability to innovate and ensure the company's long-term success. We are proud to be actively committed to this through our Z COLOURFUL initiative, our corporate culture characterized by tolerance and mutual respect, and as a member of the Diversity Charter and founding partner of Employers for Equality.

Elisa Wang-Ruehrnoessl
Teamlead Diversity, Equity, Inclusion (DEI) and Health Management – Zeppelin GmbH

The Zeppelin Sustainable Tire Alliance has made significant progress in producing sustainable tires in 2024. In addition to engineering Europe's largest pyrolysis plant, we are developing a design study for a large-scale recycling plant in the Middle East. In collaboration with Kunststofftechnik Paderborn (KTP), we are working on the DevEl research project, which focuses on the devulcanization of elastomers. Our goal is to reduce CO_2 emissions, conserve resources, and reuse valuable materials.

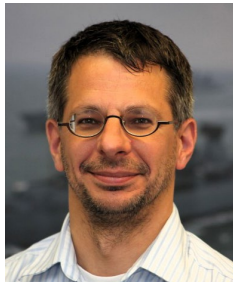
Patrick Buder
Sustainability Strategy Manager – SBU Plant Engineering

We are thrilled that an increasing number of customers are choosing our "Cat Certified Rebuild" program. Through a manufacturer-certified overhaul, this service restores used Cat equipment to as-new condition, thus doubling the machine's useful life: "Built to be rebuilt." This is unique in the industry. A "Certified Rebuild" saves costs and valuable resources while reducing environmental impact and helping our customers minimize their ecological footprint.

Thomas Wiedemann
Head of Service Sales – SBU Construction Equipment

We helped a customer reduce its fuel consumption from 60,000 to 10,650 liters and its CO_2 emissions by 98 % in 2024 by using Stage V diesel generators, battery storage, and hydrotreated vegetable oil. About 82 % of the reduction is due to substituting diesel energy with electrical energy (battery storage). At Zeppelin Rental, we are proud to offer this comprehensive solution. Furthermore, at the "Zero Emission" Action Day in 2024, we demonstrated that emission-free construction sites are already possible today.

Dr. Markus Heidak
Senior CSR Manager – SBU Rental



At Power Systems, we are intensely working on solutions for one of the energy sources of the future: hydrogen. Our hybrid system, which consists of a low-temperature fuel cell and battery, makes off-grid applications with dynamic loads possible today. This is common on construction sites and in industry. Our system is more efficient than other technologies and can provide a sustainable energy supply with no emissions or exhaust gases during operation. The first milestone is our PEM demonstrator, which interested customers can use to experience its advantages firsthand. We are currently using it to develop market-ready products and a green hydrogen supplier network.

Keno Leites
Head of Fuel Cell Competence Center – SBU Power Systems

CSR WEEK 2024: REINHOLD MESSNER INSPIRES SUSTAINABILITY

The Zeppelin CSR Week 2024 was three days full of insights, exciting topics, and inspiring personalities. Guests from the Zeppelin Group, as well as other organizations and science, were invited to participate in panel discussions and presentations. Topics included sustainable construction, corporate social responsibility, and artificial intelligence, as well as sustainable innovations within the Zeppelin Group. The highlight and conclusion was a living legend of mountaineering: Reinhold Messner. He has climbed all the eight-thousanders and was the first person to reach the summit of Mount Everest without supplemental oxygen. However, Messner is much more than an extreme sportsman; he has always been passionately committed to nature conservation. As a guest of CSR Week 2024, Messner offered Zeppelin employees new perspectives on sustainability. During his inspiring talk and subsequent panel discussion, Messner, now 80 years old, shared unique experiences and made exciting connections to everyday and professional life.

The Zeppelin employees learned firsthand what it takes to master extreme expeditions: confidence, persuasiveness, and a clear plan – qualities that are also crucial in working life. Messner also emphasized the importance of dealing with setbacks properly. Only those who accept defeats as valuable learning moments can draw lasting conclusions from them. After the first day of CSR Week 2024, which focused on sustainable construction, the topic came up in conversation with Messner. His museum buildings and other projects set a strong example: Infrastructure and nature are not mutually exclusive.

SUSTAINABILITY IN THE STRATEGIC BUSINESS UNITS (SBUs)

SBU CONSTRUCTION EQUIPMENT (GERMANY & AUSTRIA, INTERNATIONAL)

	2023	2024	Development
Sales (EUR million)	2,326	2,101	-9.7 %
Employees (headcount)	4,516	4,546	+0.7 %
GHG emissions Scope 1+2 (t CO_2e)	24,314	22,208	-8.7 %
Total water withdrawal (m^3)	77,941	71,897	-7.8 %
Health rate (%)	96.1	96.2	+0.1 %
Accidents at work (> 3 days)	94	96	+2.1 %
Proportion of women (%)	15.6	15.1	-3.3 %

SBU POWER SYSTEMS

	2023	2024	Development
Sales (EUR million)	461	553	+19.9 %
Employees (headcount)	1,029	1,138	+10.6 %
GHG emissions Scope 1+2 (t CO_2e)	2,359	2,210	-6.3 %
Total water withdrawal (m^3)	3,313	3,249	-1,9 %
Health rate (%)	95.8	95.9	+0.1 %
Accidents at work (> 3 days)	11	19	72.7 %
Proportion of women (%)	16.1	15.2	-6.0 %

SBU RENTAL

	2023	2024	Development
Sales (EUR million)	739	806	+8.9 %
Employees (headcount)	2,373	2,463	+2.7 %
GHG emissions Scope 1+2 (t CO_2e)	10,591	10,041	-5.2 %
Total water withdrawal (m^3)	23,819	23,063	-3.2 %
Health rate (%)	94.3	93.7	-0.6 %
Accidents at work (> 3 days)	79	69	-12.7 %
Proportion of women (%)	19.0	19.4	+2.6 %

SBU PLANT ENGINEERING

	2023	2024	Development
Sales (EUR million)	518	472	-8.9 %
Employees (headcount)	1,863	1,741	-6.5 %
GHG emissions Scope 1+2 (t CO_2e)	3,615	3,449	-4.6 %
Total water withdrawal (m^3)	24,117	23,007	-4.6 %
Health rate (%)	96.5	96.3	-0.2 %
Accidents at work (> 3 days)	22	11	-50.0 %
Proportion of women (%)	18.4	19.4	+5.8 %

GENERAL INFORMATION

ESRS 2 GENERAL DISCLOSURES

BASIS FOR PREPARATION

→ ESRS 2 BP-1, ESRS 2 BP-2

The scope of consolidation of this non-financial statement is the same as that of the financial report (Annual Report 2024, pp. 118 ff.). The following subsidiaries are included for the 2024 financial year:

Name	Country	Location
Zeppelin GmbH	Germany	Friedrichshafen
AT Baumaschinentechnik Beteiligungs GmbH	Germany	Munich
IBH Engineering office Herzbruch GmbH	Germany	Schwelm
klickrent GmbH	Germany	Berlin
Magdalena Kitzmann GmbH (sale of shares as of May 31, 2024)	Germany	Lengerich
METON GmbH	Germany	Garching near Munich
SITECH Germany GmbH	Germany	Oberhausen
Zeppelin Aviation & Industrial Service GmbH	Germany	Friedrichshafen
Zeppelin Baumaschinen GmbH	Germany	Garching near Munich
Zeppelin Lab GmbH	Germany	Berlin
Zeppelin Power Systems GmbH	Germany	Hamburg
Zeppelin Rental GmbH	Germany	Garching near Munich
Zeppelin Systems GmbH	Germany	Friedrichshafen
Zeppelin Armenia LLC	Armenia	Abovyan
Zeppelin Systems Benelux N.V.	Belgium	Genk
Zeppelin Systems Latin America Equipamentos Industriais Ltda	Brasilien	São Paulo
Zeppelin Systems China (Beijing) Co. Ltd.	China	Beijing
Zeppelin Systems China (Shanghai) Co. Ltd.	China	Shanghai
SITECH Danmark A/S	Denmark	Horsens
Zeppelin Danmark A/S	Denmark	Brondby
Zeppelin Rental Danmark A/S (formerly Zeppelin Rental Danmark ApS)	Denmark	Viby Sjælland
Zeppelin Systems UK Limited	England	Nottingham
Baltic Marine Contractors OÜ	Estonia	Tallinn
Zeppelin Systems France S.A.R.L.	France	Vénissieux, Cedex
Smart Controls India Ltd.	India	Madhya, Prades
Zeppelin Systems India Pvt. Ltd.	India	Vadodara

Prades	Country	Location
Zeppelin Systems Italy S.p.A.	Italy	Reggio Emilia
SITECH Austria GmbH	Austria	Steyr
Zeppelin Austria GmbH	Austria	Fischamend near Vienna
Zeppelin Rental Austria GmbH & Co. KG	Austria	Fischamend near Vienna
Zeppelin Rental Austria GmbH	Austria	Fischamend near Vienna
Zeppelin Polska Sp. z.o.o.	Poland	Warsaw
Zeppelin Real Estate Russia OOO	Russia	Moscow
Zeppelin Power Systems Russia OOO	Russia	Moscow
Zeppelin Russia OOO	Russia	Moscow
Zeppelin Systems Gulf Co. Ltd.	Saudi Arabia	Al Jubai
SITECH Sverige AB	Sweden	Örebo
Zeppelin Sverige AB	Sweden	Mölndal
Zeppelin International AG	Switzerland	Steinhausen
Zeppelin Systems Singapore Pte. Ltd.	Singapore	Singapore
Levotec s.r.o. (consolidated for the first time in 2024)	Slovak Republic	Levoca
Zeppelin SK s.r.o.	Slovak Republic	Banska, Bystrica
Zeppelin Systems Korea Corporation	South Korea	Gyeonggi-do
Zeppelin Tajikistan OOO	Tajikistan	Dushanbe
Zeppelin CZ s.r.o.	Czech Republic	Modletice at Prague
Construction SITECH CZ s.r.o.	Czech Republic	Brno
Zeppelin Turkmenistan JV	Turkmenistan	Ashgabat
PJSC „Ukrcukorteploi-zolyaciya“ (UCTI)	Ukraine	Vyshneve
Zeppelin Marine Service Ukraine LLC	Ukraine	Kiev
Zeppelin Ukraine TOV	Ukraine	Kiev
Zeppelin Central Asia Machinery OOO	Uzbekistan	Tashkent
Zeppelin Systems USA Inc.	United States of America	Odessa/Florida

The sustainability statement covers all aspects of the company's sustainability, including its own business activities and the upstream and downstream value chains identified as material through the double materiality assessment (DMA). Below are some general disclosures in connection with the ESRS disclosure requirements:

- **Changes and omissions:** This is the Zeppelin Group's first non-financial statement prepared based on ESRS standards. Compared to previous reporting in accordance with the Global Reporting Initiative (GRI) standard, there are many changes in content. Therefore, this report should be read as an initial report, and changes and corrections to previous reporting periods will only be included in subsequent reports in accordance with the ESRS standard. Not all future disclosure requirements have been met, and transitional provisions have been utilized. An overview of fulfilled and missing data points can be found in the notes.
- **Time horizons:** The time horizons defined in the ESRS were used: short-term (up to one year), medium-term (one to five years), long-term (more than five years). Any deviations from these time horizons are indicated at the relevant points in the report.
- **Value chain:** Due to the limited availability and accessibility of value chain data, no information has yet been provided in this regard. The focus is on the company's own business operations and the non-financial metrics that can be directly influenced. Where assumptions and estimates have been made, they are indicated in the report.
- **UN Global Compact**: As a sign of its corporate responsibility, the Zeppelin Group has been a member of the UN Global Compact since 2016. The company is voluntarily committed to complying with ten principles relating to human rights, labor standards, environmental protection, and anti-corruption. This non-financial statement also serves as a progress report for the UN Global Compact.
- **Shared locations:** At sites with multiple business models, such as rentals (SBU Rental) and sales/services (SBU Construction Equipment), consumption is allocated to the construction equipment company.

SUSTAINABILITY GOVERNANCE AND STRATEGY

Company profile

→ ESRS 2 SBM-1

Zeppelin's roots lie in the establishment of the Zeppelin Foundation by Ferdinand Graf von Zeppelin in 1908. The Zeppelin Foundation remains a direct shareholder of the Group to this day, as well as an indirect shareholder via Luftschiffbau Zeppelin GmbH. Zeppelin offers solutions in construction industry, mining, agriculture, recycling, propulsion, energy, engineering, and plant engineering. Its portfolio ranges from the sales and servicing of construction, mining, forestry, and agricultural machinery to the rental of equipment for construction and industry and the provision of drive and energy systems, as well as engineering and plant engineering solutions. To ensure targeted market, customer, and product orientation while maintaining cross-country and cross-company management, the Zeppelin Group is organized into strategic business units (SBUs): Construction Equipment Germany & Austria, Construction Equipment International, Rental, Power Systems, and Plant Engineering. The business purpose of Zeppelin GmbH, as well as the SBUs' business models, key product groups, and services, are described on page 86 of the 2024 Annual Report. The countries in which Zeppelin is active and the number of employees in each country are listed under S1 - Targets and Metrics.

Financial year	2024
Total sales (EUR million)	3,819.6
Employees (FTE[1])	10,079
Employees (headcount)	10,268

1 Full time equivalents

Administrative, management and supervisory bodies

→ ESRS 2 GOV-1, ESRS 2 GOV-2

The Supervisory Board submits a report for each fiscal year. This report is included in the annual report and published on the Zeppelin Group's website. The Supervisory Board's composition is based on Section 7 of the German Co-Determination Act (MitbestG), which stipulates an equal distribution of shareholder and employee representatives.

COMPOSITION AND DIVERSITY OF THE GROUP MANAGEMENT AND SUPERVISORY BOARD

Company body	Number of members	of which managing	Gender distribution	People	Percentage of independent members of the management body
Supervisory Board	12	1	Women: 33 % Men: 67 %	REPRESENTATIVES OF THE SHAREHOLDERS **Simon Blümcke**, Chairman since December 10, 2024 Lord Mayor of the City of Friedrichshafen (since December 1, 2024) **Andreas Brand**, Chairman until November 30, 2024 Lord Mayor of the City of Friedrichshafen (until October 31, 2024) **Dr. Reinhold Festge** Shareholder of HAVER & BOECKER OHG **Dr. Werner Pöhlmann** Lawyer, tax consultant, sworn auditor **Univ.-Prof. Dr.-Ing. Dr.-Ing. e. h. Dr. h. c. Dieter Spath** President and Chairman of the Board of TÜV Rheinland Berlin Brandenburg Pfalz e. V. **Dr. Kristin Neumann** Chief Financial Officer (CFO) Brenntag SE **Prof. Dr. Yasmin Weiß** Nuremberg Institute of Technology REPRESENTATIVES OF THE EMPLOYEES **Heribert Hierholzer** Deputy Chairman, Industrial Foreman, Chairman of the General Works Council of Zeppelin Systems GmbH **Thomas Mann** Personnel Officer, Zeppelin Baumaschinen GmbH **Carolin Bautzmann** Representative of the senior executives, senior executives of Zeppelin Rental GmbH, delegated to the management of Zeppelin Rental Danmark A/S **Janine Heide** Political Secretary of IG Metall Offenbach **Ralph Misselwitz** Field service foreman, Chairman of the General Works Council of Zeppelin Baumaschinen GmbH, Chairman of the Group Works Council **Frederic Striegler** Second authorized representative of IG Metall Friedrichshafen-Oberschwaben	67 %

COMPOSITION AND DIVERSITY OF THE GROUP MANAGEMENT AND SUPERVISORY BOARD

Company body	Number of members	of which managing	Gender distribution	People	Percentage of independent members of the management body
Group Management Board	3	3	Women: 33 % Men: 67 %	**Matthias Benz** Chairman of the Management Board of Zeppelin GmbH/CEO Degree in Business Administration; Chairman of the Management Board and CEO of Zeppelin GmbH since October 2024; responsible for Group Development and Innovation, Auditing, Group Communications and Business Continuity and the Strategic Business Units **Christian Dummler** Managing Director of Zeppelin GmbH/CFO Certified banking specialist; member of the Management Board and CFO of Zeppelin GmbH since 2011; responsible for Finance, Controlling, Real Estate Management, Legal Affairs and Corporate Social Responsibility **Alexandra Mebus** Managing Director of Zeppelin GmbH/CHRO Master of Business Administration, degree in Social Education; Member of the Management Board and CHRO of Zeppelin GmbH since 2018; responsible for HR, HR Development, Compliance and Data Privacy, Diversity, IT/ Digitalization	0 %

The Group Management Board and its Chairman are responsible for overall sustainability. The Group Management Board regularly reports to the Supervisory Board on sustainability matters. The CFO oversees the Zeppelin Group's CSR department, which establishes the company-wide sustainability strategy and overarching CSR goals. This department also monitors the effectiveness of measures, coordinates stakeholder management, handles sustainability communication and reporting, and manages the development of CSR initiatives across the company. The Head of CSR regularly reports to the CFO on the current status of sustainability activity implementation.

INFORMING THE GROUP MANAGEMENT AND SUPERVISORY BOARD ABOUT SUSTAINABILITY ISSUES

Company body	Information through	Frequency	Key sustainability issues addressed in the reporting period
Supervisory Board	Group Management Board	At least 3 times a year	**Impact/management** CSR Strategy and Development; Acquisition and Investment Projects; Personnel Issues: Appointment of Managing Directors, Succession planning, Personnel development, Remuneration systems, Employee recruitment, Retention and Development; Regulatory requirements: CSRD, EU taxonomy **Risks and opportunities** Monthly reports; Risk and Compliance reports; Group audit and Data privacy reports; Further development of the financial, risk and compliance management system
Group Management Board	Head of CSR	At least monthly	**Impact/management** Review and approval of Sustainability Report 2023; CSR target cascading; CSR progress; Regulatory requirements: CSRD/EUT preparation with materiality analysis, gap analysis, pre-audits, Scope 3 data collection 2023; Green Loan; Awareness-raising measures (CSR Week, biodiversity campaign); HR topics: Employee engagement/satisfaction, management training, mental health, work-related health and safety, Zeppelin initiatives (Z COLOURFUL, Z FIT, Z PARENTS, Z NOW); Donations **Risks and opportunities** Monthly reports; Risk and Compliance reports; Group audit and Data privacy reports; Further development of the financial, risk and compliance management system

At the group level, departmental managers are assigned to key areas of action. These managers drive the implementation of respective targets, analyze key performance indicators (KPIs), and implement measures to ensure target achievement. In each SBU, departmental responsibility for CSR is defined at the management level. CSR managers are appointed at the working level and regularly report to the central CSR department on the development of sustainability management in their SBUs. Larger Group companies have also appointed a contact person for CSR issues.

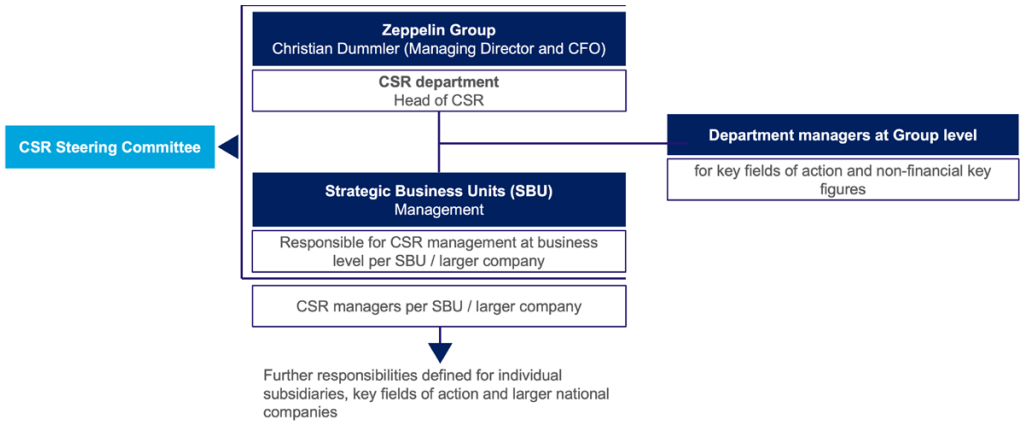


Figure 1 : CSR organization in the Zeppelin Group

The CSR Steering Committee discusses key topics, reviews the effectiveness of measures, and ensures continuous improvement in individual areas, thereby improving Zeppelin's overall sustainability performance. The committee comprises the Group Managing Director responsible for CSR, the SBU-level Managing Directors responsible for CSR, the central CSR department, and individual department heads.

Statement on due diligence

→ ESRS 2 GOV-4, ESRS 2 MDR-P, S1-1

Core elements of due diligence	Sections in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 (Due diligence)
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 (Due diligence, DMA)
c) Identifying and assessing adverse impacts	ESRS 2 (DMA), all ESRS topics (IRO overview)
d) Taking actions to address those adverse impacts	All ESRS topics (Management)
e) Tracking the effectiveness of these efforts and communicating	All ESRS topics (Targets and metrics)

The increasing complexity of legal requirements poses a challenge to the Zeppelin Group, which operates globally. However, we view the resulting development of our risk management and the progressive integration of human rights and environmental considerations into our processes as an opportunity. Zeppelin will only be economically successful in the long term if we are equally committed to respecting human and environmental rights, both locally and globally. That is why we are committed to:

- respect human and environmental rights in our business activities and promote them throughout our value chain in collaboration with our suppliers;
- the democratic social order and the values of fairness, appreciation, transparency, diversity and equal opportunities, regardless of age, gender, religion, ethnic origin, or sexual orientation;
- the fundamental rejection of violence, discrimination of any kind, incitement to hatred, excessive nationalism and defamatory political debate.

We are also committed to the following international standards:

- The UN Charter of Human Rights;
- The ten principles of the UN Global Compact, which Zeppelin joined in 2016;
- The International Covenant on Civil and Political Rights;
- The International Covenant on Economic, Social and Cultural Rights;
- The ILO core labor standards (= Conventions No. 29, 87, 98, 100, 105, 111, 138, 182, based on the principles of freedom of association and the right to collective bargaining, the elimination of forced labor, the abolition of child labor and the prohibition of discrimination in respect of employment and occupation), including the Protocol to Convention No. 29 on Forced or Compulsory Labor;
- The UN Guiding Principles on Business and Human Rights.

These commitments are reflected in Zeppelin's integration of guidelines and codes of conduct. These include the Declaration of Principles on Respect for Human and Environmental Rights, the Group Sustainability Policy, the Code of Conduct for Business Ethics and Compliance, and the Code of Conduct for Suppliers. These documents are described in the following section on central regulations. Additionally, the Group policy "Compliance" applies and is explained in more detail in the ESRS G1 Business conduct section.

Management teams at Group companies are responsible for implementing relevant regulations, communicating them to employees, and monitoring compliance. The Supervisory Board is responsible for monitoring, advising, and auditing the Group Management Board with regard to these activities.

As part of the risk management and due diligence process, the Zeppelin Group conducts annual and ad hoc risk analyses of its business units and supply chains. Preventive measures are implemented simultaneously in the company's business area (e.g., training; see section G1, Business conduct) and with direct suppliers (e.g., contractual agreements on compliance with defined criteria). If violations of human rights or environmental obligations are identified, the company takes appropriate remedial measures immediately to prevent, end, or minimize the extent of the violation.

Risk management

→ ESRS 2 GOV-5, ESRS 2 IRO-1

As a global company, the Group is exposed to a variety of risks. The Group uses a comprehensive risk management system to address these risks, as well as current operational, market-related, and legal requirements. Risk management is integrated into business and decision-making processes, aiming to identify, quantify, and report risks early on. The focus is on limiting identified risks, improving risk prevention, and avoiding risks that could endanger the company's continued existence. The opportunity and risk report in the 2024 Annual Report provides a thorough description of the Zeppelin Group's risk management system, internal audits, and controls (pp. 101 ff.).

Sustainability risks are monitored, assessed and managed using the following processes in particular:

Risk process	Responsible
Risk management system	Group Controlling & Accounting
One Pager: quarterly assessment of potential sustainability risks and current developments	CSR department
Double materiality assessment: assessment of sustainability risks for all ESG topics	CSR department
Climate risk analysis (see section E1)	CSR department
Water risk analysis (see section E3)	CSR department

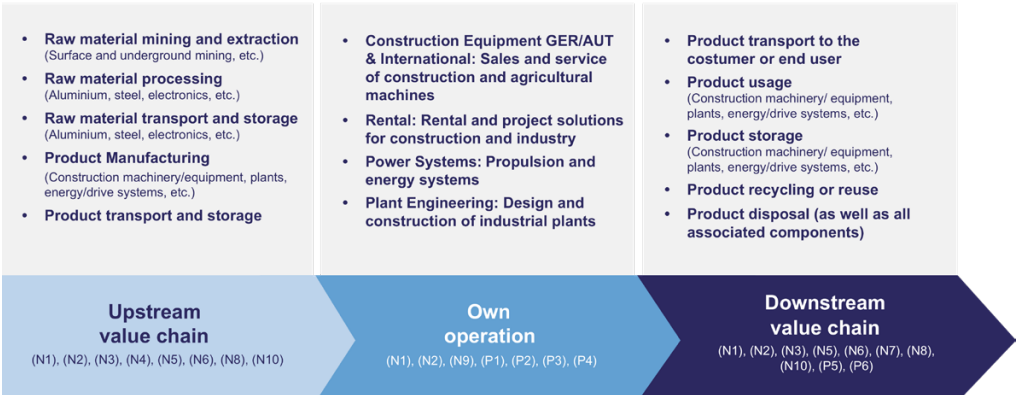
Non-financial metrics are recorded using the dual control principle via a central data platform. Additionally, the central CSR department carries out automated deviation analyses and manual data checks. The most significant risks, mitigation strategies, and controls are presented in the following section, "Management of impacts, risks and opportunities."

As part of the annual audit, the risk early warning system's functionality is reviewed, and the results are reported to the Supervisory Board. Based on risk reports from Group companies, the Risk Panel prepares a quarterly report on the Zeppelin Group's risk-bearing capacity for the Group Management Board. Reporting is carried out as previously described under "Information of the management and control bodies on sustainability aspects."

Value chain

→ ESRS 2 SBM-1

Zeppelin's entire value chain encompasses the entire product life cycle, from raw material extraction to disposal and/or reuse, in order to bring products and services from conception to delivery to end customers.



Negative impacts	Positive impacts
(N1) GHG and pollutant emissions	(P1) Secure employment
(N2) Energy consumption	(P2) Health, Safety and Wellbeing
(N3) Air pollution	(P3) Training and skills development
(N4) Water pollution	(P4) Diversity and social cohesion
(N5) Water withdrawal/consumption	(P5) Protecting and restoring infrastructure and livelihoods (e.g. after floods, disasters)
(N6) Land use and change	
(N7) Soil sealing and land degradation	(P6) Renaturation
(N8) Species reduction	
(N9) Accidents	
(N10) Working conditions	

Risks	Opportunities
Costs for climate change adaptation (e.g. building protection, energy efficiency)	Resilience and reputation (e.g. by reducing climate risks)
Business model risks (e.g. loss, need for adaptation, location structures)	Sales (e.g. climate adaptation as a business model, example construction measures for flood protection)
Increasing operation costs (e.g. adaptation to environmental conditions, rising energy and CO_2 prices)	New markets and products (e.g. renewable energies, alternative drives, climate-friendly products/services)
Increasing costs for insurance (e.g. due to extreme weather events, inadequate occupational health and safety)	Employer attractiveness (e.g. sustainability as a factor for retaining and recruiting skilled workers)
Production and supply chain risks (e.g. due to extreme weather events)	Employee health and productivity (e.g. lower fluctuation/absenteeism due to work-life balance)
Legal risks (e.g. liability claims/penalties due to environmental regulations, occupational health and safety)	Subsidies (e.g. promotion of renewable energies)
Reputational damage (e.g. due to accidents at work, poor working conditions)	Compliance (e.g. compliance with minimum standards)
Corruption and bribery (e.g. high financial costs and reputational damage)	

Figure 2 : Significant impacts, risks, and opportunities along Zeppelin's value chain

As a dealer organization, our main activities in the upstream value chain are raw material extraction, product manufacturing, and raw material and product logistics. Trading and servicing Caterpillar products represent a significant proportion of the Zeppelin Group's business activities, establishing Caterpillar Inc. as the Zeppelin Group's most important business partner. Caterpillar's locations, including production sites, are listed on the company's website.

The portfolio of the respective SBU determines other products and services: The Rental SBU procures construction machinery, materials handling equipment, construction equipment, and heating and air conditioning technology for machine and equipment rental, among other things. It also procures materials and services for construction site equipment, construction site and traffic safety, room and sanitary systems, and construction logistics. The Plant Engineering SBU focuses on materials and components for mixing and silo system production. The Power Systems SBU is a leading provider of drive and energy solutions. More than 1,000 skilled staff provide highly efficient, durable customized system solutions with comprehensive services for industrial and marine applications, the oil and gas industry, rail vehicles, as well as power and heat generation. Digital products, system components and ready-made solutions for treating ballast water complete the portfolio. Additionally, a significant portion of the procurement volume consists of vehicles for the rental business and the company's own field service.

Procured goods and services also include expenditure for the organization's own needs and various services, such as energy supply, IT solutions, and consulting services. With the exception of the trading relationship with Caterpillar, German companies' procurement mainly takes place on national or Western European markets.

Sustainability strategy

→ ESRS 2 SBM-1

As a foundation company, the Zeppelin Group is committed to the principle of infinity. The Group wants to leave behind a planet worth living on for future generations. The Zeppelin Group's strategy is based on the "GPS strategy," which aims to ensure continuous growth, outstanding performance, and sustainable stability. Corporate Social Responsibility (CSR) is a core component of the GPS strategy, ensuring stability and future success. At Zeppelin, the terms CSR and sustainability are used interchangeably and include the aspiration to make an authentic long-term contribution to the environment and society based on the strength of our culture, while securing successful economic development.

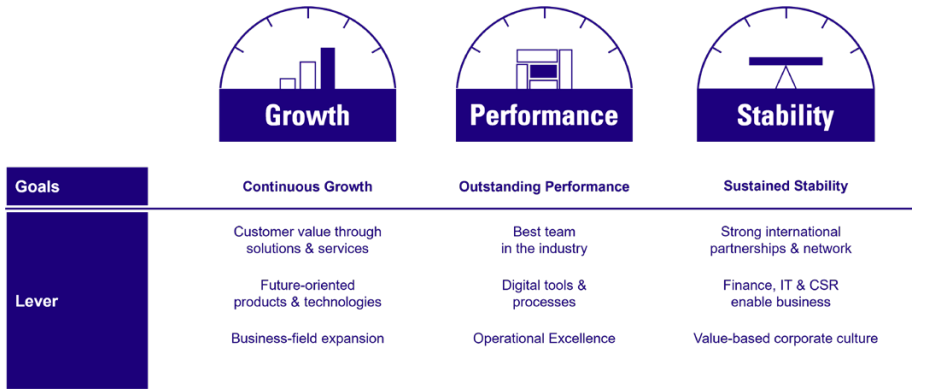


Figure 3 : GPS strategy of the Zeppelin Group

Through our CSR strategy, we aim to be a driver of sustainable transformation in our industries. Our focus is on meeting the needs of our customers as they strive to become more sustainable.

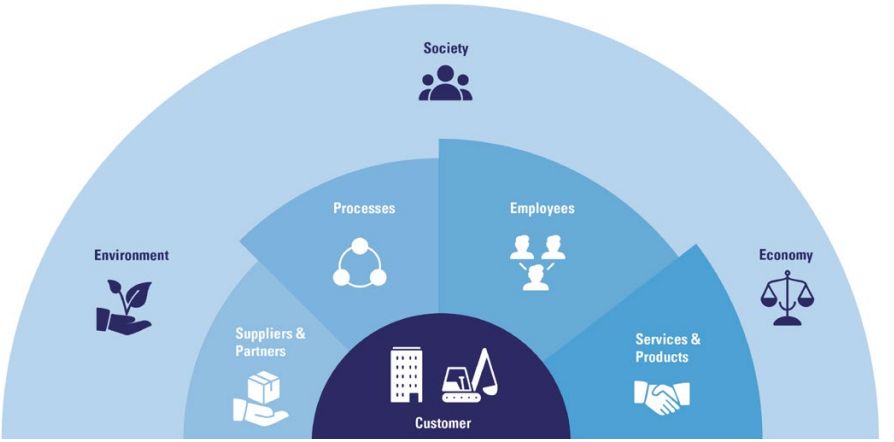


Figure 4 : CSR strategy of the Zeppelin Group

Zeppelin's sustainability strategy takes into account the United Nations' 17 Sustainable Development Goals (SDGs). These goals aim to promote sustainable economic, social, and ecological development worldwide. The following illustration shows the SDGs that are particularly important to Zeppelin and are aligned with its commitment to sustainability.

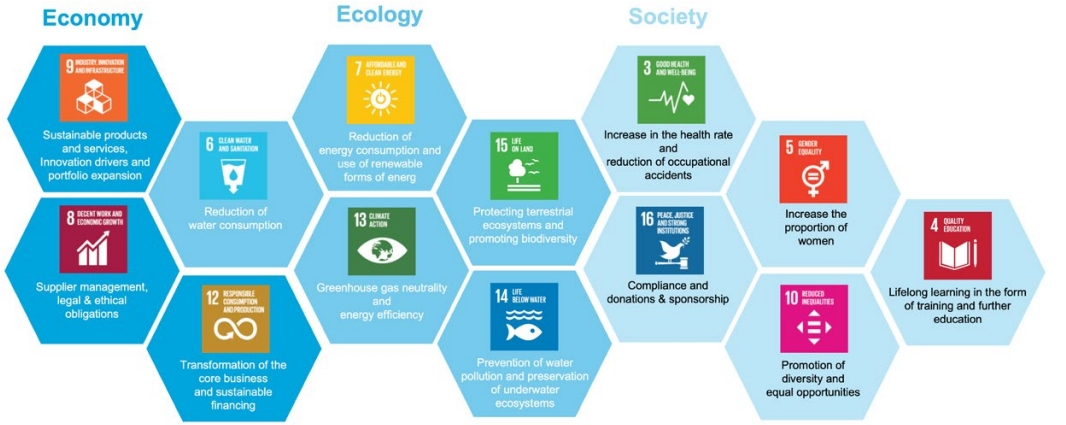


Figure 5 : Zeppelin's contribution to the UN Sustainable Development Goals (SDGs)

Stakeholder engagement

→ ESRS 2 SBM-2, S2-1.17, S2-2.22

As a globally active company, it is very important for Zeppelin's business success to maintain an open and constructive dialog with all stakeholders. This helps to build trusting relationships, deepen partnerships and identify sustainability-related requirements for the company. Together with key stakeholders, relevant sustainability issues are identified for Zeppelin as part of the regular materiality analysis, their prioritization is evaluated and fields of action for continuous improvement are defined. The company's own workforce is involved in feedback processes both directly and indirectly via works councils (see also ESRS S1). An intensive exchange takes place at various levels with Caterpillar as the most important supplier and partner. The Supervisory Board is informed about sustainability management issues at regular meetings and directly by the Group Management Board..

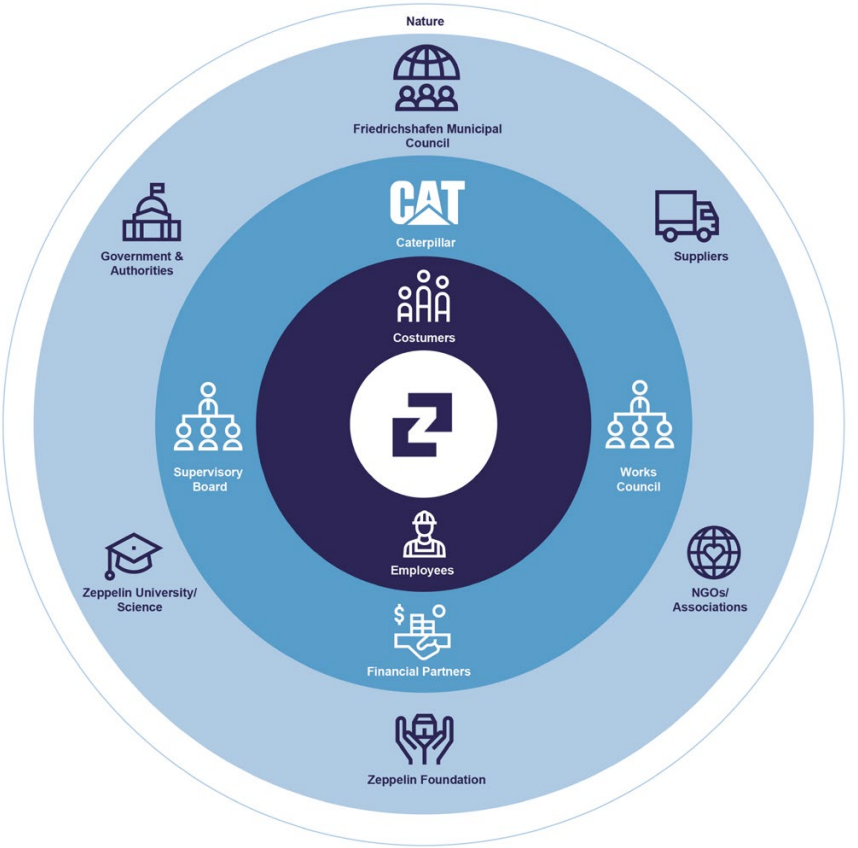


Figure 6 : Overview of important stakeholders of the Zeppelin Group

INTERESTS AND VIEWS OF KEY STAKEHOLDERS

	Key stakeholders	Key interests	Key claims
Internal	**Works Council**	• Ensuring employee satisfaction	• Consultation and integration in relevant projects • Preservation of co-determination rights for relevant decisions
	Employees	• Ensuring employee satisfaction • Maintaining and expanding employer attractiveness	• Integration in relevant decision-making processes • Open and transparent communication • "Living" the corporate values and an open corporate culture • Participation in the company's success
	Sustainability experts/ management	• Joint development of the most important CSR-specific goals, projects and milestones	• Integration in relevant decision-making processes • Consideration of SBU- or company-specific features when implementing Group requirements • Utilization of synergy effects
Shareholder/ Company bodies	**Supervisory Board**	• Sustainable corporate governance • Ensuring future success and resilience	• Monitoring and control of CSR management • Ensuring legal compliance
	Board of Trustees of the Zeppelin Foundation	• Sustainable corporate governance • Ensuring future success and resilience	• Information and communication on key CSR progress and topics
	Friedrichshafen municipal council as company representative	• Sustainable corporate governance • Ensuring future success and resilience	• Information and communication on key CSR progress and topics
External	**Customers**	• Ensuring successful cooperation	• Information and communication needs • Ensuring a sustainable partnership
	Caterpillar	• Excellent service and sales partner	• Perception of pioneering role in CSR • Information exchange and cooperation
	Suppliers	• Ensuring successful cooperation	• Transparent award criteria • Reliable and sustainable partnership
	Authorities and offices	• Legal compliance of the company's activities	• Right to information and disclosure
	Financing partners and investors	• Ensuring sustainable corporate governance • Ensuring future success and resilience	• Responsible use of resources provided • Transparent and cooperative collaboration
	Associations	• Exchange of experience with the practice	• Collaboration, exchange and communication as required
	Science	• Exchange of experience with the practice	• Collaboration, exchange and communication as required

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Double materiality assessment process

→ ESRS 2 IRO-1, ESRS 2 SBM-2, ESRS 2 SBM-3, S1.12, S2.9

Zeppelin conducted a double materiality assessment (DMA) based on the ESRS standards and defined the following process for this purpose. This assessment was conducted for the first time in the 2024 financial year; therefore, there are no changes to previous reports.

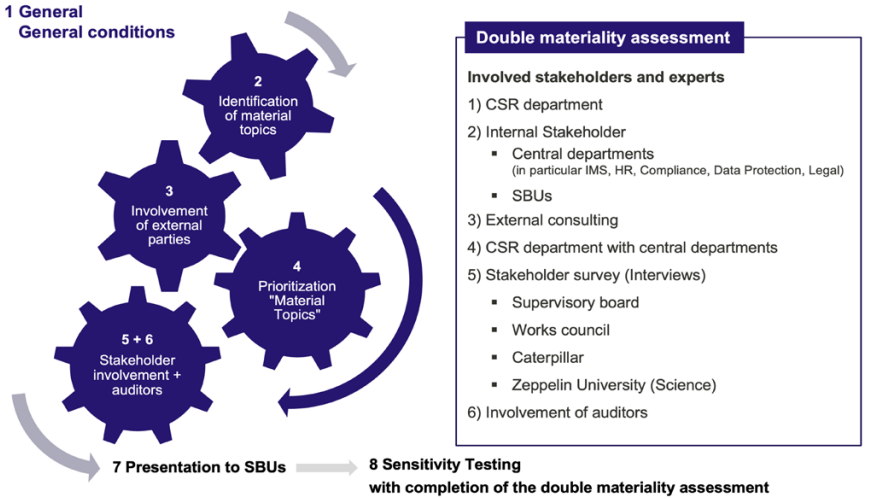


Figure 7 : Double materiality assessment procedure

We determined and evaluated the impact on people and the environment, as well as the potential risks and opportunities, for all ESRS topics related to Zeppelin's business models and activities, for both Zeppelin's own operations and the entire value chain. The impact assessment considered positive and negative impacts, as well as actual and potential impacts, related to sustainability issues. The financial assessment evaluated potential and existing sustainability risks and opportunities that could impact Zeppelin financially. For both perspectives, an estimate was made as to when and how long the respective issue will occur. Internal experts from the business units and Group functions were involved in conducting the double materiality assessment, as well as discussions with external stakeholders. The assessment was carried out for the entire Zeppelin Group, taking into account country- and SBU-specific characteristics.

In accordance with the ESRS guidelines, three indicators – magnitude, extent, and immutability – were used to evaluate the severity of the impact. The extent of the impact on the environment or people was evaluated in the assessment of "extent." The "scope" assessment determined the extent to which the impact is far-reaching, based on metrics such as the percentage of sites, employees, or financial expenditures affected. The "irreversibility" assessment evaluated the difficulty of reversing the damage in terms of cost and time. An additional metric, "probability," was assessed for potential impacts. Materiality is determined in the impact assessment by considering the probability of occurrence, extent, and scope of potential or actual positive or negative impacts. Materiality also considers whether the consequences can be reversed through suitable measures. The financial assessment considers the probability of occurrence and the financial extent. Based on these criteria, materiality is determined by multiplying the respective factors.

Results of the double materiality assessment

→ ESRS 2 IRO-2, ESRS 2 SBM-3

The performance of the double materiality assessment revealed the following material topics for Zeppelin:

ESRS Standard				Impact materiality			Financial materiality
Standard		Topic	Sub-topic	Upstream	Own operations	Downstream	Risks & Opportunities
Environment	E1	Climate change	Climate change adaptation			x	x
			Climate change mitigation	x	x	x	x
			Energy	x	x	x	x
	E2	Pollution	Pollution of air	x		x	
			Pollution of water	x			
	E3	Water and marine resources	Water consumption	x		x	
			Water withdrawals	x			x
	E4	Biodiversity and ecosystems	Land-use change, fresh water-use change and sea-use change	x		x	
			Direct exploitation	x			
			Impact on species population size	x			
			Impact on species global extinction risk	x		x	
			Land degradation			x	
			Soil sealing			x	
Social	S1	Own workforce	Secure employment		x		
			Work-life balance		x		x
			Health and safety		x		x
			Training and skills development		x		x
			Diversity		x		
	S2	Workers in the value chain	Working conditions	x		x	
			Equal treatment and opportunities for all	x		x	
			Other work-related rights	x		x	
Governance	G1	Business conduct	Incidents (Compliance)				x

Figure 8 : Results of the Zeppelin Group's double materiality assessments

For our business operations, material topics arise from standards E1 and S1. Additional environmental and social issues were identified as material across the upstream and downstream value chains. Topics E1, E3, S1, and G1 have a material financial impact. Topics E5, S3, S4, and specific subtopics were deemed non-material during the double materiality assessment. These material topics are considered in the Group strategy to identify opportunities and mitigate risks. This consideration also includes interaction with respective business models.

IMPACT OF DMA RESULTS ON STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

Strategy	Business model	Value chain
Effects, risks and opportunities		
• Review and adjustment of **corporate strategy** with regard to markets and products • Examination and adaptation of the **site structure** in the event of high climate risks, as well as **technical and structural adaptations** of the sites (e.g., energy renovation for high energy efficiency) • **Sustainable personnel policy** • **Responsible corporate governance** with clear corporate values and a strong compliance organization • **Establish a CSR organization** and define clear CSR goals for continuous improvement (e.g., achieving GHG neutrality by 2030 and a "Vision Zero" goal for work-related accidents)	• **Mitigating climate change or its consequences** through construction machinery and equipment (e.g., renaturation, reconstruction, and restoration) • Negative and positive environmental impacts (e.g., land use change, air pollution, and renaturation) caused by **construction machinery and equipment**	• **Raw material extraction and processing** in the upstream value chain can negatively impact the environment in terms of biodiversity, land use, raw material availability, and air and water pollution. However, these processes can also have positive environmental effects • **Working conditions** can be improved, especially in the upstream value chain for raw material extraction and processing
Control and steering		
• Regular review of the corporate strategy • Definition of annual focus topics for strategy work, e.g., the "Call for Strategy", to address current issues and upcoming challenges	• Continuous review of business models and market analysis to meet customer requirements early on • Strategic analysis of business models as part of strategy and development work • Early consideration of drivers and trends	• Ensuring sustainable supplier management for direct suppliers (Supplier Code of Conduct) • Analysis of supply chains and efforts to increase transparency • Cooperative collaboration with suppliers to foster sustainable business relationships

To derive preventive and corrective measures and opportunities, the identified impacts are divided into two categories: potential and actual.

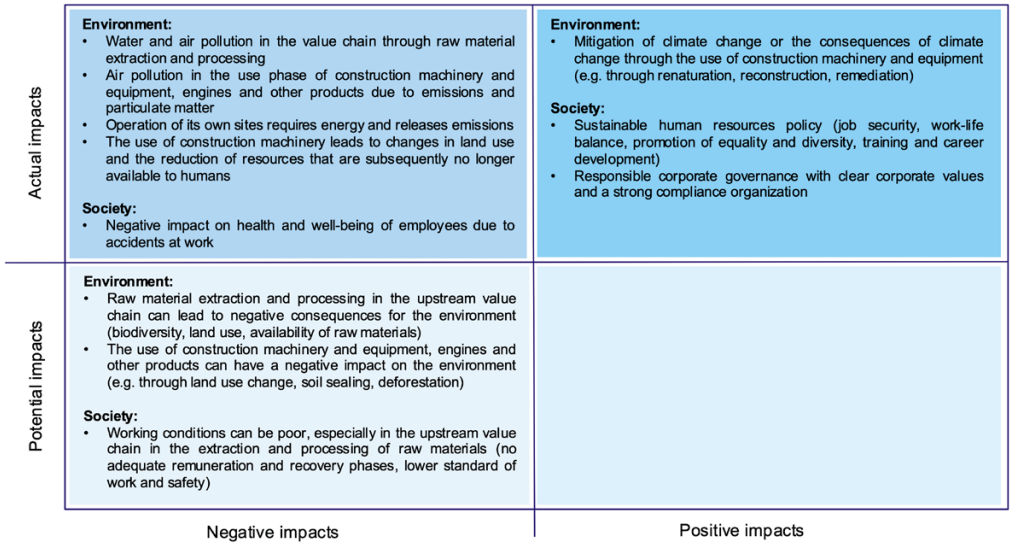


Figure 9 : Overview of significant potential and actual impacts

Policies and actions

→ ESRS 2 BP-2, ESRS 2 GOV-5, ESRS 2 MDR-P, E1-2

Objectives and strategic anchoring

As part of its sustainability strategy, the Zeppelin Group has established a series of sustainability goals that have been cascaded down to the company level. One focus is the sustainable expansion of the product and service portfolio, e.g., offering low-emission or emission-free machines, as well as efficiency-enhancing and product life-extending services. Zeppelin supports its customers in achieving their sustainability goals and making their value creation processes more sustainable. Ecological goals are supported by a modernization strategy for all property locations. This strategy includes extensive energy renovation measures, expansion of renewable energies and electromobility, and measures to reduce water withdrawals. Continuous investment in renewing vehicle fleets ensures that progress in sustainability and energy efficiency in the automotive industry contributes to Zeppelin's goals.

Integrated management system

Zeppelin has management systems in place for work-related health and safety, the environment, energy, and quality. An integrated management system (IMS) ensures continuous improvement in all certified areas, creating uniform standards and a common basis for documentation. Progress within the scope of the IMS is monitored through regular internal and external audits as part of the recertification process. The quality management system (ISO 9001), the work-related health and safety management system (ISO 45001), and the environmental management system (ISO 14001) apply to all German companies and their subsidiaries. The energy management system (ISO 50001) also applies to Austria, Slovakia, the Czech Republic, Poland, Sweden, and Denmark.[2]

Figure 10: ISO certifications Zeppelin

Corporate policies

The Zeppelin Group uses group guidelines and process descriptions to establish a sustainability-oriented culture and support the achievement of sustainability goals. Employees can access these policies via the Policy Center and/or their departments' intranet pages. Additionally, the Declaration of Principles on Respect for Human and Environmental Rights, the Code of Conduct for Business Ethics and Compliance, and the Code of Conduct for Suppliers are publicly available on the Zeppelin Group website. The group management and management of the companies are the highest level in the Zeppelin Group. They are responsible for implementing all Policies for dealing with material sustainability issues.

POLICIES RELATED TO MATERIAL SUSTAINABILITY ISSUES

Concerns ESRS	Zeppelin policy	Scope	Availability	Description
S1, G1	Code of Conduct for Business Ethics and Compliance	Group	Group website (public)	The Code of Conduct outlines the principles of our corporate behavior and reflects our corporate values. These principles apply to all Zeppelin companies throughout the Group. All Zeppelin employees, no matter where they are in the world, must observe the Code of Conduct and uphold values such as integrity, respect, transparency, and openness in their work
S2, G1	Code of Conduct for Suppliers	Group	Group website (public)	The Code of Conduct defines the requirements for cooperation with suppliers, particularly with regard to labor and environmental standards and business ethics
All ESRS topics	Policy statement on compliance with human and environmental rights	Group	Group website (public)	The policy statement expresses our responsibility in the context of our global business activities. In it, we commit to a range of international standards for human and environmental rights
All ESRS topics	Group guideline "Sustainability"	Group	Policy Center (internal)	This guideline demonstrates the Zeppelin Group's understanding of sustainability and is a commitment to sustainable corporate governance in our business activities in the context of production and service provision as well as in our business relationships and in our supply chain
All ESRS topics	Group guideline "Cascading of CSR targets"	Group	Policy Center (internal)	This group guideline ensures the consistency of the targets and continuous improvement throughout the group by regulating the cascading of group-wide CSR targets to the respective SBU or company level
E1, E2, E3, E4, S1	Group guideline "Group policy Integrated Management System"	Group	Policy Center (internal)	This guideline outlines the corporate policy, its objectives, and its measures. It applies to all companies certified under DIN EN ISO 9001, DIN EN ISO 14001, DIN ISO 45001, and DIN EN ISO 50001
S1, S2	Group guideline "Implementation of the German Supply Chain Due Diligence Act"	Group	Policy Center (internal)	This group guideline outlines the process for carrying out due diligence obligations at Zeppelin in accordance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz)
E1, E2, E3	Group guideline "CO_2 neutrality in the real estate sector"	Group	Policy Center (internal)	This group guideline outlines sustainability criteria for the operation of rented and owned properties. The goal is to promote sustainable building operations as part of the Group's objective to achieve "greenhouse gas neutrality (Scope 1+2)" by 2030

2 This excludes the following subsidiaries: Zeppelin Lab GmbH, ABS Hydraulik-Service GmbH, Ingenieurbüro Herzbruch GmbH, Magdalena Kitzmann, Meton GmbH, SITECH Austria GmbH, Levotec sro, Construction SITECH CZ s.r.o., Zeppelin Rental Danmark A/S.

The most significant risks, mitigation strategies, and controls associated with the ESRS topics identified in the 2024 double materiality assessment are presented below.

KEY RISKS, MITIGATION STRATEGYS, AND CONTROLS

ESRS/Topic	Subtopic	Risks	Strategy	Controls
ESRS E1 Climate change	• Climate change adaptation	• Physical climate risks • Transition climate risks	• CSR strategy and goals • Generation of new business models • Portfolio expansion • Energy-efficient renovation • Continuous improvement, e.g. through an integrated management system • Continuous investment in more fuel-efficient and efficient vehicles	• Reporting to management and implementing continuous process improvements • Initiation of corrective and preventive measures • Internal and external audits
	• Climate change mitigation	• Rising operating and insurance costs • Production and service outages • Supply chain risks • Fines and penalties		
	• Energy	• Higher costs • Waste of energy		
ESRS E3 Water and marine resources	• Water consumption and withdrawals	• Water shortage • Water stress	• CSR strategy and goals • Continuous improvement, e.g. through an integrated management system • Modernization of property locations	• Reporting to management and implementing continuous process improvements • Initiation of corrective and preventive measures • Internal and external audits
ESRS S1 Zeppelin workforce	• Health and safety	• Higher healthcare and insurance costs • Increased downtime and health problems • Fines and penalties • Loss of reputation	• CSR strategy and goals • Continuous improvement, e.g. through an integrated management system	• Reporting to management and implementing continuous process improvements • Initiation of corrective and preventive measures • Internal and external audits
ESRS G1 Business conduct	• Corruption and bribery	• Fines and penalties • Loss of reputation	• Compliance management system with regular training	• Reporting to management and implementing continuous process improvements • Initiation of corrective and preventive measures • Regular risk analyses and assessments

OVERVIEW OF TARGETS AND METRICS

→ ESRS 2 BP-2, ESRS 2 SBM-1, ESRS 2 MDR-T

ESRS	Topic	Goal	Target value	Unit	KPI	Scope	Base year	Base value	Time horizon	31.12.2024
Environment										
E1 Climate change	Climate change mitigation	Greenhouse gas neutrality in ongoing business operations (Scope 1+2)	0	t CO_2e	GHG emissions Scope 1+2 (market-based)	Group	-	-	2030	38,252
		Milestone: Reduction of GHG emissions (Scope 1+2) by 46 %	24,019	t CO_2e	GHG emissions Scope 1+2 (market-based)	Group	2022	44,479	2027	
	Energy	Reduction of 9.5 % in energy consumption (excluding mobility) per million euros in sales	19.3	MWh/EURm	Energy consumption (excluding mobility) per million euros in sales	Group	2022	21.3	2027	19.1
		Milestone: Reduce in energy consumption by 1 % per year	75,800	MWh	Electricity and heat consumption	GER	Previous year	76,566	2025	71,511
E3 Water and marine resources	Water withdrawal	Reduce our own freshwater withdrawal by 30 %	102,728	m^3	Freshwater withdrawal	Group	2022	146,754	2030	122,257
			121,512	m^3	Freshwater withdrawal	Group	2022	146,754	2027	
Social										
S1 Zeppelin workforce	Secure employment	Maintain a stable level of length of service	> 9.3	Years	Average length of service	Group	-	-	Permanent	10.0
		Maintain a low rate of self-termination	< 7.5	%	Self-termination rate	Group	-	-	2025	6.1
	Health and safety	Maintain a high health rate	> 95	%	Health rate	Group	-	-	2025	95.6
		Reduce the rate of work-related accidents	-10 %	1,000-man rate	Number of work-related accidents per 1,000 employees (> 3 lost days)	GER	Previous year	20.7	2025	18.3
		Reduce the days lost due to accidents	-10 %	Days	Number of days lost due to accidents	GER	Previous year	5,776	2025	4,937
	Diversity	Increase in the proportion of women	20	%	Proportion of all women in relation to the total number of employees (headcount)	Group	-	-	2025	18
Governance										
G1 Business conduct	Incidents (compliance)	Ensure a training rate of over 90 % in compliance	> 90	%	Proportion of all employees with valid basic compliance training in relation to the total number of employees (headcount)	Group	-	-	Permanent	90.4

RATINGS

Creditreform Rating AG, one of Europe's leading rating agencies, regularly evaluates the Zeppelin Group's economic situation. On September 2, 2024, as part of an independent corporate issuer rating, Zeppelin GmbH received an overall rating of A- with a stable outlook. This excellent corporate rating once again attests to Zeppelin's high creditworthiness and low default risk.


Creditreform Rating

Certificate

AAA
AA+
AA
AA-
A+
A
A-
BBB+
BBB
BBB-
BB+
BB
BB-
B+
B
B-
CCC
CC
C
SD
D

Zeppelin GmbH

A- / stable

Figure 11 : Zeppelin Creditreform Certificate

EcoVadis evaluates selected Zeppelin Group companies based on their CSR activities in the areas of the environment, labor and human rights, ethics, and sustainable procurement. Zeppelin's commitment was recognized by EcoVadis in several cases in the sustainability rating: Zeppelin Rental GmbH received platinum status; Zeppelin Power Systems GmbH and Zeppelin Österreich GmbH received gold status; Zeppelin Systems GmbH received a silver rating; and Zeppelin Baumaschinen GmbH received a bronze rating.

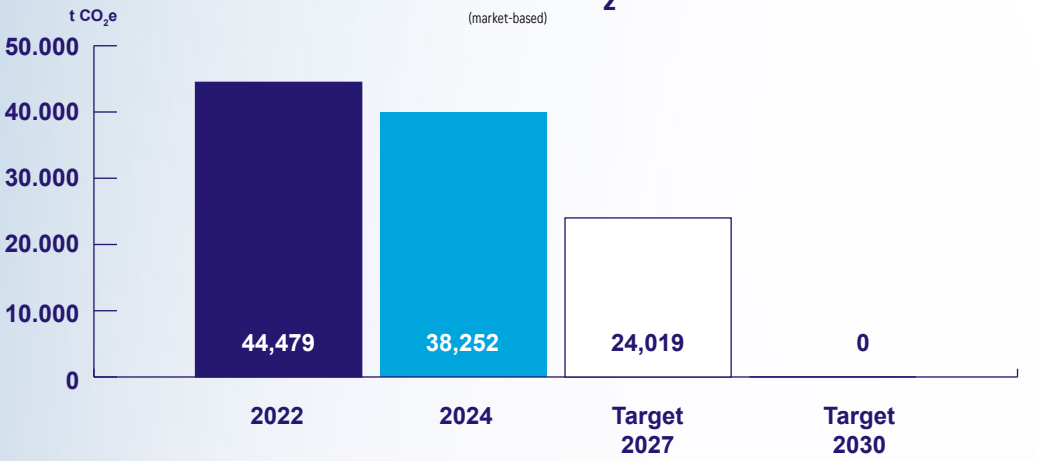
Figure 12 : EcoVadis awards for Zeppelin companies

ENVIRONMENTAL INFORMATION

GHG EMISSIONS SCOPE 1+2

38,252 t CO_2e

(market-based)

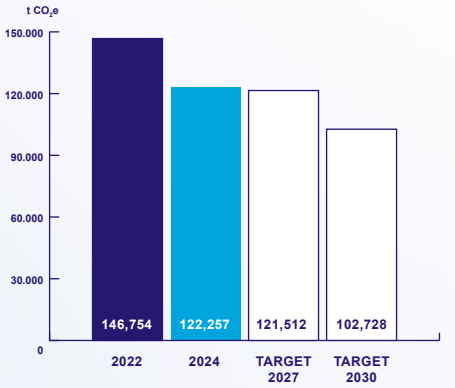


TOTAL ENERGY CONSUMPTION (EXCLUDING MOBILITY) PER MILLION EUROS IN SALES

19.1 MWh/EURm

FRESHWATER WITHDRAWAL ZEPPELIN GROUP

122,257 m^3



TOTAL ENERGY CONSUMPTION ZEPPELIN GROUP

178,873 MWh

TOTAL WATER WITHDRAWAL ZEPPELIN GROUP

126,974 m^3

E1 CLIMATE CHANGE

STRATEGY

→ ESRS 2 SBM-3, E1-1

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Climate change adaptation			
Impact materiality	**Downstream value chain**	**Positive impact**	Time horizon
		• The use of construction machinery and equipment can mitigate or remedy the severe impacts of climate change, such as flooding and extreme weather events, both preventively and acutely	Long-Term
		• The use of construction machinery and equipment during disasters and crises can preserve or restore the livelihoods of affected communities and individuals. This can positively impact the private environment, infrastructure, public life, and the workplace	
Financial materiality	**Risk**	• High costs of climate change adaptation measures (e.g., building protection, energy efficiency, and various technologies)	Long-Term
		• Loss or abandonment of, or the need to adjust business models due to negative changes in earnings or liquidity	
		• Loss or abandonment of, or the need to adapt the site structure due to excessive climate risks	
	Opportunity	• Increased resilience and reputation: When adaptations to climate change are successfully implemented, risks are reduced, and competitive advantages are achieved	Long-Term
		• Adaptation to climate change can be incorporated into business models, thus increasing sales and earnings (e.g., using construction machinery for flood protection)	
Climate change mitigation			
Impact materiality	**Upstream value chain**	**Negative impact**	Time horizon
		• Currently, extracting raw materials for steel, metal, and plastic products along the supply chain requires a lot of fossil energy and leads to high greenhouse gas emissions	Long-Term
	Own operations	**Negative impact**	Time horizon
		• We need energy to operate our sites, such as for heating and electricity for electrical systems in workshops, production halls, and administration buildings, as well as for our vehicles, such as service vehicles that drive to customers' or construction sites for maintenance work and company vehicles for sales. This releases greenhouse gas emissions. Additionally, water is withdrawn (e.g., for washing construction machinery and equipment), and waste is produced (e.g., sludge and waste oil)	Long-Term
	Downstream value chain	**Negative impact**	Time horizon
		• Using the products we sell or rent out requires energy, which causes greenhouse gas emissions. Transporting our products, such as machines and systems, to customers is also energy-intensive	Long-Term
		Positive impact	Time horizon
		• Our consulting and training services promote efficient product use, which increases energy efficiency and reduces greenhouse gas emissions. Our sustainable products and services can also help reduce or avoid emissions and pollution. For example, Zeppelin Power Systems conducts fuel cell research	Long-Term
Financial materiality	**Risk**	• Increases in operating costs: Companies may face rising operating costs as they adapt to changing environmental conditions	Long-Term
		• Insurance costs: Companies may face higher insurance costs or exclusions, especially if they are affected by extreme weather events, such as storms, floods, or fires	
		• Production downtime and supply chain risks: Extreme weather events, such as floods or forest fires, can hinder or halt production. Climate change can affect supply chain stability, as natural disasters or extreme weather conditions can hinder the transportation of raw materials and products	
		• Legal risks: Companies could face legal risks and liability claims related to environmental regulations and potential damages connected to climate change	
	Opportunity	• Creation of new markets and products, such as switching to renewable energies, alternative drives, and climate-friendly energy solutions	Long-Term
		• Customer preferences and market demand: Changes in consumer preferences and demand for climate-friendly products and services can impact a company's sales and market position	
		• Employee preferences and employer attractiveness: Changes in the preferences and requirements of (potential) employees for responsible/sustainable employers can impact the retention of skilled workers and filling vacancies	

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Energy			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Using fossil fuels can exacerbate climate change and its negative consequences for society, such as social tensions and global imbalances	Long-Term
	Own operations	Negative impact	Time horizon
		• Essentially, the consumption of electricity and heat for operating our sites and vehicle fleet is fuel consumption. Reducing fuel consumption is the most effective way to reduce greenhouse gas emissions, accounting for around 60 % of total emissions. Using other non-renewable energies also leads to greenhouse gas emissions	Long-Term
		Positive impact	Time horizon
		• We can reduce energy consumption and greenhouse gas emissions by using green electricity, expanding renewable energies, electrifying and constantly renewing our vehicle fleet, and implementing energy efficiency measures	Long-Term
	Downstream value chain	Negative impact	Time horizon
		• Transporting our products to customers (e.g., construction sites) and operating them results in high electricity or fuel consumption. Depending on the energy source, this leads to emissions of greenhouse gases and pollutants	Long-Term
		Positive impact	Time horizon
		• Our consulting and training services promote efficient product use, which increases energy efficiency and reduces greenhouse gas emissions. Our sustainable products and services can also help reduce or avoid emissions and pollution. For example, Zeppelin Power Systems conducts fuel cell research	Long-Term
Financial materiality	**Risk**	• Margins are under increasing pressure due to rising energy and CO_2 prices (e.g., in purchasing) • Higher prices can negatively impact the profitability of business models, making investments in other technologies necessary	Long-Term
	Opportunity	• Increased demand for our products in new and retrofit energy projects • Subsidies for promoting renewable energy	Long-Term

The Zeppelin Group considers the impacts, risks, and opportunities of climate change, as well as adaptation to its consequences, particularly when investing in new assets, commencing business activities in new markets and countries, and as part of continuous development. The Group carries out climate risk assessments at regular intervals to evaluate acute and chronic risks, taking into account extreme weather conditions and events, in order to avoid negative effects on assets or business relationships.

Zeppelin's goal of achieving greenhouse gas neutrality in Scope 1+2 areas by 2030 is based on the Paris Climate Agreement's scenario of limiting global warming to 1.5°C. Key strategies for achieving greenhouse gas neutrality in our business operations include switching to green electricity, using self-generated electricity from photovoltaic modules, promoting e-mobility, and renovating our properties to improve energy efficiency. Zeppelin is also working with partners along the value chain to implement further decarbonization measures, particularly by adapting its product and service portfolio. The transition plan, sustainability targets, and CSR investments have been approved by the Group Management Board and Supervisory Board and are regularly monitored.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Identification and assessment of the main climate-related impacts, risks and opportunities

→ ESRS 2 SBM-3, ESRS 2 IRO-1, E1-1, E4.17, E4-1.13

In 2024, the Zeppelin Group conducted a thorough risk analysis and assessment as part of the double materiality assessment (see ESRS 2) and on climate-related transition risks[3].

Transition climate risks

These risks and opportunities are associated with the transition to an environmentally friendly, carbon-free economy and can be divided into different categories. Zeppelin identified regulatory adjustments, such as new or stricter laws and requirements, as well as higher operating and investment costs due to necessary technical upgrades to systems and equipment or the energy-efficient renovation of existing properties, as risks and areas for action. The transformation of the economy is also expected to alter existing sales markets, decreasing the demand for fossil fuel-based products in the long term while increasing the demand for environmentally friendly, low-emission products and services. These risks and opportunities can affect Zeppelin's business activities in various ways and are therefore considered in strategic planning.

3 Transition risks arise from the social and economic changes necessary for a transition to a low-carbon future. These risks may include political, regulatory, market, reputational, technological, and legal risks.

Figure 13 : Process for assessing transition risks for the Zeppelin Group

The transition risk analysis is based on the assumption that net zero emissions are achieved and that the Paris Agreement is complied with. This is possible under scenarios SSP1-1.9 and SSP1-2.6[4]. These scenarios were used to identify transition risks within risk categories. The identified risks were then assessed and consolidated using the risk methodology. Specific short-, medium-, and long-term time series were defined to determine time horizons. The short- and medium-term periods were based on the CSRD guidelines, and the long-term period was based on the year 2050 in accordance with the Paris Climate Agreement. A PESTEL analysis was conducted to examine, classify, and systematically evaluate the factors influencing the Zeppelin Group. These factors are divided into six categories: political, economic, socio-cultural, technological, ecological-geographical, and legal.

The results of the transitional risk analysis are presented below. The analysis considers the probability of occurrence and financial impact (severity), taking into account the respective time horizon. There are no transitional risks to Zeppelin's business, meaning that respective business and corporate activities can continue. For high-risk areas, appropriate measures to ensure the company's long-term success are determined and implemented as part of the strategy work, taking into account the respective scope of influence.

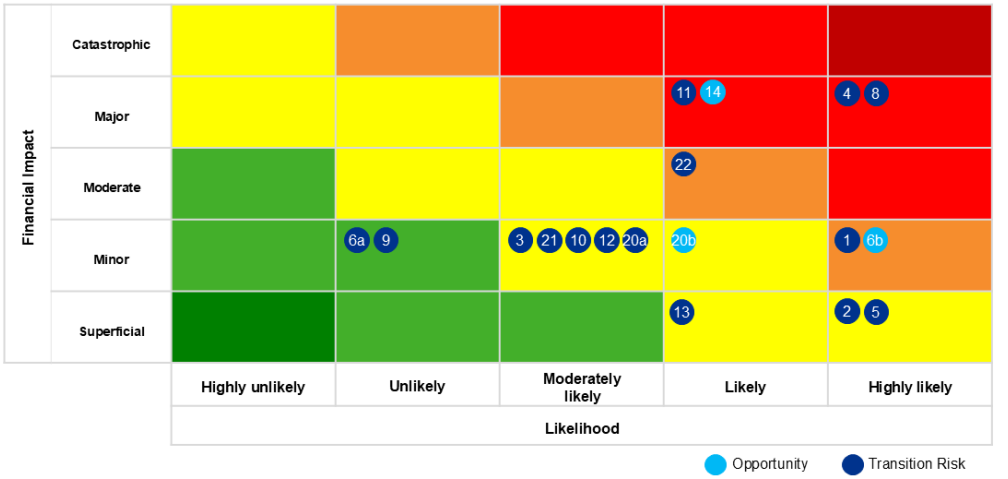


Figure 14 : Climate-related risk matrix

ANALYSIS OF CLIMATE-RELATED TRANSITION RISKS

No.	Description	Type	Time horizon	Likelihood (gross)	Financial impact (gross)
4	Restrictions on fossil fuel-run vehicles restrict the operational capability and modernization efforts of the service fleet	Transition risk	Long-term	Highly likely	Major
8	Shifting market preferences towards more eco/emission friendly machines/construction processes	Transition risk	Long-term	Highly likely	Major
11	Limited construction activity due to the overall economic situation	Transition risk	Short-, medium- and long-term	Likely	Major
14	Positive brand perception and customer loyalty	Opportunity	Long-term	Likely	Major
22	Supply chain adversities with regard to the availability of pioneering technologies by single suppliers	Transition risk	Medium- and long-term	Likely	Moderate
1	Increasing carbon prices in Europe with regard to own business activities	Transition risk	Long-term	Highly likely	Minor
6b	Decreasing capital costs due to high ESG performance increase company value	Opportunity	Medium- and long-term	Highly likely	Minor
20b	Improved recruitment due to strong ESG performance	Opportunity	Short-, medium- and long-term	Likely	Minor
3	Fines and penalties for non-alignment with GHG-emission-related requirements	Transition risk	Long-term	Moderately likely	Minor
21	Restriction of required, high-emission materials and products	Transition risk	Medium- and long-term	Moderately likely	Minor
10	Significant deviations from proclaimed GHG emission reduction targets	Transition risk	Medium- and long-term	Moderately likely	Minor
12	Inadequately trained staff for new products and technologies	Transition risk	Long-term	Moderately likely	Minor
20a	Hampered recruitment due to poor ESG performance	Transition risk	Short-, medium- and long-term	Moderately likely	Minor
6a	Increasing capital costs due to low ESG performance reduce company value	Transition risk	Medium- and long-term	Unlikely	Minor
9	Dependency on suppliers limits progress towards reaching own emission targets	Transition risk	Long-term	Unlikely	Minor
2	Increasing carbon prices in (parts of) the supply chain	Transition risk	Medium- and long-term	Highly likely	Superficial
5	Trade restrictions in relation to climate mitigation measures	Transition risk	Short-, medium- and long-term	Highly likely	Superficial
13	Unreliable energy supply increases price volatilities and may cause business disruptions	Transition risk	Medium- and long-term	Likely	Superficial

Physical climate risks

Physical climate risks can arise from the direct consequences of climate change. Examples include an increase in extreme weather events, such as flooding, forest fires, and dry and drought periods. Depending on the respective macro and micro situations, these environmental events can affect each Zeppelin site differently in terms of the probability and extent of damage. Long-term changes, such as rising average temperatures, as well as indirect risks, such as the limited functionality of international supply chains due to local environmental damage, are also considered. At the same time, physical climate risks present opportunities for Zeppelin because these risks require appropriate structural countermeasures, such as expanding flood protection, irrigation, and drainage systems, as well as renovating buildings to be more energy efficient. A more comprehensive analysis of climate-related physical risks is planned for subsequent years.

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4 According to ESRS E1, climate-related transition risks should be identified by considering at least one climate scenario consistent with limiting global warming to 1.5°C with no or limited overshoot (see ESRS E1 IRO-1.20ci). An increase in the global average temperature of up to 1.6°C is considered limited, while an increase of up to 1.8°C is considered a strong overshoot. Both are in line with the Paris Agreement. Therefore, SSP1-1.9 is the required scenario for the transition climate risk analysis. However, it is recommended that SSP1-2.6 be considered in conjunction with SSP1.1-9 because the CO_2 trajectories implied in SSP1.1-9 are no longer considered realistic by the majority of the scientific community.

Resilience analysis

Through sustainable corporate management, the early consideration of market and technological developments, and the consideration of potential opportunities and risks for its business models and corporate development, the Zeppelin Group ensures a high level of resilience to potential changes and crises. The results of the resilience analysis reveal the primary transition, physical, and systemic risks to Zeppelin throughout its entire value chain and business operations. The consequences for society and the environment are also presented.

RESULTS OF THE ZEPPELIN GROUP'S RESILIENCE ANALYSIS

	Upstream value chain	Own operations	Downstream value chain
Transition risks	**Climate-related transition risks due to the transformation of the economy towards sustainable, low-emission economic sectors**		
	• Consequences: Technology risks, i.e., existing products could be displaced by environmentally friendly products, which significantly impacts the success of a company's business model • Consequences: An increase in market prices due to a shortage of raw materials can impact business development and customer relationships	• Consequences: Increasing regulations can significantly impact your business model. For example, there is the potential for a ban or tightening of exhaust emission values for combustion engines in construction machinery and shipping • Consequences: Reputational risks can arise if business models are perceived as harmful to the environment	• Consequences: Increasing regulation and technological changes can lead to shifts in customer needs and market requirements, creating opportunities and risks • Consequences: Reputational risks may arise from business relationships with partners who carry out environmentally harmful projects
Physical risks	**Acute natural events, such as extreme weather events, floods, earthquakes, and droughts**		
	• Potential harmful impacts on people, indigenous peoples, assets, or environmental resources (social, economic, and environmental impacts) • Potential disruption of direct and indirect supplier relationships due to failure, delays, shortages, and price increases • Potential negative impact on business models (lack of resources, materials, etc.)	• Potential harmful impacts on employees, buildings, infrastructure, products, and production/service provision, as well as environmental resources • Increased maintenance, repair, insurance, operating, and investment costs; loss of sales and earnings	• assets, or environmental resources (social, economic, and environmental impacts) • Potentially increased need for restoration and renaturation products and services • Potential disruption to customer relationships (e.g., defaults, cancellations, and unwillingness to pay)
	Chronic natural developments, such as long-term water shortages in certain regions, advancing air pollution, and rising sea levels		
	• Consequences: Potential changes to the direct and indirect supply chain are necessary to maintain the business model in the event of a loss of suppliers or resources	• Consequences: Potential impact on employees, buildings, infrastructure, and site structure	• Consequences: Potentially increased need for climate adaptation and prevention measures (provision of suitable products and services) • Consequences: Potential change in customer data (e.gl, relocation, needs)
Systemic risks	• Default of a market participant • Highest risk in the event of default or loss of the business partner Caterpillar Consequences: Potentially serious impact on business model (in both the supply chain and customer relationships) • Complete elimination of the financial market Consequences: Potential lack of financing options for company management and development		

Policies and actions

→ **ESRS 2 MDR-P, ESRS 2 MDR-A, E1-1.16, E1-2, E1-3, E1-4.34**

As part of its CSR strategy, the Zeppelin Group has set a greenhouse gas (GHG) neutrality goal for its business operations (Scope 1+2). This target and other relevant climate change targets are supported by Group guidelines, including "Sustainability," "CO_2 neutrality in the real estate sector," and "Cascading of CSR targets," as well as a modernization strategy for property locations (see ESRS 2). Decarbonization and climate change adaptation measures in the downstream value chain focus on integrating sustainable products and services into the portfolio. In the upstream value chain, the Group promotes close cooperation with suppliers, partners, and service providers, and has implemented a code of conduct that explicitly addresses minimizing emissions.

ACTIONS RELATED TO CLIMATE CHANGE

Goal	Key action/decarbonization lever (own operations)	Expected results/contribution to target achievement by 2030	Scope (1/2/3)	Time horizon	Remedial measures (if relevant)
GHG neutrality in Scope 1+2 (own operations)	Locations (property): Energy-efficient renovations and new buildings that meet the GHG neutrality standard	Contribution to achieving the GHG neutrality target: reduction of around 25 %	1+2	2030	Not relevant
	Locations (owned and rented): Use of renewable energies, such as PV systems, heat pumps, green electricity, and district heating	Contribution to achieving the GHG neutrality target: reduction of around 10 %.	1+2	2030	Not relevant
	Own vehicle fleet: Expansion of electromobility and continuous renewal	Contribution to achieving the GHG neutrality target: reduction of around 65 %.	1+2	2030	Not relevant

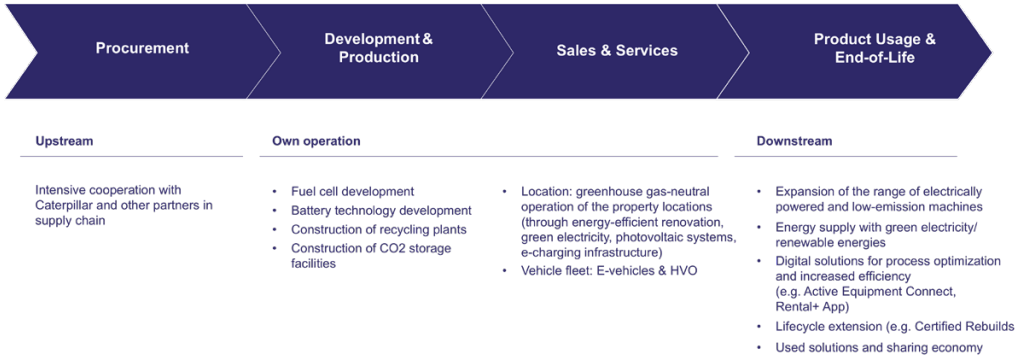


Figure 15 : Decarbonization along Zeppelin's value chain

The following climate-related measures are associated with significant investment costs or operating expenses:

CLIMATE-RELATED INVESTMENT EXPENDITURE

Key action	Time horizon	Total necessary investment and operating expenses	Funds used during the reporting year (in euros)	Future investment and operating expenses
A GHG-neutrality strategy involving the expansion of electromobility, the construction of new GHG-neutral buildings, and the energy-efficient renovation of owner-occupied properties	2030	N/A	3.951.255	N/A

Progress 2024

General development

- Total energy consumption decreased by 2.7 % compared to the previous year, reaching 178,873 MWh.
- Greenhouse gas emissions (Scope 1+2, market-based) decreased by 7.1 % compared to the previous year, reaching 38,252 tons of CO_2 equivalents.

Locations (property): Energy-efficient renovations and new buildings to the GHG neutrality standard

- The Erfurt, Freiburg and Friedrichshafen sites underwent extensive energy renovations during the reporting period. Renewing the building shell and interior fittings, installing photovoltaic systems, air heat pumps, underfloor and circulating air heating systems, and LED lighting made it possible to operate largely free of fossil fuels. Additionally, new buildings designed for climate-neutral operation were completed at the Markgröningen, Landvetter (Sweden), and Eschweiler sites. The new building complex at the Eschweiler site, which includes offices, a workshop, a metalworking shop, a washing hall, an outdoor washing area, an equipment box, a company filling station, and a high-bay warehouse, was built to the KfW Energy Efficiency Standard 55 and completely dispenses with fossil fuels.
- In the reporting year, an office facility in Markkleeberg, Germany, which had been in use for many years and dismantled in 2020 due to a location closure, was rebuilt. This saved the resources required for a new building.

Locations (owned and rented): Use of renewable energies (PV systems, heat pumps, and green electricity)

- New photovoltaic systems were installed at eight locations during the reporting period. Additionally, eight more locations switched to purchasing all their electricity from green sources. This increased the proportion of Group locations with a 100 percent green electricity supply to 52 percent. These measures are reflected in the growing share of renewable energy in total consumption, which increased from 0.8 percent in the previous year to 1.4 percent.
- Zeppelin achieved a milestone at the Friedrichshafen site in early summer 2024. With approximately 8,000 square meters of office space and 30,000 heated square meters in plant engineering halls, the Friedrichshafen site is one of Zeppelin's largest sites worldwide. Installing photovoltaic systems on the parking garage roof and state-of-the-art solar panels on the Ludwig-Dürr-Hall facade meant the entire site could operate independently of electricity for the first time, allowing the cogeneration plant to be temporarily switched off.

Own vehicle fleet: expansion of electromobility

- As part of its modernization strategy, Zeppelin is gradually installing electric charging stations at all of its sites. In the 2024 reporting year, 55 new charging stations were installed, bringing the total number of charging stations at Zeppelin locations worldwide to 338. Additionally, the vehicle fleet is constantly being renewed to take advantage of the efficiency benefits of new models.
- The proportion of electric vehicles in Zeppelin's fleet has increased from 3.6 percent (148 vehicles) to 6.3 percent (277 vehicles). This increase is primarily due to Zeppelin employees with company cars who are increasingly choosing fully electric vehicles.

Value chain: expansion of the product and service portfolio s

- "Project Impact," which aims to define and create transparency for sustainable products and services in the Zeppelin portfolio, was completed in the reporting year. Seven criteria that positively impact the environment and/or climate were defined for classification as "sustainable": optimization of energy consumption, extension of the life cycle, conservation of resources, reduction of failures and downtime, reduction of emissions (defossilization), increased usage intensity, and reduced environmental and ecosystem impact. The following table shows the sustainable products and services identified accordingly.

ZEPPELIN GROUP'S SUSTAINABLE PRODUCTS AND SERVICES

Product/service	Sustainability criterion	Description	SBU
Caterpillar Certified Rebuilds	Lifecycle extension	Zeppelin's Certified Rebuild program doubles the service life of Cat machines. This process prevents emission-intensive production, reduces the consumption of raw materials and resources, and saves on landfill costs	Construction Equipment
Caterpillar Remanufacturing	Lifecycle extension	As part of the Cat AT program, valuable returned parts are thoroughly reconditioned and restored to like-new condition for reuse. Consequently, the Cat remanufacturing program at Zeppelin decreases emissions and resource consumption	Construction Equipment
Premium Pre-owned Engines & Gensets	Lifecycle extension	Zeppelin Power Systems Used Power offers used and reconditioned generators worldwide. Reusing reduces greenhouse gas emissions and saves material and energy for producing new gensets. Almost the entire Cat product portfolio can be equipped with an SCR system for exhaust gas treatment, meeting IMO Tier III and EPA TIER 4 emission regulations	Power Systems
Large heat pumps	Optimization of energy consumption	Heat pumps are climate-friendly, fossil fuel-independent, and highly efficient. They enable the recovery of heat for heating buildings and providing hot water. Retrofitting a CHP unit with a heat pump increases efficiency by making better use of waste heat. Combining them with renewable energies reduces costs and greenhouse gas emissions. Zeppelin serves as a general contractor for the realization of customer-specific projects	Power Systems
Efficient Cat motors	Optimization of energy consumption	The Cat C13D is more powerful, economical, quiet, and certified worldwide for all emission levels. Thanks to state-of-the-art technology, fuel savings of up to 10 % are possible. The Cat C13D is also compatible with alternative fuels, such as HVO	Power Systems
XE drives and electric machines	Conservation of resources	XE drives are particularly efficient thanks to hybridization with an electric drive. Fully electric machines from Caterpillar are already available or will soon be launched on the market	Construction Equipment
Zeppelin Repair Center	Conservation of resources	The work carried out by the Zeppelin Repair Centers enables the reuse of components, thereby reducing greenhouse gas emissions and waste. Additionally, the consumption of fresh water, energy, and raw materials is reduced	Construction Equipment
Rental+ Sharing Economy	Conservation of resources	The Rental+ app from Zeppelin minimizes transportation of construction machinery and equipment to and from construction sites. It does this by offering a pool of machines at the construction site. This pool can then be easily accessed by different companies via the app	Rental
Tire recycling	Conservation of resources	The goal of tire manufacturers is to produce tires from 100 % sustainable raw materials by 2050. Zeppelin founded the Zeppelin Sustainable Tire Alliance with technology partners in 2023 to support this goal. All partners complement each other technologically and develop new technologies together	Plant Engineering
Plastic recycling	Conservation of resources	Zeppelin Systems has a strong presence in many fields. • Integrated process design for bulk solids processing • Material handling, homogenization, separation, deodorization, mixing, and dosing • International network of experts and technology partners • Mechanical, solvent-based, and chemical recycling	Plant Engineering
Digital solutions - AEC	Reduction of failure and downtime	AEC (Active Equipment Connect) is Zeppelins' comprehensive solution for recording and digitizing engine and system data. With AEC, the service life of engines and systems can be extended, and fuel consumption and emissions can be reduced. Impending failures can be detected and avoided early thanks to permanently available data. The digital connection and networking of all engines and systems simplifies fleet management and allows for foresight in planning service calls	Power Systems
Ballast water treatment systems	Reduction of environmental and ecosystem impact	Ballast water is essential for modern shipping because it ensures the balance and stability of unladen ships. Zeppelin offers shipyards and ship owners system solutions for ballast water treatment. These solutions range from complete planning and realization of adapted modules to turnkey solutions. UV lamps neutralize small, potentially invasive organisms in the water. Self-cleaning filters remove larger organisms and particles	Power Systems
Holistic solutions	Reduction of emissions/ defossilization, conservation of resources, increase in intensity of use	Zeppelin Rental's ecoSolutions covers individual components as well as holistic solution packages. These include green energy solutions, such as green electricity, energy management in accordance with ISO 50001, PV consulting, and mobile charging solutions; waste management; and modular space solutions	Rental
Battery technology	Emission reduction/ defossilization	Zeppelin Systems has many market references from implemented projects. Zeppelin can supply the complete material handling chain for battery production, starting with mixing technology. Zeppelin actively participates in partnerships and research projects to remain an important system supplier and expand its value chain in this rapidly growing market	Plant Engineering
Storage of CO_2	Emission reduction/ defossilization	However, it will not be possible to stop global warming simply by reducing new CO_2 emissions. New technologies, such as CO_2 storage (direct air capture, DAC), are necessary. This process involves extracting and binding CO_2 from the air through a series of chemical reactions. The extracted CO_2 can then be stored or further processed. Zeppelin Systems is the partial supplier for a large-scale DAC plant in the USA. Zeppelin supplies the engineering and material handling equipment	Plant Engineering
Solar panels and microgrids	Emission reduction/	A microgrid is a small-scale power supply network that can be connected to the public power grid or operate independently. Several generation plants and consumers are connected to a microgrid. Zeppelin offers Cat photovoltaic modules, energy storage systems, and converters. Cat solar panels can be integrated into existing systems, such as combined heat and power (CHP) or emergency power systems. Cat microgrids provide cost-effective power for grid-connected and off-grid systems, ensuring the optimal delivery and storage of energy sources	Power Systems
Fuel cells - PEMFC power generators	Defossilization	A Proton Exchange Membrane Fuel Cell (PEMFC) is a low-temperature fuel cell mostly used for mobile applications with dynamic loads. Zeppelin Rental and Power Systems are collaborating on the development and introduction of the fuel cell generator. It is a hybrid system that includes a battery and control system. Power Systems is responsible for development, design, and system integration. A pilot application will be tested at Zeppelin Rental	Power Systems, Rental
Alternative fuels	Emission reduction/ defossilization	Many Cat brand engines can operate using alternative fuels that produce fewer pollutants and greenhouse gases. These include biodiesel and HVO (hydrotreated vegetable oils), as well as methanol and hydrogen. These fuels are considered key for decarbonizing the shipping industry	Construction Equipment, Rental, Power Systems

FURTHER INFORMATION

SBU Construction Equipment	https://www.zeppelin-cat.de/produkte/
SBU Rental	https://www.zeppelin-rental.de/ecosolutions
SBU Power Systems	https://www.zeppelin-powersystems.com/de/de/unternehmen/nachhaltigkeit/
SBU Plant Engineering	https://www.zeppelin-systems.com/de/de/produkte-loesungen/loesungen/

Impressions from the "zero emission | emission-free construction site" action day in July 2024 (Zeppelin Rental x Wacker Neuson)

TARGETS AND METRICS

→ ESRS 2 MDR-T, E1-1.16, E1-4

The following climate change targets were set in consultation with the Group Management Board and in accordance with Group policies.

TARGETS RELATED TO CLIMATE CHANGE

Goal	Target value	KPI	Scope	Base year	Base value	Time horizon	31.12.2024	Change in	
								BY	PY
GHG neutrality in ongoing business operations (Scope 1+2)	0 t CO_2e	GHG emissions Scope 1+2 (market-based) in tons CO_2 equivalents	Group	2022	44,479 t CO_2e	2030	38,252 t CO_2e	-14.0 %	-7.1 %
Milestone: Reduce GHG emissions by 46 % (Scope 1+2	24,019 t CO_2e	GHG emissions Scope 1+2 (market-based) in tons CO_2 equivalents	Group	2022	44,479 t CO_2e	2027			
Reduction of 9.5 % in energy consumption (excluding mobility) per million euros in sales	19.3 MWh/Mio. €	Energy consumption (excluding mobility) per million euros in sales	Group	2022	21.3MWh Mio. €	2027	19.1 Wh/EURm	-10.3 %	-3.9 %
Milestone: Reduce energy consumption by 1 % per year	75,800 MWh	Total electricity and heat consumption in MWh	Germany	Previous year	76,566 MWh	2025	71.511 MWh	-6.6 %	

Metrics: Energy

→ ESRS 2 MDR-M, E1-5

The balance sheet limit for determining energy consumption corresponds to the scope of consolidation for non-financial reporting. The energy consumption of each location is divided into its respective energy sources, such as gas, heating oil, or electricity, and recorded in software for non-financial indicators. In the event that the recording of energy consumption is not feasible, such as in instances where flat-rate service charge invoices are utilized or the space is rented to multiple users, the system will make simplifications and provide appropriate notes.

ENERGY CONSUMPTION AND MIX

Type of energy		2023	2024
(1)	Consumption of natural/liquid/propane gas (MWh)	32,244	31,857
(2)	Consumption of district/local heating (MWh)	10,165	8,662
(3)	Heating oil consumption (MWh)	2,574	2,321
(4)	Diesel consumption (heating) (MWh)	136	0
(5)	Hard coal consumption (MWh)	0	41
(6)	**Total heat consumption (MWh) (sum of lines 1 to 5)**	**47,119**	**42,881**
(7)	Electricity consumption (MWh)	28,845	27,571
(8)	Electricity consumption (vehicle fleet) (MWh)	602	1,059
(9)	**Total electricity consumption (MWh) (sum of lines 7 to 8)**	**29,447**	**28,630**
(10)	Diesel consumption (vehicle fleet + other) (MWh)	97,903	97,873
(11)	Gasoline consumption (MWh)	7,694	6,741
(12)	Consumption of HVO (Hydrotreated Vegetable Oil) (MWh)	9	23
(13)	Ethanol consumption (MWh)	59	209
(14)	CNG (compressed natural gas) consumption (MWh)	31	0
(15)	**Total fuel consumption (MWh) (sum of lines 10 to 15)**	**105,696**	**104,846**
(16)	**Total consumption of renewable energies (MWh)**	**1,486**	**2,516**
	Total energy consumption (MWh) (sum of lines 6, 9, 16 and 17)	**183,748**	**178,873**
	Energy consumption electricity and heat (MWh) (sum of lines 6 and 9)	**76,566**	**71,511**
	Energy consumption excluding mobility (MWh) (sum of lines 6, 7, 11 and 17)	**77,314**	**72,968**
	Sales revenue (gross) (in thousand euros)	**3,934.7**	**3,819.6**
	Energy consumption excluding mobility per million euros in sales	**19.6**	**19.1**

ENERGY CONSUMPTION BY COUNTRY (MWH)

Country	2024
Armenia	2,804
Austria	6,040
Belgium	283
Brazil	725
China	449
Czech republic	11,335
Denmark	8,987
Estonia	128
France	145
Germany	112,386
Great Britain	221
Greenland[5]	0
India	329
Italy	489
Poland	3,575
Russia	2,831
Saudi Arabia	224
Singapore	23
Slovak Republic	3,408
South Korea	15
Sweden	16,878
Switzerland	53
Tajikistan	146
Turkmenistan	627
Ukraine	5,350
USA	563
Uzbekistan	857
Zeppelin Group total (sum of all countries)	**178,873**

To ensure a level of comparability, energy intensity data for the 2024 reporting year will continue to be reported in accordance with previous years and not according to the ESRS.

ENERGY INTENSITY

Metric	2023	2024
Energy intensity per employee Total energy consumption per employee (MWh/FTE	18.4	17.7
Energy intensity per gross sales revenue Total energy consumption per million euros gross sales revenue (MWh/EURm)	46.7	46.8

5 Data assigned to Denmark

Metrics: Greenhouse gas emissions

→ ESRS 2 MDR-M, E1-4.34, E1-6, E1-8.62

All fully consolidated companies of the Zeppelin Group are included in the calculation of greenhouse gas emissions. The basis for calculating greenhouse gas emissions for both Scope 1 and Scope 2 is the energy consumption data of the respective locations. Each energy source is assigned a CO_2 equivalent (CO_2e), with country- or location-specific characteristics (e.g., electricity mix, contract content) taken into account to the greatest extent possible. Carbon dioxide equivalents are units of measurement that summarize various greenhouse gases (GHG) in one value. This summary is based on their respective contributions to the greenhouse effect compared to carbon dioxide (CO_2). These units enable the comparison and quantification of the impact of different gases on climate change. Greenhouse gas emissions are calculated on both a market-based and a location-based basis. The emission factors required for conversion are maintained in central software so that GHG emissions are calculated automatically once the respective energy consumption has been entered. The emission factors used are regularly reviewed to ensure they are current and accurate, and any necessary corrections are made. The respective energy consumption is multiplied by the CO_2 equivalent. The total emissions for each energy source are calculated to determine the carbon footprint of the site or, on a highly aggregated basis, the Group company or SBU. As part of the energy management system, metrics are periodically reviewed by our certification body (see ESRS 2). However, please note that greenhouse gas metrics are not yet validated by an external entity.

As part of the ongoing digitalization process, the Zeppelin Group began implementing smart meters at its German locations in 2024 with the objective of improving data availability and quality. A gradual conversion of further meters, both nationally and internationally, is planned for 2025.

Zeppelin calculated all Scope 3 emissions for 2023 in the reporting year. In accordance with the initial determination for 2022 (see Sustainability Report 2023), the objective was to enhance the data collection processes. "Use of our products" was confirmed as the most relevant category, accounting for around 91.5 percent of our Scope 3 emissions. No Scope 3 emissions were determined for the 2024 reporting year. As a result, greenhouse gas emissions will continue to be reported in the same manner as in previous years. They will not be reported in accordance with the ESRS for the time being, in order to enhance comparability.

GREENHOUSE GAS EMISSIONS

	Retrospective		Reporting year			Milestones and target years	
	Base year 2022	Previous year 2023	2024	Change compared to previous year	Change compared to base year	2027	2030
Greenhouse gas emissions Scope 1							
GHG emissions Scope 1 (t CO_2e)	36,843	35,709	34,422	-3.6 %	-6.6 %	N/A	0
Greenhouse gas emissions Scope 2							
GHG emissions Scope 2 Location-based (t CO_2e)	15,199	14,762	11,747	-20.4 %	-22.7 %	N/A	0
GHG emissions Scope 2 market-based (t CO_2e)	6,916	5,463	3,830	-44.6 %	-29.9 %	N/A	0
Total GHG emissions: Scope 1+2							
THG-Emissionen Scope 1+2 location-based (t CO_2e)	52,041	50,471	46,179	-8.5 %	-11.3 %	N/A	0
THG-Emissionen Scope 1+2 market-based (t CO_2e)	44,479	41,172	38,252	-7.1 %	-14.0 %	24,908	0

GREENHOUSE GAS EMISSIONS BY COUNTRY (SCOPE 1+2 | T CO_2e)

Country	2024	
	Location-based	Market-based
Armenia	653	653
Austria	1,498	1,345
Belgium	65	65
Brazil	44	44
China	260	260
Czech republic	3,138	2,604
Denmark	2,282	1,698
Estonia	34	34
France	33	33
Germany	29,376	23,836
Great Britain	52	52
Greenland[6]	0	0
India	205	156
Italy	117	109
Poland	898	896
Russia	801	801
Saudi Arabia	65	65
Singapore	9	9
Slovak Republic	919	919
South Korea	7	1
Sweden	3,482	2,466
Switzerland	12	10
Tajikistan	44	44
Turkmenistan	231	231
Ukraine	1,517	1,481
USA	187	187
Uzbekistan	250	250
Zeppelin Group total (sum of all countries)	**46,179**	**38,252**

To ensure a level of comparability, the greenhouse gas intensity for the 2024 reporting year will continue to be reported in the same manner as in previous years, rather than according to the ESRS.

GREENHOUSE GAS INTENSITY

Metric	2023	2024
GHG intensity per employee GHG emissions Scope 1+2 (market-based) per employee (t CO_2e/FTE)	4.1	3.8
GHG intensity per gross sales revenue GHG emissions Scope 1+2 (market-based) per million euros gross sales revenue (t CO_2e/EURm)	10.5	10.0

6 Data assigned to Denmark

The Zeppelin Group does not currently utilize an internal CO_2 pricing system. A concept is currently being developed, and a possible introduction for the 2026 financial year is being examined.

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

The EU taxonomy is a classification system for sustainable economic activities. The primary objective is to encourage sustainable investments to align with the goals of the EU Green Deal.

As part of the preparations for reporting in accordance with CSRD/ESRS and the EU Taxonomy Regulation, an interdisciplinary project team on the EU Taxonomy was established in 2023. This team conducted a kick-off and initial assessments of economic activities. In 2024, an implementation concept was developed and financial processes and systems were adapted. This allows for the efficient collection of necessary data during ongoing operations. Additionally, a dry run was conducted with the support of external consultants on the following metrics of the EU taxonomy:

- Capital expenditures (CapEx) that meet the criteria for both Taxonomy-eligible and Taxonomy-aligned
- Operating expenses (OpEx) that meet the criteria for both Taxonomy-eligible and Taxonomy-aligned
- Sales revenue that meets the criteria for both Taxonomy-eligible and Taxonomy-aligned
- Do No Significant Harm (DNSH) check

The results are used for continuous improvement and preparation for future reporting.

E2 POLLUTION

→ ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Pollution of air			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon

		• Fine dust is a byproduct of the extraction of raw materials and their subsequent processing and transport. This byproduct primarily affects materials such as iron, steel, aluminum, plastics, and electronics.
		• During the manufacturing process of materials used in our products, harmful pollutants are produced that can easily evaporate and become airborne:
		  • During the production of aluminum, sulfur oxides (SOx) are released
		  • During the manufacturing process of plastics, two primary byproducts are produced: volatile organic compounds (VOCs) and nitrogen oxides (NOx)
		  • During the mining of copper for electronics SOx is released
		  • Rare earths, lithium, and other raw materials that are expensive to extract are used in the production of batteries
			Long-Term

	Downstream value chain	Negative impact	Time horizon
		• The transportation and use of our products (e.g., machines) generates particulate matter. Our manufacturing partner adheres to high exhaust emission standards, and the requirements have become increasingly stringent in recent years • As is the case with the majority of construction machinery currently in operation, this equipment emits sulfur oxides (SOx) and nitrogen oxides (NOx) as a result of its diesel engine	Long-Term
		Positive impact	Time horizon
		• The expansion of our product range and the sale of electrically powered machines can play a key role in counteracting air pollution. Each new generation of combustion engine-powered construction machinery exhibits reduced emissions and fuel consumption	Long-Term
Pollution of water			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Extraction of raw materials can result in wastewater with high concentrations of heavy metals and other toxic chemicals, such as sulfuric acid, cyanide, mercury, and arsenic. This can lead to acidification	Long-Term

The assessment of material impacts, risks and opportunities related to environmental pollution was carried out on the basis of Zeppelin's business activities, but not in relation to all individual sites. The process and the relevant stakeholders are outlined in ESRS 2.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Policies

→ ESRS 2 MDR-P, E2-1

As part of its sustainability strategy, the Zeppelin Group is committed to preserving and protecting biodiversity and ensuring high air and water quality. This commitment is made to safeguard people's livelihoods and thus the long-term success of the company and the basis for ecologically responsible business practices. For Zeppelin, sustainable corporate management means, among other things, using the planet's natural resources responsibly and promoting social justice along the entire value chain. The EU Biodiversity Strategy, which aims to restore biodiversity by 2030, is also a central element of the initiative. The Zeppelin Group is therefore committed to this:

- To promote biodiversity and control air and water pollution along the upstream value chain by working exclusively with suppliers who comply with Zeppelin's "Supplier Code of Conduct." This code includes specific requirements for the established environmental standards of the respective supplier;
- It is of the utmost importance to avoid any activity that could potentially lead to deforestation along the supply chain, particularly during the production and manufacturing of relevant products. Instead, we must promote sustainable utilization methods that facilitate the natural regrowth of resources and raw materials;
- The company is committed to promoting biodiversity at its operating sites. This initiative will be pursued within the scope of available possibilities and taking into account economic, social, and ecological aspects;
- The company is committed to ensuring air quality. To that end, it is working towards achieving greenhouse gas (GHG) neutrality in its own business operations. It will achieve this by leveraging available and economically justifiable options;
- It is imperative to refrain from entering into any business relationship or other remunerated cooperation with customers, end users, etc. that significantly contribute to a substantial reduction in biodiversity, the destruction of ecosystems, or serious air pollution, where permissible and justifiable. Instead, sustainable forms of land use should be promoted as far as possible;
- In the event that we become aware of environmental damage or the potential for significant environmental damage in the upstream and downstream value chains, we will implement remedial and, if necessary, preventive measures in cooperation with the respective business partners. This could result in the termination of the business relationship.

The voluntary commitment, target definition, and measures are contained in the Group-wide process description "Biodiversity and air and water pollution control." This description is available to all employees via the intranet (CSR department).

Zeppelin's strategy for environmental stewardship involves implementing the "avoid - minimize - restore" approach across all operational areas to safeguard biodiversity and ensure the integrity of air and water resources. This means that any potentially serious negative impact should ideally be avoided from the outset, as ecosystems interact with each other in complex ways and any measure can interfere with and possibly disrupt natural systems.

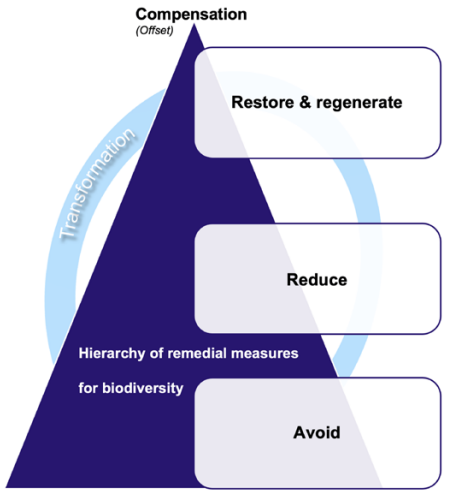


Figure 16 : Approach to protecting biodiversity and keeping air and water clean

It is also our objective to prevent emergency situations from arising, thereby avoiding adverse environmental and health effects, as well as other material damage. The respective management is responsible for providing the necessary personnel, organizational, and technical requirements for correct conduct in the event of an emergency. Emergency management is a process that can be broken down into the following key steps. Depending on the company, there may be additional steps that need to be taken.

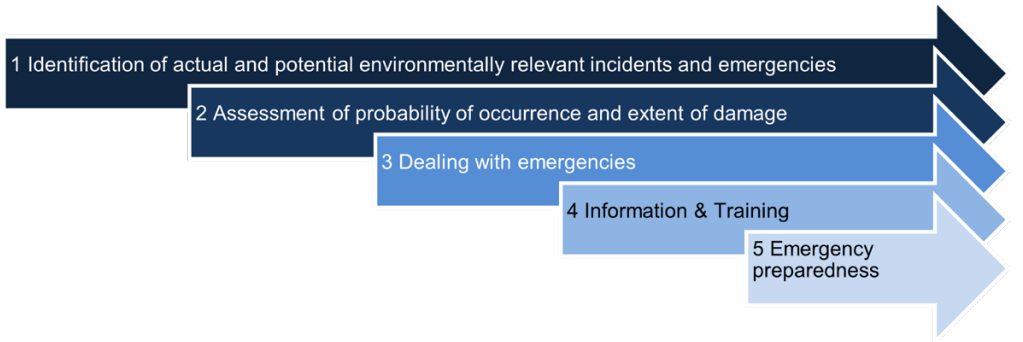


Figure 17 : Emergency management

If avoidance cannot be prevented, the aim is to minimize the potential negative impacts and, if necessary, to remedy any damage that has occurred through restoration measures. Compensatory measures are the final option for eliminating negative impacts, and Zeppelin does not currently utilize them.

Actions

→ ESRS 2 MDR-A, E2-2

Zeppelin is currently implementing measures to prevent and minimize environmental pollution in its own business area. In line with the environmental management system (ISO 14001), a number of site-specific environmental protection measures have been implemented, including the transition to biodegradable cleaning agents, behavior-related training initiatives, and the adoption of reusable containers and systems. Our service portfolio also includes services to prevent environmental pollution, such as carrying out oil diagnostics to detect imminent damage or leaks, minimizing wear and tear, etc. As part of the materiality analysis, which was extended to the upstream and downstream value chain for the first time, Zeppelin has identified impacts that are being addressed with the following action plan. These measures are based on the "Avoid" remedy level and aim to prevent air and water pollution and the associated emissions along the upstream and downstream value chain, to the greatest extent possible. The measures listed are not associated with significant capital expenditures or increases in operating expenditures.

ACTIONS RELATED TO POLLUTION

Goal	Key action	Expected results/ Contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Prevent and reduce air pollution (upstream)	• Supplier Code of Conduct: Cooperation with qualified suppliers to promote and restore environmental protection and air pollution control	• Sensitization of suppliers • Compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Prevent and reduce air pollution (downstream)	• Measures to reduce negative impacts, such as awareness-raising measures	• Raising awareness among customers and service providers	Group	Permanent	Not relevant
Prevent and reduce water pollution	• Supplier Code of Conduct: Cooperation with qualified suppliers to promote and restore environmental protection and air pollution control	• Sensitization of suppliers • Compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant

Progress 2024

Process description

- During the reporting period, the Group-wide process description "Biodiversity and air and water pollution control" was prepared and published internally. The company's internal rules and regulations further reinforce Zeppelin's commitment to environmental protection.

"Clean-up" initiatives at Zeppelin

- On the occasion of the annual worldwide "World Clean-Up Day" and on other days during the reporting year, many Zeppelin employees around the world once again participated in joint waste collection campaigns.

TARGETS AND METRICS

→ ESRS 2 MDR-T, E2-3

For the first time, the 2024 double materiality assessment identified environmental pollution in the upstream and downstream value chain as material. The Zeppelin Group has not yet defined any targets in this area, nor have any metrics been collected.

Zeppelin "Clean-ups"

E3 WATER AND MARINE RESOURCES

→ ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Water consumption			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Raw material extraction: The extraction of raw materials for the production of construction machinery, for example, is very water-intensive. Water is used to extract and purify these materials. The high water intensity of production processes and other preliminary products can lead to local water shortages and threaten the water supply • Metal production: The metal industry is one of the most water-intensive industries. In regions with limited water resources, high water consumption can lead to shortages, particularly affecting the local population • Rubber production (natural vs. chemical): Rubber trees require a lot of water, especially in the first few years after planting. In regions such as Southeast Asia, where most natural rubber is produced, this can significantly strain local water resources	Long-Term
	Downstream value chain	Negative impact	Time horizon
		• Fresh and rainwater are consumed in production and operating facilities, as well as on construction sites (e.g., in mortar production). Excessive water consumption can reduce local water resources and affect the availability of water for other uses, particularly in regions where water is scarce.	Long-Term
Water withdrawal			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Raw material extraction: The extraction of raw materials for the production of construction machinery, for example, is very water-intensive. Water is used to extract and clean raw materials • Metal production: The metal industry is one of the most water-intensive industries. In regions with limited water resources, large-scale water withdrawal can lead to shortages, particularly affecting the local population • Rubber production: High water withdrawals for rubber production can lead to problems such as wells and rivers drying up, especially in regions where water is scarce	Long-Term
Financial materiality	**Risk**	• Construction Equipment Service: Currently, fresh water is required primarily for the washing process. In the future, this could become more expensive, causing service costs to rise. In the worst case, it could become unavailable, which would negatively impact parts of our business model	Medium-Term

Water-intensive processes are increasingly concentrated in Zeppelin's value chain, both upstream and downstream. Water consumption also occurs to a minor extent in our business operations through the use of drinking water for employees and fresh and rainwater for irrigating green spaces and operating sanitary and washing facilities at our sites. As part of the double materiality assessment, marine resources were defined as not material to Zeppelin.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Policies

→ ESRS 2 MDR-P, E3-1

Water treatment plants are associated with very high acquisition costs, but operating costs for water tend to be low. Nevertheless, to counteract negative effects, reduce financial risks, and efficiently use this important resource, Zeppelin has set a group target to reduce its own water withdrawals. In addition to the ESRS 2 regulations mentioned previously, the target is supported by a process description entitled "Water and Marine Resources." This applies to all sites throughout the Zeppelin Group and includes the following voluntary commitments:

- Providing all employees with access to clean drinking water;
- Ensure that water and marine resources are used and procured sparingly throughout the value chain;
- Use water treatment plants and rainwater to promote more sustainable water sourcing, recovery, and reuse;
- Avoid water pollution through our own activities and reduce it to the lowest possible level;
- Reduce the use of water and marine resources in product and service design as much as possible and take protective measures to prevent water pollution;
- Reduce water consumption in areas affected by water stress and water risk as part of our own operations and within the upstream and downstream value chain, e.g., through efficiency measures;
- Promote the protection of water and marine resources along the upstream value chain by working exclusively with suppliers who comply with Zeppelin's "Supplier Code of Conduct", which includes specific requirements for the established environmental standards of the respective supplier, wherever possible;
- Knowingly refrain from entering into any business relationship or other remunerated collaboration with customers, end users, etc., who contribute significantly to the overuse or pollution of water and marine resources, which has negative environmental and social impacts. Instead, promote sustainable forms of water use within the scope of available, economically justifiable options;
- In the event of knowledge of actual or potential serious overexploitation or pollution of water and marine resources in the upstream and downstream value chain, implement remedial and, if necessary, preventive measures in cooperation with the respective business partners. This can lead to termination of the business relationship.

Actions

→ ESRS 2 MDR-A, ESRS 2 IRO-1, E3-2

Water risk and water stress areas

Water risk refers to the likelihood that a location will experience significant challenges related to water scarcity, water stress, flooding, deteriorating infrastructure, drought, or inadequate water management. The potential severity of future impacts is also considered. A region experiences high water stress when the demand for water exceeds the available water resources. The economical use of water is particularly important in these regions.

With the help of the Aqueduct tool program, Aqueduct 3.0 from the World Resources Institute, a detailed analysis of all Zeppelin sites was conducted to identify those with high water risk and stress. A total of 150 sites with high/very high water risk and 79 sites with high/very high water stress were identified. The areas experiencing water stress are located in Armenia, Belgium, China, Germany, India, Saudi Arabia, Turkmenistan, Ukraine, and the United States. The measures in the action plan below apply to all sites across the group, regardless of their classification as high-risk or high-stress areas.

Objectives and strategic anchoring

As part of the CSR strategy, the Group agreed to a target to reduce freshwater withdrawals. This target is supported by a modernization strategy for our owned properties, which includes measures to reduce our water withdrawal. These measures include purchasing and using rainwater cisterns and water circulation systems, as well as maintaining and repairing water pipes and supply systems.

Integrated management system

As part of the environmental management system, sites integrated into the scope of ISO 14001 address key environmental aspects. These aspects include the impact of our business activities, such as water extraction in our washing facilities when cleaning construction equipment. If the use of water or generation of wastewater is classified as a significant environmental aspect, then appropriate options for reducing the environmental impact are identified. Some of these options have already been mentioned.

Supplier Code of Conduct

Zeppelin establishes a code of conduct with its suppliers. In the code, Zeppelin and the supplier commit to fulfilling its principles and requirements and complying with applicable laws. The chapter on environmental protection explicitly mentions sustainable resource management, preferably in accordance with ISO 14001 or 50001, and the treatment and discharge of industrial wastewater.

ACTIONS RELATED TO WATER RESOURCES

Goal	Key action	Expected results/ Contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Reduce water consumption (upstream)	• Identify water stress and water risk areas • Supplier Code of Conduct: Cooperation with qualified suppliers to reduce water withdrawals and consumption	• Sensitization of suppliers Compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Reduce water consumption (downstream)	• Identify water stress and water risk areas	• Promoting awareness of water stress and water risk areas in relevant locations	Group	Permanent	Not relevant
Reduce water withdrawal (upstream)	• Identify water stress and water risk areas • Supplier Code of Conduct: Cooperation with qualified suppliers to reduce water withdrawals and consumption	• Sensitization of suppliers Compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Reduce water withdrawal (financial risk)	• Identify water stress and water risk areas • Self-commitment • CSR Group target to reduce freshwater withdrawal • Modernization strategy 2030 (property locations): Includes reactivation of gray water, construction of cisterns, use of rainwater, use of circulation systems, and testing of new methods to reduce water withdrawals • Integrated management system: ISO 14001 (environmental management, Germany) • Supplier Code of Conduct	• Implementing the modernization strategy will reduce freshwater withdrawal by around 44,000 m^3 (30 %) compared to 2022	Group	2030	Not relevant

For information on significant investments or operating expenses, please refer to E1 under the modernization strategy.

Progress 2024

General development	▪ Total water withdrawal decreased by 5.0 % compared to the previous year, reaching 126.974 m^3. ▪ Freshwater withdrawal decreased by 7.3 % compared to the previous year, reaching 122.257 m^3.

Group-wide policy

During the reporting period, the Group-wide process description "Water and Marine Resources," was developed and published internally. The process description reinforces Zeppelin's commitment to the economical use of water.

Reduction of freshwater withdrawal in own business operations

- A fully automated coarse dirt washing system was installed at the Markgröningen, Germany rental site at the end of 2024 and put into operation at the beginning of 2025. This system uses low pressure (approximately 1.5 bar) and a high water volume (up to 6,000 liters per minute) to clean construction machinery and vehicles. A high-pressure cleaner (max. 60 bar, 60 °C) is used for washing cabins and areas with oil and grease deposits. The wash water is recycled in a closed system. Dirt particles settle with the help of flocculants and are then removed mechanically. Water losses are compensated for with a fresh water supply, and excess water is drained into the sewage system as needed. The system is designed so that no process water needs to be discharged. Thanks to the completely self-sufficient supply of reused gray water, considerable water savings are expected compared to normal manual washing processes that use fresh water. If the system is successful, plans are in place to install similar systems at other locations.
- A water circulation system with a water treatment plant has been installed at the newly built site in Eschweiler, Germany. The system is fed by three rainwater cisterns with a total capacity of 60,000 cubic meters. The gray water is used for washing the construction machinery, as well as for the site's sanitary facilities and washing hall. The water is then filtered by a treatment plant and returned to the circulation system.

TARGETS AND METRICS

→ ESRS 2 MDR-T, E3-3

TARGETS RELATED TO WATER RESOURCES

Goal	Target value	KPI	Scope	Base year	Base value	Time horizon	31.12.2024	Change in BY	Change in PY
Reduce freshwater withdrawal	-30 % 102,728 m^3	Freshwater withdrawal	Group	2022	146,754 m^3	2030	122.257 m^3	-16.7 %	-7.3 %
Reduce freshwater withdrawal	-17.2 % 121.512 m^3	Freshwater withdrawal	Group	2022	146,754 m^3	2027			

The Group has set a binding reduction target for freshwater withdrawal across all locations, including those in areas with water stress and risk. However, ecological threshold values are not defined. As part of a cascading of all CSR targets, the freshwater target was broken down to the company level.

WATER WITHDRAWAL BY COUNTRY (m^3)

Country	2024	
	Freshwater withdrawal	Total water withdrawal[7]
Armenia	2,644	2,644
Austria	3,531	3,531
Belgium	62	62
Brazil	2,511	3,027
China	3,505	3,505
Czech republic	6,920	7,941
Denmark	4,569	4,501
Estonia	37	37
France	158	158
Germany	59,480	62,725
Great Britain	172	172
Greenland[8]	0	0
India	1,086	1,086
Italy	394	394
Poland	2,281	2,281
Russia	1,061	1,061
Saudi Arabia	1,770	1,770
Singapore	48	48
Slovak Republic	1,409	1,411
South Korea	82	82
Sweden	9,770	9,770
Switzerland	163	163
Tajikistan	1,580	1,580
Turkmenistan	12,860	12,860
Ukraine	3,112	3,112
USA	2,729	2,729
Uzbekistan	324	324
Zeppelin Group total (sum of all countries)	**122,257**	**126,974**

As part of the double materiality assessment, it was determined that the company's water use is largely attributable to water withdrawal. For this reason, no information on water consumption is provided.

7 Consists of gray water (treated) or rainwater and fresh water.

8 Data assigned to Denmark

E4 BIODIVERSITY AND ECOSYSTEMS

STRATEGY

→ ESRS 2 SBM-3, E4-1

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Land-use change, fresh water-use change and sea-use change			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Appropriate land use is required for the operation of our suppliers' sites • Raw material extraction can lead to significant changes in land use	Long-term
	Downstream value chain	Negative impact	Time horizon
		• Appropriate land use is required for the operation of our suppliers' sites • Construction sites and new buildings can lead to a significant changes in land use	Long-term
Direct exploitation			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Zeppelin generates economic profits from land resources, such as iron ore for steel production, a primary product used in construction machinery and engines, and aluminum for plant engineering. Once these resources are extracted, they are no longer available to nature or other people	Long-term
Impacts on the population size of species			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Extracting and processing raw materials can impact nature and the species within it, leading to a local population reduction	Long-term
Impacts on the global extinction risk of species			
Impact materiality	**Downstream value chain**	Negative impact	Time horizon
		• Extracting and processing raw materials can impact nature and the species within it, leading to a local population reduction	Long-term
	Downstream value chain	Negative impact	Time horizon
		• Our sold or rented equipment and machines can be used in mines for extracting raw materials that may affect animal population.	Long-term
Land degradation			
Impact materiality	**Downstream value chain**	Negative impact	Time horizon
		• Construction machinery and equipment can cause significant earth movement, resulting in soil conversion	Long-term
		Positive impact	Time horizon
		• Construction machinery and equipment can be used for renaturation	Long-term
Soil sealing			
Impact materiality	**Downstream value chain**	Negative impact	Time horizon
		• The use of construction machinery and equipment to seal the soil can negatively impact the water balance, soil fertility, local climate, and biodiversity	Medium-term
		Positive impact	Time horizon
		• Construction machinery and equipment can contribute to the renaturation process by being used for demolition work	Medium-term

For the first time, the topic of biodiversity and ecosystems was identified as material in the 2024 double materiality assessment due to their impact on the value chains upstream and downstream. The DMA was based on Zeppelin's business activities but not on all individual locations. The process and stakeholders involved are described in ESRS 2. These topics are closely connected to the material topics of climate change (E1), pollution (E2), and water and marine resources (E3), as well as the resilience analysis performed (see E1). The Zeppelin Group depends slightly on an ecosystem service for the raw material wood due to its use of pallets for transporting and storing construction machinery and equipment. This primarily affects the Construction Equipment Germany & Austria, Construction Equipment International, Rental, and Power Systems SBUs. In the coming years, the further development of sustainability considerations related to biodiversity and ecosystems in strategy and business models will be a task.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Policies

→ ESRS 2 MDR-P, E4-2

The Zeppelin Group is committed to preserving biodiversity and ecosystems throughout its supply chain to ensure people's livelihoods and the long-term success of the company, as well as the foundation for ecologically responsible business practices. The Zeppelin Group's voluntary commitment, internal regulations, and strategic management approach regarding pollution (E2) have already been described here.

Actions

→ ESRS 2 MDR-A, E4-3

The measures already listed under pollution (E2) also apply to the area of biodiversity and ecosystems. These measures are not associated with significant capital or operating expenditures.

ACTIONS RELATED TO BIODIVERSITY AND ECOSYSTEMS

Goal	Key action	Expected results/contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Avoid land-use change, fresh water-use and marine-use change (upstream and downstream)	• Upstream: Supplier Code of Conduct • Downstream: awareness-raising measures (e.g. on the efficient use of machinery)	• Raising awareness among suppliers and compliance with the Code of Conduct by suppliers • Raising customer awareness	Group	Permanent	Not relevant
Avoid direct exploitation (upstream)	• Supplier Code of Conduct	• Raising awareness among suppliers and compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Avoid negative impacts on the population size of species (upstream)	• Supplier Code of Conduct	• Raising awareness among suppliers and compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Avoid negative impacts on the global extinction risk of species (upstream and downstream)	• Upstream: Supplier Code of Conduct • Downstream: N/A	• Raising awareness among suppliers and compliance with the Code of Conduct by suppliers	Group	Permanent	Not relevant
Avoid land degradation and promoting renaturation (downstream)	N/A	N/A	N/A	N/A	Not relevant
Avoid soil sealing and promoting renaturation (downstream)	N/A	N/A	N/A	N/A	Not relevant

Progress 2024

Process description

- In the reporting year, the Group-wide process description "Biodiversity and air and water pollution control," was developed and published internally (description see E2 policies). These internal rules and regulations reinforce Zeppelin's commitment to promoting biodiversity.

Biodiversity campaign "Zeppelin blooms"

- To promote awareness of biodiversity and species protection, the CSR department called for the Group-wide participatory campaign "Zeppelin blooms!" at the beginning of the year, with the support of Zeppelin GmbH's Managing Director and CFO, Christian Dummler. Zeppelin sites around the world participated by planting wildflowers and, in some cases, fruit trees in green spaces to provide food and shelter for pollinators and native insects. Some areas were not mowed as usual, allowing wildflowers to grow. Some sites also installed nesting aids for birds.

Biodiversity campaign "Zeppelin blooms"



TARGETS AND METRICS

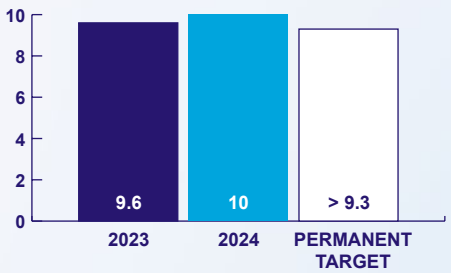
→ ESRS 2 MDR-T, E4-4, E4-5

For the first time, the topic of biodiversity and ecosystems in the upstream and downstream value chains was identified as material in the 2024 double materiality assessment. The Zeppelin Group has not yet defined any targets in this area, nor have any metrics been collected.

SOCIAL INFORMATION

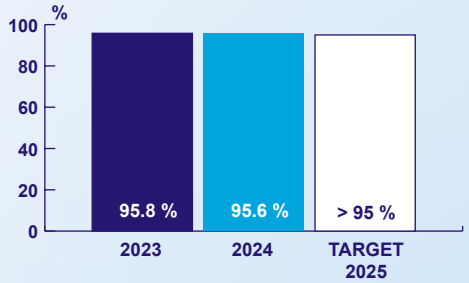
AVERAGE LENGTH OF SERVICE
ZEPPELIN GROUP

10 YEARS



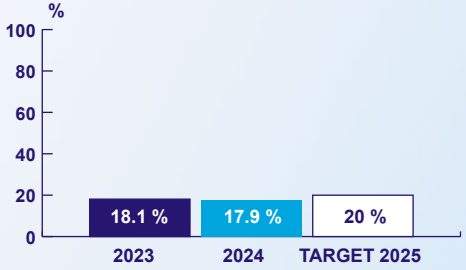
HEALTH RATE
ZEPPELIN GROUP

95.6 %



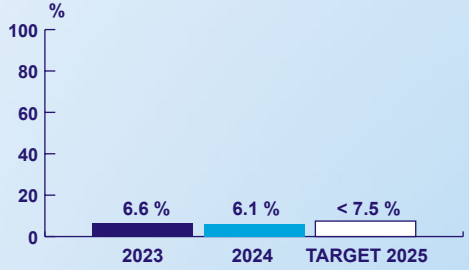
PROPORTION OF WOMEN
ZEPPELIN GROUP

17.9 %



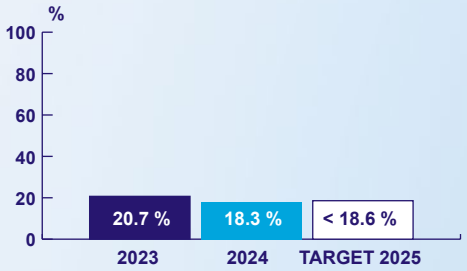
SELF-TERMINATION RATE
ZEPPELIN GROUP

6.1 %



WORK-RELATED ACCIDENT RATE
ZEPPELIN GROUP

18.3 %



S1 ZEPPELIN WORKFORCE

STRATEGY

→ ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Secure employment			
Impact materiality	**Own operations**	**Positive impact**	Time horizon
		• Providing secure employment for our employees ensures their financial stability and contributes to their mental health and well-being worldwide	Long-term
Work-life balance			
Impact materiality	**Own operations**	**Positive impact**	Time horizon
		• Promoting the well-being and living conditions of our employees positively impacts employee retention, employer attractiveness, and the employment rate of women. This contributes to an increase in gross domestic product and a reduction in the shortage of skilled workers	Long-term
Financial materiality	**Opportunity**	• Increased employee retention: Companies that offer work-life balance measures often have higher retention rates. This reduces the costs and workload associated with recruiting and training new employees, resulting in lower staff turnover and higher productivity • Better employee health: Promoting work-life balance can lead to better mental and physical health, reducing the cost of sick leave • Talent recruitment: Companies that offer family-friendly working conditions can more easily recruit qualified specialists, save on recruitment costs, and gain a competitive advantage	Medium-term
Health and safety			
Impact materiality	**Own operations**	**Negative impact**	Time horizon
		• Workplace accidents directly impact employees' health	Long-term
Financial materiality	**Risk**	• Short-term costs: Implementing health and safety measures may initially incur costs, such as investing in safety equipment and training. These direct costs affect the company's budget • Accidents at work and sick days: Without adequate health and safety measures in place, accidents at work and work-related illnesses can occur. This can lead to high costs for medical care, absences from work, and possibly legal action • Production downtime can result from accidents at work or health problems among employees. This leads to lost sales and delays in order fulfillment. • Insurance costs: Companies often have to pay higher insurance premiums if they do not implement appropriate work-related safety measures. Workplace accident insurance premiums can increase if accidents occur more frequently • Legal costs: Violations of health and safety laws or workplace accidents can result in legal costs in the form of penalties and damage claims • Damage to reputation: Accidents or poor working conditions can damage a company's reputation. This can lead to a loss of customers and business opportunities	Medium-term
	Opportunity	• Increasing employee satisfaction and employer attractiveness	Medium-term
Training and skills development			
Impact materiality	**Own operations**	**Positive impact**	Time horizon
		• Focusing on continuous professional development, lifelong learning, and extensive internal and external training and development opportunities can increase employee satisfaction and loyalty, as well as improve the quality of work	Long-term
Financial materiality	**Opportunity**	• Increasing employee satisfaction, employee loyalty and employer attractiveness	Medium-term
Diversity			
Impact materiality	**Own operations**	**Positive impact**	Time horizon
		• Promoting diversity, equal opportunities, and inclusion helps reduce discrimination and prejudice. These values create fair conditions for everyone, regardless of their ethnicity, gender, sexual orientation, religion, or other characteristics. Promoting diversity strengthens social cohesion	Medium-Term

The identified impacts, risks, and opportunities relate to all employees, regardless of their gender, position, activity, or group affiliation. The analysis considered the company's employees but not temporary workers, freelancers, or self-employed individuals working on behalf of Zeppelin. Work-related accidents in the area of "health and safety" were identified as a significant negative impact for Zeppelin's employees.

Zeppelin's HR strategy considers internal and external challenges and is part of the global group strategy. The HR strategy focuses on three areas: Attract, Develop, and Retain. These areas are supported by a wide range of initiatives and programs. The HR organization is divided into independent HR departments. Depending on the company's size, there is also an HR development department in addition to operational HR management. Group HR Development is responsible for creating and developing the HR strategy, as well as overarching topics related to leadership and management development. These measures are supplemented by company-specific personnel development processes. The CHRO function in the Group Management Board is responsible for overall leadership of the HR areas, including employee engagement, HR development, compliance and data privacy, diversity, equal opportunities and inclusion, and IT and digitalization.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

→ ESRS 2 MDR-P, ESRS 2 MDR-A, S1-1, S1-2, S1-3, S1-4, S1-14

Group management is in constant dialogue with the workforce. The goal is to promote continuous improvement through feedback, discussions, and collaboration across countries, companies, and departments. To obtain feedback from employees on topics impacting employee retention, satisfaction, and motivation, Zeppelin piloted the anonymous and voluntary Z VOICE Pulse employee survey in 2024. This modern, short survey format, known as Pulse Checks, is an improvement on the previous Z VOICE employee survey. The goal is to gauge employee sentiment every six months to promptly implement improvements. The surveys are supported by a follow-up process involving centralized and decentralized measures, including training and exchange formats for various target groups. Z VOICE Pulse will continue and be rolled out globally in 2025.

In addition to regular employee surveys, 360° feedback for managers supplements Zeppelin's survey landscape. This development tool enables managers to receive individual feedback from colleagues, superiors, and direct reports based on Zeppelin's management principles. Additionally, employees who leave the company voluntarily are asked to participate in an anonymous survey about their time at Zeppelin and their reasons for leaving. The aim is to identify areas where the company can improve and develop targeted strategies to strengthen employee loyalty.

ENGAGING WITH ZEPPELIN WORKFORCE

Groups	Level	Type	Frequency	Evaluation of effectiveness
Employees	All permanent employees and trainees	Z VOICE Pulse: Survey on employee satisfaction and motivation	Twice a year	High
Managers	Demand-specific, generally open to all managers	360° feedback: Management feedback to further develop leadership skills and personality	One-off, can be repeated after 1-2 years if necessary	High
Employees	Employees who leave the company voluntarily (= resignation)	Survey on voluntary employee resignation	One-time exit	Medium

In Germany and Austria, the Works Council is involved early on in matters requiring co-determination to ensure constructive and transparent collaboration. At the group level, the Group Works Council regularly discusses personnel issues to develop joint solutions that best represent the interests of employees. Close cooperation with the respective Works Councils at the locations also contributes significantly to the success of HR measures. In countries without formal employee representation, employee participation is promoted through regular surveys, feedback meetings, and open communication formats to integrate employee concerns into decision-making processes.

The online whistleblowing system, Trust Line, is available to all employees and external parties to submit anonymous information, complaints, and reports of possible violations of laws, regulations, and guidelines. More information can be found in the Governance Information section.

Zeppelin implements applicable laws and regulations, respects internationally recognized standards, and works to prevent human rights and environmental risks and violations in its business activities. Zeppelin also provides affected parties with access to remedies and grievance channels. These principles are reflected in the central policies described under ESRS 2. Noteworthy are the Code of Conduct for Business Ethics and Compliance and the Declaration of Principles on Respect for Human and Environmental Rights. These documents express responsibility in the context of global business activities and apply to the entire value and supply chain, as well as to all employees worldwide. During the reporting period, the Zeppelin Group was not aware of any cases or activities involving a significant risk of child, forced, or compulsory labor at its sites.

Additionally, several Group guidelines and work agreements, established between the Zeppelin GmbH management and the Zeppelin GmbH Group Works Council, apply to all Zeppelin GmbH employees and those of its majority-owned domestic subsidiaries and sub-subsidiaries. These include the group work agreements "Mobile Working," "Introduction of the Workday Modules Performance, Potential Identification, Talent, Succession, and Learning," "Subsidy for Preschool Childcare," and "LinkedIn Learning," which can be accessed in the internal guidelines center.

Policies and actions: Secure employment

Zeppelin benefits from stable employee tenure. Therefore, we pursue a long-term employment strategy and avoid short-term employment as much as possible. We promote long-term career development through various programs, such as the Z Academy for prospective and experienced managers, as well as Z Compass and Z Talent, which identify employees' potential. Additionally, every new hire is carefully considered, and employees are generally offered permanent contracts. We prioritize a positive employer image to attract new talent and retain existing employees. Various employer seals and certifications confirm Zeppelin's status as an excellent employer: "Fair Company" (Handelsblatt), "Employer of the Future" (German Innovation Institute for Sustainability and Digitalization), "Top Company 2024" (Kununu), and "Germany's Most Coveted Employer" (F.A.Z. Institute).

Policies and actions: Diversity

Zeppelin takes a holistic approach to promoting diversity, equal opportunities, and inclusion (DEI). The company is developing a corporate culture that fosters tolerance, mutual respect, and equal opportunities. Zeppelin has a zero-tolerance policy toward any form of discrimination. The company explicitly encourages and promotes different experiences and views based on age, nationality/ethnic origin, gender, sexual orientation, disability, religion/belief, life plans, and other characteristics to create authenticity and initiate new developments. These values are anchored in both Zeppelin's Code of Conduct and the management's declaration for diversity, equal opportunities, and inclusion. Zeppelin is a member of the Diversity Charter, a German employer initiative that promotes diversity in companies. The Zeppelin Group is also a founding partner of "Employers for Equality," a PANDA GmbH program promoting "gender, equality, and diversity" in companies. As a member company, Zeppelin is committed to equality and aims to drive progress in business and society. Zeppelin also supports the "Top Women BW" project, which aims to increase the number of women in management positions in Baden-Württemberg companies. Zeppelin founded the Z COLOURFUL initiative in 2020. It includes measures that focus on diversity, equal opportunities, and inclusion. The initiative supports adapting to a constantly changing world of work and promotes awareness of diversity as a critical success factor. To this end, Zeppelin holds events and campaigns in German and English to raise awareness of diversity, equal opportunities, and inclusion. Examples include events held on Diversity Day and training sessions throughout the year. Additionally, various employee networks provide a platform for employees to exchange ideas (e.g., the LGBTQI+ network PROUD@Zeppelin and the women's network Z NOW).

Policies and actions: Work-life balance

In order to reconcile work and private life, Zeppelin relies, among other things, on flexible working time models such as part-time or partial retirement, which can be individually adapted to the needs of employees. The Group company agreement "Mobile Working" contributes to the promotion of work-life balance and increases the flexibility and modernity of the company, promotes a better work-life balance and contributes to greater employee satisfaction. The "audit berufundfamilie", according to which Zeppelin has been certified since 2018, also provides an important framework[9]. Zeppelin offers various support programs to help employees in different life situations in the best possible way. Employees of the German companies have access to the famPLUS service offering for childcare and parental advice, care advice and mental health. The German-language Z PARENTS program provides targeted support for parents before, during and after parental leave.

Policies and actions: Training and skills development

The Zeppelin Group promotes the development of its employees' skills and lifelong learning. Group-wide talent management programs support identifying individual career opportunities in management and expert roles, as well as ensuring internal succession planning. The Z COMPASS process is a development center that identifies and develops high-potential employees. Additionally, Z TALENT is a global process that identifies high performers and high potentials, as well as engages in strategic succession planning for key positions at the senior and middle management levels, and for select expert roles. Alongside the group's development programs for employees and managers, which are based on management principles, the SBUs offer a portfolio of specialized training courses. These courses cover professional and personal skills and are tailored to the needs of the working environment and employees. Zeppelin has launched the Z NEXT trainee program for those starting an academic career. We also retain young talent through our dual study program and certified training program. Information is provided to all employees in connection with transition plans for key topics, and training and further education measures are carried out as required. Examples include training on new products, such as e-excavators and high-voltage systems.

Policies and actions: Health and safety

The Zeppelin Group's declared goal is to prevent all work-related accidents and work-related illnesses (Vision Zero). The following basic principles, which are anchored in the Group guideline "Corporate Policy Integrated Management System," apply:

- Management and executives bear primary responsibility and serve as role models for safe and healthy work practices at Zeppelin. They implement measures to maintain and improve the long-term health and performance of all employees. All necessary resources (time, money, materials, and training) are made available for developing the work-related health and safety organization and its resulting measures;
- All employees are obligated to prevent accidents, illnesses, and hazards at work for themselves and others through their behavior. They actively and consciously contribute to this goal in their daily actions. This means observing applicable work-related health and safety regulations at all times, wearing prescribed personal protective equipment, and using machines, devices, and work equipment as intended;
- All employees are encouraged to report faults and deficiencies, as well as submit potential improvements for a safe and healthy workplace. The goal is to continuously improve working conditions and steadily reduce accidents and work-related illnesses.

Zeppelin uses the ISO 45001-certified work-related health and safety management system to control its focus and achievement of goals, as well as to monitor and document progress. This management system covers around 61 percent of all Zeppelin Group employees in Germany in the reporting year. To ensure that Zeppelin's high standards are met abroad as well, the internal regulations are based on the existing management system. Procedural instructions regulate the processes and specifications for behavior in the event of work-related accidents, as well as their notification and reporting. In Germany, at each site with more than 20 employees, developments are documented and monitored in quarterly meetings of the work-related health and safety committee. Safety experts and company doctors are involved in this process. A risk assessment is conducted for each activity to identify potential hazards. In addition, inspections are carried out in all areas to identify risks and implement solutions. Internal auditors who undergo regular training reduce the risk of hazards through internal audits and site inspections. External service providers carry out audits and certifications of the sites. All employees take part in an annual training course to ensure they have the necessary knowledge and skills relating to health and safety at work. The respective managers are responsible for this. Effective work-related health and safety training can prevent workplace accidents, protect employees' health, and increase productivity by minimizing potential risks. Zeppelin offers two Germany-wide work-related health and safety training courses that cover job-specific topics. Zeppelin considers the safety of contractors and external personnel to be just as important as the safety of its own employees, so they are instructed before starting work. In addition to mandatory examinations, Zeppelin offers other voluntary work-related health services.

The Z FIT health initiative is a key component of the Zeppelin Group's workplace health promotion program, as well as those of other German companies. It includes various measures to maintain and improve employee health and well-being, such as presentations, check-ups, workshops, and activity sessions. The initiative aims to ensure a safe working environment, identify risks early on, and promote the long-term physical and mental health of our employees.

The following action plan presents relevant measures that can indirectly contribute to achieving objectives. These measures are based on best practices, scientific findings, and workforce feedback. The effectiveness of the listed measures and initiatives is tracked and evaluated through regular internal and external audits and employee surveys. Please note that the metrics on which the targets are based, such as length of service, resignation rate, health rate, and proportion of women, can only be directly influenced by overarching measures to a limited extent. Rather, these metrics are largely linked to factors in the immediate working environment, such as cooperation with the manager, team atmosphere, and perceived development opportunities. Personal circumstances can also significantly impact motivation, commitment, health, and a sense of belonging.

9 The certification applies to Zeppelin GmbH, the German companies of the strategic business units Construction Equipment Germany & Austria, Rental and Power Systems

ACTIONS RELATED TO ZEPPELIN WORKFORCE

Goal	Key action	Expected results/contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Maintain a stable level of length of service Maintain a low rate of self-termination	• Development opportunities • Employee survey: Z VOICE Pulse • Initiatives and measures to reconcile work and private life • Promoting young talent: training, dual study program, and trainee program (Z NEXT) • Master's scholarship at Zeppelin University • Management programs • Employer attractiveness (employer branding)	• Employee retention through training and career opportunities • Regularly soliciting employee feedback on factors influencing retention • Promoting work-life balance • Retaining junior staff and talent at an early stage • Employee retention through excellent, professional employee management • Employee retention and attracting talent through a positive employer image	Group	Permanent	Not relevant
Maintain a high health rate	• Z FIT	• Educating people about health issues and raising awareness of them • Maintaining and increasing employee well-being • Promoting health-conscious behavior	Germany	Permanent	Not relevant
Reduce the rate of work-related accidents and days lost due to accidents	• Annual training for all employees (e-learning)	• Raising awareness of work-related health and safety among all employees	Group	Permanent	Not relevant
Increase in the proportion of women	• Z COLORFUL/Z NOW • Recruitment of female talent • Promotion as part of talent and development programs • Support as part of succession planning and the recruitment process	• Raising awareness of gender equality • Increasing employer attractiveness • Creating equal opportunities	Group, Germany	Permanent	Not relevant

Progress 2024

General development	• Across the Group, the number of work-related accidents continued to decrease, dropping by 5.8 % to 195 compared to the previous year. The work-related accident rate across the Group decreased by 13.5 %, meaning the reduction target was achieved in the reporting year. • The health rate, proportion of women, and resignation rate remained stable, close to last year's figures.

Z VOICE Pulse: Regular inclusion of employee feedback

- In October 2024, the short survey format Z VOICE Pulse was piloted with 3,300 Zeppelin employees. It is an evolution of the global employee survey, Z VOICE, and aims to obtain regular feedback from employees. This allows trends and patterns to be identified, enabling the continuous improvement of the employee experience. Pulse Checks focus particularly on topics related to employee engagement. Employee engagement describes their commitment and enthusiasm for their work and the company. Aspects such as corporate culture, the working environment, relationships with colleagues, and perceived development opportunities influence this. Seventy-six percent of Zeppelin employees who were invited participated in the survey. In the follow-up process, the results were analyzed at the group, company, and team levels, and measures were derived. Managers received support in the form of training courses and, if necessary, from the local HR department. Plans are in place to conduct the biannual survey in 2025 and extend it to other Zeppelin Group companies.

Developments in leadership and employee development

- Zeppelin's key focus area is the qualification and further development of managers, as leadership quality significantly influences employee motivation, loyalty, and satisfaction. In 2024, the Leadership Gyms were introduced – an interactive format designed to promote and maintain a positive leadership culture in the long term. A total of three events were held, with nearly 160 managers from all SBUs in attendance. Additionally, 360° management feedback, incorporating the perspectives of managers, direct reports, and colleagues, was further implemented and firmly anchored in management development programs. In the area of further development and talent management, the "Ready to Rise" management development program for high-potential employees was modernized and successfully piloted with 25 participants. In the coming year, management development programs and career opportunities for experts will be optimized. Additionally, open training courses for all managers will be revised and offered in English. In 2024, a cross-SBU talent conference was piloted in HR for the first time. Building on this success, the first general, cross-professional Z TALENT conference will be held with all SBUs in 2025 to promote transparency and visibility of key positions and talent within the group.

Z FIT measures and actions 2024

- As part of the Z FIT health initiative, there was a special focus on promoting mental health in 2024 because it is crucial for well-being, motivation, and resilience in everyday work life. Mental Health First Aid (MHFA) providers were trained to offer support during crises. A health week with presentations and activities raised awareness of the topic and was accompanied by a communication campaign featuring interviews with management and staff. JobRad was introduced as a new provider of company bike leasing in Germany. Additionally, regular offerings included the "Moving Break" and yoga for employees.

Z COLOURFUL actions in 2024

- As part of the Z COLOURFUL initiative, various events and campaigns were held in 2024 to raise awareness of diversity, equal opportunities, inclusion, and work-life balance. For instance, these topics were integrated into the onboarding process through Z WELCOME events and an automatic e-learning course for new employees. To celebrate Diversity Day, a hybrid global event was held with the motto "Commonalities Connect – Differences Make Us Strong." The event featured a presentation and a panel discussion on diversity and inclusion. Companies followed up with additional activities. Additionally, four keynote speeches were held as part of the "Lunch & Learn" series, addressing neurodiversity, age diversity, reconciliation strategies for fathers, and financial independence. Zeppelin's management also published a statement on the Group website in the reporting year to express its clear stance against discrimination and in favor of diversity, equal opportunities, and inclusion. The networks were active in 2024 as well: Z NOW organized campaigns for International Women's Day, as well as a trade fair stand and presentations by Zeppelin employees at herCareer. Z PROUD participated in Munich's Christopher Street Day. Additionally, Z PARENTS initiated a network for (expectant) fathers, offering space for exchange, lectures, and suggestions for fathers. The sum of these work-life balance measures ultimately led to a successful re-audit of the "berufundfamilie" certification. Beyond the mentioned measures and campaigns, employees are regularly made aware of diversity, equal opportunities, and inclusion. The content is incorporated into management training and e-learning courses via Workday, and regular lectures from external partners are available to all employees.

Work-related health and safety: Raising awareness

- Within the scope of the work-related health and safety management system, an in-house roadshow was launched throughout Germany in the reporting year on the topic of "Employer Duties and Managerial Responsibilities." The goal was to raise awareness among managers and identify areas for improvement in work-related health and safety. The work-related health and safety e-learning course achieved a 92 percent participation rate in the reporting year. Overall, the number of workplace accidents decreased compared to the previous year.

TARGETS AND METRICS

→ ESRS 2 MDR-T, ESRS 2 MDR-M, S1-5, S1-6, S1-9, S1-13, S1-14, S1-15

The definition of targets and the establishment of target values are based on external studies, historical company data, industry benchmarks, and anticipated developments related to labor market trends. These targets were established in collaboration with the Group Management Board and in accordance with Group guidelines. The metrics are reported annually to assess progress and are submitted to the Group Management Board. The selected targets address key issues such as diversity, work-life balance, training, and skills development.

TARGETS RELATED TO ZEPPELIN WORKFORCE

Target	Target value	KPI[10]	Scope	Base year	Base value	Time horizon	31.12.2024	Change in	
								BY	PY
Maintain a stable level of length of service	> 9.3 years	Average length of service in years	Group	-	-	Permanent	10.0 years	+4.2 %	
Maintain a low rate of self-termination	< 7.5 %	Self-termination rate[11]	Group	-	-	2025	6.1 %	-7.6 %	
Maintain a high health rate	> 95 %	Health rate[12]	Group	-	-	2025	95.6 %	-0.2 %	
Reduce the number of accidents at work	-10 % p. a.	Number of work-related accidents (> 3 days) per 1,000 employees	Germany	Previous year	20.7	2025	17.9	-13.5 %	
Reduce the days lost due to accidents	-10 % p. a.	Number of days lost due to accidents	Group	Previous year	5,776 days	2025	4,937 days	-14.5 %	
Increase in the proportion of women	20.0 %	Proportion of women	Group	2020	16.0 %	2025	17.9 %	+11.9 %	-1.1 %

The number of employees stated in the release does not include apprentices, employees on long-term sick leave, interns/trainees, dual students, or employees on unpaid leave, partial retirement during the release phase, or parental leave. Temporary workers and freelancers are also excluded. However, employees on maternity leave, leave of absence, or an employment ban are included. Unless otherwise stated, the reporting date is December 31 of the reporting year. The number of employees is stated in either heads (number of persons) or FTE (full-time equivalent). Information on external employees in accordance with S1-7 is not yet included in the report. To ensure a uniform approach and harmonized reporting, this consolidated sustainability statement uses the same calculation method for the number of employees as the management report.

10 The data required to define targets and assess progress regarding the proportion of women, length of service, and employee resignation rate is obtained from Workday, a central platform for recording, monitoring, and calculating employee data. These metrics are reported as of December 31 of the reporting year. Length of service is calculated by determining the period of time between an employee's start date and the reporting date of December 31 of the reporting year. This figure is reported in years. The employee resignation rate is reported as a percentage. It is calculated by dividing the cumulative number of resignations over the past twelve months by the number of employees on the reporting date. The health rate is calculated by subtracting the sickness rate from 100 percent. The sickness rate is calculated by dividing the number of sick days by the target working days multiplied by the number of employees. Long-term sickness is not included in this calculation. Since sick days are not recorded centrally, companies report the data used to calculate the ratio to Group Controlling on a monthly basis. The proportion of women is calculated by dividing the total number of women in the workforce by the total workforce, and is expressed as a percentage.

11 Self-termination rate = (Number of voluntary resignations (cumulated over the last 12 months) / Number of employees (as of last day of last month)) x 100 %

12 Health rate = 1-(Number of employees sick days (cumulated over the last 12 months) / Number of employees (as of last day of last month) x target working days (cumulated over the last 12 months)) x 100 %

TOTAL NUMBER OF EMPLOYEES (HEADCOUNT) BY GENDER

Gender	Number of employees (headcount as at 31.12.)
Male	8,431
Female	1,837
Other	0
Total number of employees	**10,268**

TOTAL NUMBER OF EMPLOYEES (HEADCOUNT) BY COUNTRY

Country	Number of employees (headcount as at 31.12.)
Armenia	133
Austria	324
Belgium	17
Brazil	113
China	131
Czech republic	514
Denmark	448
Estonia	11
France	21
Germany	6,405
Great Britain	21
Greenland	6
India	259
Italy	54
Poland	161
Russia	106
Saudi Arabia	21
Singapore	14
Slovak Republic	174
South Korea	0
Sweden	648
Switzerland	17
Tajikistan	12
Turkmenistan	43
Ukraine	451
USA	104
Uzbekistan	60
Total	**10,268**

Secure employment

Zeppelin aims to promote secure employment, establish long-term employment relationships, and foster a stable working environment.

NUMBER OF EMPLOYEES BY GENDER, TYPE OF EMPLOYMENT, AND INFORMATION ON FLUCTUATION

	Female	Male	Other (*)	In total
Number of employees (headcount)				
	1,837	8,431	0	10,268
Number of permanent employees (headcount)				
	1,786	8,197	0	9,983
Number of temporary employees (headcount)				
	51	234	0	285
Number of full-time employees (headcount)				
	1,395	8,207	0	9,602
Number of part-time employees (headcount)				
	442	224	0	666
Number of employees who have left the company (headcount)				
	208	885	0	1,093
Employee turnover (in %)				
	11.3 %	10.5 %	-	10.6 %

(*) Gender according to employees' own statements.

NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE AND SBU/REGION

	Construction Equipment Germany & Austria	Construction Equipment International	Rental	Power Systems	Plant Engineering	Zeppelin GmbH (Holding)	In total[13]
Number of employees (headcount)							
	2,429	2,117	2,436	1,138	1,741	319	10,268
Number of permanent employees (headcount)							
	2,362	2,058	2,396	1,117	1,648	316	9,983
Number of temporary employees (headcount)							
	67	59	40	21	93	3	285
Number of full-time employees (headcount)							
	2,248	2,063	2,253	1,067	1,622	279	9,602
Number of part-time employees (headcount)							
	181	54	183	71	119	40	666

13 Including employees of the companies klickrent GmbH and Zeppelin Lab GmbH.

Employee satisfaction

Zeppelin prioritizes long-term employee retention and satisfaction. Indicators of long-term loyalty and satisfaction include a high average length of service and a low self-termination rate.

LENGTH OF SERVICE AND SELF-TERMINATION RATE

SBU	Average length of service in years	Self-termination rate[14]
Construction Equipment Germany & Austria	12.6	3.7 %
Construction Equipment International	8.6	8,1 %
Rental	8.1	7.1 %
Power Systems	10.1	4.6 %
Plant Engineering	11.7	6.4 %
Zeppelin GmbH (Holding)	6.9	4.7 %
Zeppelin Group total[15]	**10.0**	**6.1 %**

In principle, all employees have the right to take maternity, paternity, parental, and carers' leave according to the relevant national legislation.

FAMILY-RELATED LEAVE

Gender	Percentage of employees by gender, who took family-related leave in the reporting year
Male	2.0 %
Female	7.2 %
Other	-

Proportion of women

For Zeppelin, providing equal opportunities for women and men is not only a matter of course, but also an important driver of success. The focus is on maximizing the potential of each woman and supporting her long-term career development. The table below breaks down the percentage share by gender and age structure of the total number of employees per SBU.

DISTRIBUTION OF EMPLOYEES BY GENDER, AGE GROUP AND SBU/REGION

SBU	Construction Equipment Germany & Austria	Construction Equipment International	Rental	Power Systems	Plant Engineering	Zeppelin GmbH (Holding)	Total[15]
Gender distribution							
Male	15.2 %	15.0 %	19.4 %	15.2 %	19.4 %	42.3 %	17.9 %
Female	84.8 %	85.0 %	80.6 %	84.8 %	80.6 %	57.7 %	82.1 %
Age structure							
≤ 25	10.0 %	7.5 %	5.3 %	5.6 %	12.2 %	1.6 %	7.9 %
26–30	13.6 %	9.0 %	9.2 %	10.1 %	9.2 %	10.0 %	10.4 %
31–35	14.2 %	13.2 %	13.4 %	11.6 %	11.5 %	16.9 %	13.2 %
36–40	14.7 %	17.1 %	14.8 %	15.5 %	14.0 %	19.1 %	15.3 %
41–45	10.5 %	16.0 %	14.5 %	14.6 %	12.8 %	13.8 %	13.6 %
46–50	8.0 %	13.7 %	12.8 %	10.5 %	10.3 %	16.3 %	11.3 %
51–55	9.5 %	9.6 %	11.9 %	11.5 %	9.4 %	10.3 %	10.3 %
56–60	12.8 %	7.8 %	11.6 %	12.7 %	12.3 %	8.8 %	11.2 %
> 60	6.7 %	6.0 %	6.4 %	7.8 %	8.2 %	3.1 %	6.7 %

PROPORTION OF WOMEN IN MANAGEMENT POSITIONS

Proportion of women	Number (headcount)	Percentage share
Supervisory Board (Group)	4	33.3
Management Board (Group)	1	33.3
First management level	24	18.5

The first management level consists of individuals who report directly to the Group Management Board. This level includes the management and executive boards of the companies, among others.

Health and safety

The rate of work-related accidents and days lost are determined using an internal reporting system. Every accident and resulting lost days must be reported. These reports are then consolidated at the company level on an annual basis (reporting period from January 1 to December 31 of the respective year). Reported metrics are checked and corrected, if necessary, during spot and validity checks. These metrics are not validated or checked externally. No significant assumptions were made when determining the metrics.

NUMBER OF RECORDABLE WORK-RELATED ACCIDENTS AND FATALITIES

SBU	Number of reportable accidents at work (> 3 days)
Construction Equipment Germany & Austria	81
Construction Equipment International	15
Rental	69
Power Systems	19
Plant Engineering	11
Total work-related accidents	**195**
Deaths	**0**

14 Self-termination rate = (Number of voluntary terminations (cumulative over the last 12 months))/(Number of employees (on the last day of the last month))

15 Including employees of the companies klickrent GmbH and Zeppelin Lab GmbH.

The rate of work-related accidents and days lost are determined using an internal reporting system. Every accident and resulting lost days must be reported. These reports are then consolidated at the company level on an annual basis (reporting period from January 1 to December 31 of the respective year). Reported metrics are checked and corrected, if necessary, during spot and validity checks. These metrics are not validated or checked externally. No significant assumptions were made when determining the metrics.

RATE OF WORK-RELATED ACCIDENTS

SBU	Work-related accident rate[16]
Construction Equipment Germany & Austria	28.9
Construction Equipment International	5.8
Rental	28.2
Power Systems	23.5
Plant Engineering	6.1
Group average	**17.9**

NUMBER OF DAYS LOST

SBU	due to work-related accidents and fatalities
Construction Equipment Germany & Austria	1,707
Construction Equipment International	549
Rental	1,705
Power Systems	650
Plant Engineering	326
Zeppelin GmbH (Holding)	0
Total	**4,937**

Serious infectious diseases are recorded in the case of work-related illnesses, as this may result in damage to third parties. All other work-related illnesses fall under Article 9. 9, para. 1 of the GDPR and are treated as sensitive personal data accordingly.

HEALTH RATE

SBU	Health rate in percent[17]
Construction Equipment Germany & Austria	95.6
Construction Equipment International	96.9
Rental	93.7
Power Systems	95.9
Plant Engineering	96.3
Group average	**95.6**

16 Accidents at work per 1,000 employees.

17 Health rate = 1-(Number of sick days taken by employees (cumulative over the last 12 months)) /(Number of employees (on the last day of the last month) x Target working days (cumulative over the last 12 months)) x 100 %

S2 WORKERS IN THE VALUE CHAIN

STRATEGY

→ ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Working conditions			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Poor working conditions, lack of input, and low pay for extracting and processing raw materials can significantly impact people's quality of life	Long-Term
	Downstream value chain	Negative impact	Time horizon
		• Safety risks: Working conditions can vary greatly from region to region. Depending on the job in question, they can be dangerous (e.g., construction sites or the maritime industry) • Compliance with working hours: Noncompliance with working hour regulations can endanger people's health • Decent wages: Poor pay can negatively impact people's health, well-being, and living conditions	Long-Term
Equal treatment and opportunities for all			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Poor working conditions, lack of input, and low pay for extracting and processing raw materials can significantly impact people's quality of life	Long-Term
	Downstream value chain	Negative impact	Time horizon
		• Working conditions can vary greatly from region to region, depending on the job. Poor working conditions, lack of co-determination rights, and low pay can negatively impact people's health, well-being, and living conditions	Long-Term
Other work-related rights			
Impact materiality	**Upstream value chain**	Negative impact	Time horizon
		• Poor working conditions and accommodations in the raw material extraction and processing area are conceivable and can have a considerable impact on people's quality of life	Long-Term
Impact materiality	**Downstream value chain**	Negative impact	Time horizon
		• Working conditions can vary greatly from region to region and depend on the job. Poor working conditions, a lack of co-determination, and poor pay can negatively impact people's health, well-being, and living conditions	Long-Term

In particular, negative impacts can arise for employees in the upstream value chain, e.g., during the extraction and processing of raw materials, since some of these activities take place in less regulated developing countries. The following raw materials are particularly important to Zeppelin for manufacturing its products and services.

Natural rubber for rubber (tires)	Rare earths[18] for electronics, batteries	Lithium for electronics, batteries	Iron ore for steel	Bauxite for aluminum
Main mining areas	Main mining areas	Main mining areas	Main mining areas	Main mining areas
• Southeast Asia • Central America • South America	• China	• Australien • Chile • Bolivia	• Australia • Brazil • South Africa	• China • Guinea • Brazil • India

Due to Zeppelin's business activities in highly regulated countries, employees in the downstream value chain are considered to be at lower risk of experiencing negative working conditions. This applies particularly to employees of logistics companies that transport machines and devices, as well as recycling and reprocessing companies that dismantle and reuse machines and devices.[19]

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Policies

→ ESRS 2 MDR-P, S2-1

The Zeppelin Group is committed to protecting and promoting human and environmental rights throughout its supply chain. This includes prohibiting forced labor, child labor, and discrimination. Central labor regulations apply throughout the Group and are based on the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact principles, to which Zeppelin has been a signatory since 2016. These regulations include the Declaration of Principles on Respect for Human and Environmental Rights, the Code of Conduct for Business Ethics and Compliance, the Code of Conduct for Suppliers, and the Group guidelines "Compliance," "Human Rights Due Diligence," "Whistleblower Protection," and "Implementation of the Supply Chain Due Diligence Act" (see also ESRS 2).

Actions

→ ESRS 2 MDR-A, S2-1, S2-2, S2-3, S2-4

As part of the annual risk-oriented audits and regular double materiality analyses, the value chain is analyzed in detail. Potential risks are identified, and preventive and corrective measures are assigned.

A significant portion of our purchasing volume is attributed to merchandise procured from our long-standing business partner, Caterpillar. Caterpillar was identified as an important stakeholder through the dual materiality analysis. We also regularly exchange information directly with Caterpillar and other suppliers. Employees throughout the value chain can contact Zeppelin anonymously via the Zeppelin TrustLine online whistleblower system to express concerns or communicate needs. Further information can be found in the Governance Information section. The Supplier Code of Conduct contains specific requirements for cooperation with suppliers. Suppliers are obligated to adhere to the minimum requirements for human rights due diligence

18 Scandium (Sc), samarium (Sm), holmium (Ho), lanthanum (La), europium (Eu), erbium (Er), cerium (Ce), ytrium (Y), thulium (Tm), praseodymium (Pr), gadolinium (Gd), ytterbium (Yb), neodymium (Nd), terbium (Tb), luteium (Lu), promethium (Pm), dysprosium (Dy).

19 Employees who work at company sites but are not part of the company's workforce, as well as employees who work in the operations of a joint venture or special purpose entity, are not relevant. Neither are employees who are particularly vulnerable due to their characteristics or circumstances.

and environmental standards. They must also inform Zeppelin of any violations identified in their business area, e.g., via the Zeppelin TrustLine. This includes violations of the Code of Conduct and the measures taken as a result; criminal offenses; violations in the supply chain; and reasonable suspicion that Zeppelin employees, partners, or other third parties are seriously violating the basic principles, Zeppelin values, compliance rules, or applicable law.

In our own business operations, preventive measures include implementing the declaration of principles, using risk-mitigating procurement strategies and practices, providing training in relevant areas, and establishing risk-based control mechanisms. With regard to direct suppliers, preventive measures include questionnaires, selection according to defined minimum standards, contractual agreements on compliance with these standards, and training and further education, as well as contractual agreements on control mechanisms. If a violation of human rights or environmental obligations occurs or is imminent in Zeppelin's business area or among direct suppliers, remedial measures are taken immediately to prevent, end, or minimize the extent of the violation. If serious breaches of duty occur, remedial measures are ineffective, or mitigating measures are unavailable, a business relationship may be suspended or terminated.

ACTIONS RELATED TO WORKERS IN THE VALUE CHAIN

Goal	Key action	Expected results/contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Compliance with human and environmental rights	• Supplier Code of Conduct • Zeppelin TrustLine	Increased awareness and commitment to human and environmental rights, as well as increased awareness of Zeppelin TrustLine	Group	Permanent	Not relevant

Progress 2024

During the reporting period, the Zeppelin Group introduced a comprehensive software solution that enables the efficient management, tracking, and implementation of its sustainability requirements in the supply chain. This is the first time sustainability management in the upstream value chain has been automated and digitized. As implementation continues, data analysis and supplier evaluation will be integrated into processes to promote responsible management throughout the value chain.

TARGETS AND METRICS

→ ESRS 2 MDR-T, S2-5

Our goal is to continuously optimize the sustainability of our business activities, products, and services. The Zeppelin Group expects its partners – i.e., suppliers, service providers, and subcontractors – to contribute to this goal through a holistic approach. Therefore, Zeppelin agrees to a joint code of conduct with its suppliers as the basis for the business relationship. The issue of labor in the value chain was identified as material for the first time in the 2024 double materiality analysis. The Zeppelin Group has not yet defined any targets in this area, nor have any metrics been collected.

GOVERNANCE INFORMATION

COMPLIANCE TRAINING RATE
ZEPPELIN GROUP

90.4 %

G1 BUSINESS CONDUCT

→ ESRS 2 SBM-3

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Incidents (compliance			Time horizon
Financial materiality	**Risk**	• Corruption and bribery: Corruption and bribery pose a high risk of damaging our business relationships and reputation, as well as incurring high financial costs due to penalties and fines • Loss of business opportunities and partners	Long-Term
Financial materiality	**Opportunity**	• Compliance as a minimum standard	Long-Term

For more information on the roles of administrative, management, and supervisory bodies, as well as the process for identifying and assessing significant impacts, risks, and opportunities related to corporate governance, please refer to the disclosures in ESRS 2.

MANAGEMENT OF IMPACTS, RISKS AND OPPORTUNITIES

Corporate culture and business conduct policies

→ ESRS 2 MDR-P, G1-1

At Zeppelin, the ethical basis for compliance is the conviction that a sense of social responsibility, adherence to the law, and integrity ensure long-term success. Adherence to legal regulations, official requirements, and internal company guidelines is an integral part of Zeppelin's management and corporate culture. As part of its compliance management system, the Zeppelin Group has established processes to prevent or, at least, detect and remedy compliance violations. Internal rules and guidelines provide management and employees with clear specifications and explain the ethical and legal motivations behind the compliance program. The Zeppelin Code of Conduct for Business Ethics and Compliance outlines these fundamental principles of corporate behavior within the group and in relation to its partners and the public.

Zeppelin has described its expectations for its partners, including suppliers, service providers, and subcontractors, in the Supplier Code of Conduct. These expectations serve as the basis for cooperation. Integrity is an irrefutable corporate value in all business activities and relationships.

The central set of rules for compliance is the "Compliance" group guideline. It applies to the entire Zeppelin Group, including non-consolidated subsidiaries and majority shareholdings in Germany and abroad. The guideline establishes the framework for the compliance organization and its responsibilities within the Zeppelin Group. It is implemented in the Group companies' corresponding instructions and guidelines and regulates the tasks and structure of the Zeppelin Group's compliance organization. Group management is responsible for ensuring that the Zeppelin Group, its executive bodies, and its employees can fulfill this obligation at all times. The Group policy "Compliance" implements the organizational measures required to fulfill this task and communicates these requirements to employees. The Chief Compliance Officer reports quarterly to the Zeppelin Group's management and Supervisory Board on current figures and compliance issues.

In addition, two further key guidelines exist: the Group policy on whistleblower protection and the Group policy on handling gifts and invitations ("Benefits Policy"):

- The Group policy on Whistleblower Protection regulates the submission of information on compliance violations and applies to all Group companies in which Zeppelin GmbH directly or indirectly holds at least a 50 % stake. It is based on the EU Whistleblower Directive and the laws of EU member states derived from it. Management teams at Group companies are responsible for implementing the Directive's provisions, communicating them to employees, and monitoring compliance. The Supervisory Board is responsible for monitoring, advising, and auditing Group management with regard to these activities. The Chief Compliance Officer reports to the Group Management Board and the Supervisory Board quarterly on current information and compliance cases.
- The Group policy on handling gifts and invitations applies to all Group companies in which Zeppelin GmbH directly or indirectly holds at least a 50 % stake. The management of the Group companies is responsible for implementing the policy's provisions in their companies, communicating them to employees, and monitoring compliance. The Supervisory Board is responsible for monitoring, advising, and auditing Group management regarding these activities. This Group guideline regulates the treatment of benefits from business partners to Zeppelin employees and from Zeppelin to its business partners and customers. It provides a binding framework and guidance for legally handling benefits. The policy also serves to prevent white-collar crime, particularly corruption and bribery. It protects our employees and the company from potential liability.

Prevention and detection of corruption and bribery

→ ESRS 2 MDR-A, G1-1, G1-3, G1-4

We reject any form of corruption, bribery, extortion, or embezzlement in business transactions, as well as the violation of export control regulations and sanctions. All employees are informed of the scope of the compliance requirements and how to meet them through information and training. The rules to be observed, the early identification of risks and violations, and the submission of information to rectify possible irregularities are all addressed. The Zeppelin Group strives to independently, objectively, promptly, and in accordance with internally defined guidelines, investigate potential or reported compliance violations. The compliance organization and the individuals conducting the investigations are independent of the operational, organizational, and management structures within the Group and its strategic business units. This independence allows for an objective and impartial assessment.

As part of the double materiality assessment, financial risks due to corruption and bribery were classified as significant in governance because high fines and penalties can be imposed for compliance violations. To counteract this risk, the Zeppelin Group has firmly established a compliance organization, processes, and guidelines.

The internal compliance organization coordinates the compliance management system throughout the Group and ensures that contact persons are available in all companies to whom employees can turn in confidence. There is also a separate email address for questions and comments related to compliance. An online whistleblower system is available for submitting reports in all relevant languages of the Zeppelin Group and its business partners. This system allows users to contact the Zeppelin Group anonymously and confidentially. Zeppelin works with an external partner to provide this reporting system and ensure it reflects the laws and requirements of global whistleblower reporting. The system complies with the General Data Protection Regulation and is audited and ISO 27001 certified. Zeppelin has appointed external ombudspersons in select countries where it does business. Through these ombudspersons, you can confidentially contact a neutral, trained person with questions about compliance, particularly regarding adherence to legal requirements and internal guidelines. You may also contact the Chief Compliance Officer (CCO) and employees of the compliance organization directly. All methods of contact are available to employees, business partners, and other third parties. These processes are described in the "Compliance" and "Whistleblower Protection" group guidelines.

Whistleblowers who report legal violations in good faith via one of the reporting channels are protected. This protection also applies if the suspicion turns out to be unfounded after further investigation, provided that the whistleblower had reasonable grounds to believe the reported information was true when the report was made. Zeppelin will not take or threaten to take any action in connection with the whistleblower's report that could be detrimental to the whistleblower ("reprisals"). Accordingly, no labor law measures will be taken in this regard, nor will any form of discrimination be made on the basis of the report's submission. Zeppelin will not tolerate retaliation or discrimination against an employee who has reported a violation in accordance with this policy. Any threat or reprisal of this nature must be reported immediately to the Chief Compliance Officer.

ACTIONS RELATED TO COMPLIANCE

Goal	Key action	Expected results/contribution to target achievement	Scope	Time horizon	Remedial measures (if relevant)
Ensure a training rate of over 90 % in compliance	• E-learning compliance basic training for all employees	Training for all employees on in-depth compliance topics	Group	Permanent	Not relevant

The Zeppelin Group's compliance training program consists of e-learning courses on basic compliance knowledge and key statements from the Zeppelin Code of Conduct for Business Ethics and Compliance, which are required for all employees. Employees in high-risk roles, such as purchasing and sales, receive supplementary e-learning programs that provide in-depth knowledge about corruption, money laundering and terrorist financing prevention, export controls, and embargoes. To increase participation, the Workday learning management system sends regular email reminders to employees who have yet to complete the training. These are accompanied by targeted communications within the strategic business units. In addition to the e-learning courses, workshops and ad hoc training courses are held for groups at various locations.

COMPLIANCE TRAINING (E-LEARNING)

	Functions-at-risk	Total workforce
Total persons	3,625	10,268
Topics, method and duration	Coverage (trained persons)	
Basic compliance training • Content: Code of conduct, antitrust law, corruption prevention, etc. • Method: E-learning • Duration: 45 minutes • Frequency: annually		90.4 % (9,282 persons)
Dealing with business partners • Content: Export control, prevention of money laundering and terrorist financing, etc. • Method: E-learning • Duration: 45 minutes • Frequency: annually	92 % (3,348 persons)	

Progress 2024

During the reporting period, additional training was introduced for individuals in high-risk roles regarding interactions with business partners. The e-learning course covered anti-corruption in purchasing, sales, and marketing; anti-money laundering; export control; and sanctions. Additionally, the "Ethical Leadership Boost" live training course was introduced for managing directors, division heads, and other managers who lead large teams. The workshop aims to make participants aware of ethical conflicts and compliance violations and show them how to best resolve dilemma situations based on their previous experience.

TARGETS AND METRICS

→ **ESRS 2 MDR-T, ESRS 2 MDR-M, G1-4**

After consulting with the Group Management Board and in accordance with the Group guidelines, the following targets were set for the Compliance Department.

TARGETS RELATED TO COMPLIANCE

Goal	Target value	KPI	Scope	Base year	Base value	Time horizon	31.12.2024	Change compared to previous year
Ensure a high training rate in compliance	> 90 %	Proportion of all employees with valid basic compliance training in relation to the total number of employees (headcount)	Group	-	-	Permanent	90.4 %	-6.6 %

Monitoring and reporting are based on the latest figures from the Workday learning management system, which documents the current training status of each participant. The training rate indicator is calculated by measuring the percentage of employees who have completed basic compliance training at least once against the total number of Zeppelin Group employees.

COMPLIANCE INCIDENTS (CORRUPTION AND BRIBERY)

Number of convictions for violations of anti-corruption and anti-bribery laws	0
Amount of fines for violations of anti-corruption and anti-bribery laws	0
Number of confirmed incidents in the value chain with direct involvement of employees	0

There were no violations of anti-corruption and anti-bribery procedures and standards in the reporting year, so no measures had to be taken.

APPENDIX

ESRS INDEX

→ ESRS 2 IRO-2, ESRS 2 Annex B

List of incorporations by references

ESRS disclosure requirement		Sustainability statement section	Incorporation by reference
ESRS 2 - General information			
BP-1	Scope of consolidation of the non-financial statement	Basis for preparation	Annual Report 2024, pp. 118 ff.
GOV-5	Risk management system and internal audit and controls of the Zeppelin Group	Sustainability governance and strategy: Risk management	Annual Report 2024, pp. 101 ff.
SBM-1	Description of the business purpose, business models and significant product groups and services of the SBUs	Sustainability governance and strategy	Annual Report 2024, p. 86

Disclosure requirements in ESRS covered by the Sustainability statement

ESRS standard		Sustainability statement section
ESRS 2 – General information		**General information**
BP-1	General principles for the preparation of sustainability statement	Basis for preparation
BP-2	Information related to specific circumstances	Basis for preparation
GOV-1	The role of the administrative, management and supervisory bodies	Sustainability governance and strategy
GOV-2	Information and sustainability issues dealt with by the company's administrative, management and supervisory bodies	Sustainability governance and strategy
GOV-3	Integration of sustainability-related performance in incentive systems	No details yet
GOV-4	Statement on due diligence	Sustainability governance and strategy
GOV-5	Risk management and internal controls for sustainability reporting	Sustainability governance and strategy
SBM-1	Strategy, business model and value chain	Sustainability governance and strategy
SBM-2	Interests and views of stakeholders	Management of impacts, risks and opportunities
SBM-3	Material impacts, risks and opportunities (IROs) and their interaction with strategy and business model	Management of impacts, risks and opportunities
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Management of impacts, risks and opportunities
IRO-2	ESRS Index: List of fulfilled disclosure requirements	Appendix
ESRS E1 – Climate change		**Environmental information**
E1 SBM-3	Material impacts, risks and opportunities (IROs) related to climate change	Governance and strategy
E1 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	ESRS 2 – Double materiality assessment process
E1-1	Transition plan for climate change mitigation	Governance and strategy
E1-2	Policies related to climate change	Management of impacts, risks and opportunities
E1-3	Actions and resources related to climate change	Management of impacts, risks and opportunities
E1-4	Targets related to climate change	Targets and metrics
E1-5	Energy consumption and energy mix	Targets and metrics
E1-6	GHG emissions in Scope 1+2	No information on Scope 3 emissions yet
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	No details yet
E1-8	Internal carbon pricing	Targets and metrics
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	No details yet

ESRS standard		Sustainability statement section
ESRS E2 – Pollution		**Environmental information**
E2 SBM-3	Material impacts, risks and opportunities (IROs) related to pollution	E2 Pollution
E2 IRO-1	Description of the processes to identify and assess material IROs related to pollution	ESRS 2 – Double materiality assessment process
E2-1	Policies related to pollution	Management of impacts, risks and opportunities
E2-2	Actions related to pollution	Management of impacts, risks and opportunities
E2-3	Targets related to pollution	Targets and metrics
E2-4	Air, water and soil pollution	No details yet
E2-5	Substances of concern and substances of very high concern	No details yet
E2-6	Anticipated financial effects from IROs related to pollution	No details yet
ESRS E3 – Water and marine resources		**Environmental information**
E3 SBM-3	Material impacts, risks and opportunities (IROs) related to water and marine resources	E3 Water and marine resources
E3 IRO-1	Description of the processes to identify and assess material IROs related to water and marine resources	ESRS 2 – Double materiality assessment process
E3-1	Policies related to water and marine resources	Management of impacts, risks and opportunities
E3-2	Actions related to water and marine resources	Management of impacts, risks and opportunities
E3-3	Targets related to water and marine resources	Targets and metrics
E3-4	Water consumption	Not material
E3-5	Anticipated financial effects from IROs related to water and marine resources	No details yet
ESRS E4 – Biodiversity and ecosystems		**Environmental information**
E4 SBM-3	Material impacts, risks and opportunities (IROs) related to biodiversity and ecosystems	Strategy
E4 IRO-1	Description of the processes to identify and assess material IROs related to biodiversity and ecosystems	ESRS 2 – Double materiality assessment process
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Strategy
E4-2	Policies related to biodiversity and ecosystems	Management of impacts, risks and opportunities
E4-3	Actions related to biodiversity and ecosystems	Management of impacts, risks and opportunities
E4-4	Targets related to biodiversity and ecosystems	Targets and metrics
E4-5	Metrics for impacts related to biodiversity and ecosystems	No details yet
E4-6	Anticipated financial effects from IROs related to biodiversity and ecosystems	No details yet
ESRS E5 – Circular economy		**Not material**
ESRS S1 – Zeppelin workforce		**Social information**
S1 SBM-2	Interests and views of stakeholders	ESRS 2 – Stakeholder engagement
S1 SBM-3	Material impacts, risks and opportunities (IROs) related to Zeppelin's workforce	Strategy
S1-1	Policies related to Zeppelin's workforce	Management of impacts, risks and opportunities
S1-2	Procedure for involving Zeppelin's workforce and employee representatives in relation to impacts	Management of impacts, risks and opportunities
S1-3	Processes for improving negative impacts and channels through which Zeppelin's workforce can raise concerns	Management of impacts, risks and opportunities
S1-4	Actions related to Zeppelin's workforce	Management of impacts, risks and opportunities
S1-5	Targets related to Zeppelin's workforce	Targets and metrics
S1-6	Metrics related to Zeppelin's workforce	Targets and metrics
S1-7	Metrics related to Zeppelin's external workforce	No details yet
S1-8	Collective bargaining coverage and social dialogue	No details yet
S1-9	Diversity metrics	Targets and metrics
S1-10	Adequate wages	Not material
S1-11	Social protection	Not material
S1-12	Persons with disabilities	Not material
S1-13	Training and skills development metrics	No details yet
S1-14	Health and safety metrics	Targets and metrics
S1-15	Work-life balance metrics	Targets and metrics
S1-16	Remuneration metrics (pay gap and total remuneration)	Not material
S1-17	Incidents, complaints and severe human rights impacts	No details yet

ESRS standard		Sustainability statement section
ESRS S2 – Workers in the value chain		**Social information**
S2 SBM-2	Interests and views of stakeholders	ESRS 2 – Stakeholder engagement
S2 SBM-3	Material impacts, risks and opportunities (IROs) and their interaction with strategy and business model	Strategy
S2-1	Policies related to labor in the value chain	Management of impacts, risks and opportunities
S2-2	Procedure for involving workers in the value chain in relation to impacts	Management of impacts, risks and opportunities
S2-3	Processes to improve negative impacts and channels through which workers in the value chain can raise concerns	Management of impacts, risks and opportunities
S2-4	Actions related to workers in the value chain	Management of impacts, risks and opportunities
S2-5	Targets related to workers in the value chain	Targets and metrics
ESRS S3 – Affected communities		**Not material**
ESRS S4 – Consumers and end-users		**Not material**
ESRS G1 – Business conduct		**Governance information**
G1 GOV-1	The role of the administrative, management and supervisory bodies	ESRS 2 - Sustainability governance and strategy
G1 SBM-3	Material impacts, risks and opportunities (IROs) related to business conduct	G1 Business conduct
G1 IRO-1	Description of the processes to identify and assess material IROs related to business conduct	ESRS 2 – Double materiality assessment process
G1-1	Corporate culture and policies	Management of impacts, risks and opportunities
G1-2	Management of relationships with suppliers	Management of impacts, risks and opportunities
G1-3	Prevention and detection of corruption and bribery	Not material
G1-4	Incidents of corruption or bribery	Targets and metrics
G1-5	Political influence and lobbying activities	Not material
G1-6	Payment practices	Not material

Disclosure requirements from other EU legislation

Disclosure requirement		EU legislation	Section in the sustainability statement
ESRS 2 GOV-1	Gender diversity in the management and supervisory bodies	SFDR reference, benchmark regulation reference	Administrative, management and supervisory bodies
ESRS 2 GOV-1	Percentage of members of the management body who are independent	Benchmark Regulation Reference	Administrative, management and supervisory bodies
ESRS 2 GOV-4	Integration of sustainability-related performance in incentive systems	SFDR reference	Administrative, management and supervisory bodies
ESRS 2 SBM-1	Participation in activities related to fossil fuels	SFDR reference, Pillar 3 reference, benchmark regulation reference	Not material
ESRS 2 SBM-1	Participation in activities related to the manufacture of chemicals	SFDR reference, benchmark regulation reference	Not material
ESRS 2 SBM-1	Participation in activities in connection with controversial weapons	SFDR reference, benchmark regulation reference	Not material
ESRS 2 SBM-1	Participation in activities related to the cultivation and production of tobacco	Benchmark Regulation Reference	Not material
ESRS E1-1	Transition plan to achieve climate neutrality by 2050	EU Climate Law Reference	E1 Climate change: Strategy
ESRS E1-1	Companies that are exempt from the reference values agreed in Paris	Pillar 3 reference, benchmark regulation reference	Not material
ESRS E1-4	GHG emission reduction targets	SFDR reference, Pillar 3 reference, benchmark regulation reference	E1 Climate change: Targets and metrics
ESRS E1-5	Energy consumption from fossil fuels, broken down by source (climate-intensive sectors only)	SFDR reference	Not material
ESRS E1-5	Energy consumption and energy mix	SFDR reference	E1 Climate change: Targets and metrics
ESRS E1-5	Energy intensity in connection with activities in climate-intensive sectors	SFDR reference	Not material
ESRS E1-6	Gross GHG emissions in Scope 1, 2 and 3 categories and total GHG emissions	SFDR reference, Pillar 3 reference, benchmark regulation reference	E1 Climate change: Targets and metrics
ESRS E1-6	Intensity of gross GHG emissions	SFDR reference, Pillar 3 reference, benchmark regulation reference	E1 Climate change: Targets and metrics
ESRS E1-7	Removal of greenhouse gases and CO_2allowances	EU Climate Law Reference	No details yet
ESRS E1-9	Risk position of the reference value portfolio against climate-related physical risks	Benchmark Regulation Reference	No details yet
ESRS E1-9	Breakdown of monetary amounts by acute and chronic physical risk	Pillar 3 reference	No details yet
ESRS E1-9	Location of significant assets with material physical risk	Pillar 3 reference	No details yet
ESRS E1-9	Breakdown of the carrying amount of its properties by energy efficiency class	Pillar 3 reference	No details yet

ESRS E1-9		Degree of exposure of the portfolio to climate-related opportunities	Benchmark Regulation Reference
ESRS E2-4	Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and land	SFDR reference	No details yet
ESRS E3-1	Water and marine resources	SFDR reference	E3 Water and marine resources: Management of IROs
ESRS E3-1	Special concept	SFDR reference	Not material
ESRS E3-1	Sustainable oceans and seas	SFDR reference	Not material
ESRS E3-4	Total amount of water recovered and reused	SFDR reference	Not material
ESRS E3-4	Total water consumption in m^3 per net revenue from own activities	SFDR reference	Not material
ESRS 2 - SBM-3 - E4	Biodiversity and ecosystems	SFDR reference	E4 Biodiversity and ecosystems: Management of IROs
ESRS E4-2	Sustainable processes or Policies in the area of land use and agriculture	SFDR reference	E4 Biodiversity and ecosystems: Management of IROs
ESRS E4-2	Sustainable processes or Policies in the area of oceans/seas	SFDR reference	Not material
ESRS E4-2	Policies for combating deforestation	SFDR reference	Not material
ESRS E5-5	Non-recycled waste	SFDR reference	Not material
ESRS E5-5	Hazardous and radioactive waste	SFDR reference	Not material
ESRS 2 SBM3 - S1	Risk of forced labor	SFDR reference	Not material
ESRS 2 SBM3 - S1	Risk of child labor	SFDR reference	Not material
ESRS S1-1	Commitments in the area of human rights policy	SFDR reference	Corporate policies
ESRS S1-1	Due diligence provisions relating to issues covered by the International Labor Organization's Fundamental Conventions 1 through 8	Benchmark Regulation Reference	Corporate policies
ESRS S1-1	Procedures and measures to combat human trafficking	SFDR reference	Not material
ESRS S1-1	Concept or management system for the prevention of work-related accidents	SFDR reference	Integrated management system
ESRS S1-3	Processing of complaints	SFDR reference	S1 Zeppelin workforce: Management of IROs
ESRS S1-14	Number of fatalities and number and rate of work-related accidents	SFDR reference, benchmark regulation reference	S1 Zeppelin workforce: Targets and metrics
ESRS S1-14	Number of days lost due to injury, accident, death or illness	SFDR reference	S1 Zeppelin workforce: Targets and metrics
ESRS S1-16	Unadjusted gender pay gap	SFDR reference, benchmark regulation reference	Not material
ESRS S1-16	Excessive remuneration of members of the management bodies	SFDR reference	Not material
ESRS S1-17	Cases of discrimination	SFDR reference	No details yet
ESRS S1-17	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	SFDR reference, benchmark regulation reference	No details yet
ESRS 2 SBM3 - S2	Significant risk of child labor or Forced labor in the value chain	SFDR reference	S2 Workers in the value chain: Management of IROs
ESRS S2-1	Commitments in the area of human rights policy	SFDR reference	Corporate policies
ESRS S2-1	Policies related to labor in the value chain	SFDR reference	S2 Workers in the value chain: Management of IROs
ESRS S2-1	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	SFDR reference, benchmark regulation reference	Not material
ESRS S2-1	Due diligence provisions relating to issues covered by the International Labor Organization's Fundamental Conventions 1 through 8	Benchmark Regulation Reference	S2 Workers in the value chain: Management of IROs
ESRS S2-4	Problems and incidents relating to human rights within the pre- and post-war period	Benchmark Regulation Reference	S2 Workers in the value chain: Management of IROs
ESRS S3-1	Commitments in the area of human rights policy	SFDR reference	Not material
ESRS S3-1	Non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO or the OECD Guidelines	SFDR reference, benchmark regulation reference	Not material
ESRS S3-4	Problems and incidents in connection with human rights	SFDR reference	Not material
ESRS S4-1	Policies related to consumers and end users	SFDR reference	Not material
ESRS S4-1	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	SFDR reference, benchmark regulation reference	Not material
ESRS S4-4	Problems and incidents in connection with human rights	SFDR reference	Not material
ESRS G1-1	United Nations Convention against Corruption	SFDR reference	G1 Business conduct: Management of IROs
ESRS G1-1	Protection of whistleblowers	SFDR reference	G1 Business conduct: Management of IROs
ESRS G1-4	Fines for violations of corruption and bribery regulations	SFDR reference, benchmark regulation reference	G1 Business conduct: Targets and metrics
ESRS G1-4	Standards for combating corruption and bribery	SFDR reference	G1 Business conduct: Targets and metrics

CONVERSION FACTORS CO_2 EMISSIONS

In order to calculate CO_2 emissions, emission factors are required for each energy source to convert consumption figures into an emission level. The emission factors used for each energy source are shown in the following table. Carbon emissions are calculated in accordance with the Greenhouse Gas Standard. The operational control approach is used as the basis. Additionally, the greenhouse gases of the Kyoto Protocol are included in the calculation of CO_2 equivalents. Currently, emissions are calculated using location- and market-based methods. If the supplier provides specific emission factors, they are used to calculate emission values using the market-based method. These factors are taken from freely available literature and are based on the "CO_2 Factors Information Sheet" published by the Federal Office of Economics and Export Control.

EMISSION FACTORS USED[20]

Energy source	Unit	Emission factor (kilogram CO_2 equivalent per unit)	Umrechnungsfaktoren
Bioethanol	kWh	0.0012	l in kWh: Factor 7.42
Biogas	m^3	0.152	
Diesel	kWh	0.266	l in kWh: Factor 9.86
District and local heating	kWh	0.28	District and local heating
Gasoline	kWh	0.264	l in kWh: Factor 8.77
Hard coal	kWh	0.338	
Heating oil	kWh	0.266	l in kWh: Factor 10.584
HVO	kWh	0.00373	l in kWh: Factor 9.528
Liquid gas	kWh	0.239	
Natural gas	kWh	0.201	
Pellets	kWh	0.01074	
Propane gas	kWh	0.86	m^3 in kWh: Factor 28.106 l in kWh: Factor 7.13 kg in kWh: Factor 14.05
Refrigerant R134a	kg	1,430	
Refrigerant R410a	kg	2,088	

Emission data for electricity depends heavily on the electricity mix. This is why there is an individual emission factor for each country:

Current data (country)[21]	kg CO_2e/kWh
Armenia	Data from Russia
Austria	0.216
Benelux (Belgium)	0.152
Benelux (Netherlands)	0.367
Brazil	0.210
China	0.668
Czech Republic	0.495
Denmark	0.182
France	0.057
Germany	0.380
India	0.798
Italy	0.293
Korea	0.508
Poland	0.730
Russia	0.433
Saudi Arabia	Data from Germany (similar electricity mix)
Singapore	0.391
Slovakia	0.315
Sweden	0.033
Switzerland	0.107
Tajikistan	Data from Russia
Turkmenistan	Data from Russia
Ukraine	Data from Russia
United Kingdom (UK)	0.207
United States of America (USA)	0.370
Uzbekistan	Data from Russia

20 Sources: Fact sheet on CO_2factors for energy efficiency in the economy - grant and loan; Federal Office of Economics and Export Control Press and Public Relations Management Staff 2019; Information sheet on CO_2factors for federal funding for energy and resource efficiency in the economy Version 3.1 (as at 01.08.2024); DEFRA 2023; Federal Department of the Environment, Transport, Energy and Communications DETEC - Federal Office for the Environment FOEN, Air Pollution Control and Chemicals Division: Overview of the most important refrigerants (as at 01.09.2020).

21 Source: VDA (2024).

OVERVIEW OF NON-FINANCIAL FIGURES

Metric	Unit	2023	2024
General information			
Total sales (gross)	Euro million	3,934.7	3,819.6
Number of topics (subtopics) identified as material	Number	N/A	22
Environmental information			
E1 - Energy			
Natural/liquid/propane gas consumption	MWh	32,244	31,857
Consumption of district/local heating	MWh	10,165	8,662
Heating oil consumption	MWh	2,574	2,321
Diesel consumption (heating)	MWh	136	0
Hard coal consumption	MWh	0	41
Total heat consumption	MWh	47,119	42,881
Electricity consumption	MWh	28,845	27,571
Electricity consumption (vehicle fleet)	MWh	602	1,059
Total electricity consumption	MWh	29,447	28,630
Diesel consumption (vehicle fleet + other)	MWh	96,645	97,873
Gasoline consumption	MWh	7,694	6,741
Consumption of HVO (Hydrotreated Vegetable Oil)	MWh	9	23
Ethanol consumption	MWh	59	209
CNG (Compressed Natural Gas) consumption	MWh	31	0
Total fuel consumption	MWh	105,696	104,846
Total consumption of renewable energies	MWh	1,486	2,516
Total energy consumption	MWh	183,748	178,873
Energy consumption electricity and heat	MWh	76,566	71,511
Energy consumption excluding mobility	MWh	77,314	72,968

OVERVIEW OF NON-FINANCIAL FIGURES (CONTINUED)

Energy consumption excluding mobility per million Euro sales (gross)	MWh/EURm	19.6	19.1
Energy intensity (total energy consumption) per employee	MWh/FTE	18.4	17.7
Energy intensity (total energy consumption) per million Euro sales (gross)	MWh/EURm	46.7	46.8
E1 - Greenhouse gas emissions			
GHG emissions Scope 1	t CO_2e	35,709	34,422
GHG emissions Scope 2 (location-based)	t CO_2e	14,762	11,747
GHG emissions Scope 2 (market-based)	t CO_2e	5,463	3,830
GHG emissions Scope 1+2 (location-based)	t CO_2e	50,471	46,179
GHG emissions Scope 1+2 (market-based)	t CO_2e	41,172	38,252
GHG intensity (GHG emissions Scope 1+2 market-based) per employee	t CO_2e/FTE	4.1	3.8
GHG intensity (GHG emissions Scope 1+2 market-based) per million Euro sales (gross)	t CO_2e/EURm	10.5	10.0
E3 - Water resources			
Total water withdrawal	m^3	133,640	126,974
of which freshwater	m^3	131,938	122,257
Social information			
S1 - Zeppelin workforce			
Total number of employees as at 31.12.	FTE	9,995	10,079
Total number of employees as at 31.12.	People/Heads	10,189	10,268
thereof male	People/Heads	8,345	8,431
thereof female	People/Heads	1,844	1,837
thereof diverse	People/Heads	0	0
thereof in Armenia	People/Heads	N/A	133
thereof in Austria	People/Heads	N/A	324
thereof in Belgium	People/Heads	N/A	17
thereof in Brazil	People/Heads	N/A	113
thereof in China	People/Heads	N/A	131
thereof in Denmark	People/Heads	N/A	448
thereof in Estonia	People/Heads	N/A	11
thereof in France	People/Heads	N/A	21
thereof in Germany	People/Heads	N/A	6,405
thereof in Great Britain	People/Heads	N/A	21
thereof in Greenland	People/Heads	N/A	6
thereof in India	People/Heads	N/A	259
thereof in Italy	People/Heads	N/A	54
thereof in Poland	People/Heads	N/A	161
thereof in Russia	People/Heads	N/A	106
thereof in Saudi Arabia	People/Heads	N/A	21
thereof in Singapore	People/Heads	N/A	14
thereof in South Korea	People/Heads	N/A	0
thereof in Sweden	People/Heads	N/A	648
thereof in Switzerland	People/Heads	N/A	17
thereof in Tajikistan	People/Heads	N/A	12
thereof in the Czech Republic	People/Heads	N/A	514
thereof in the Slovak Republic	People/Heads	N/A	174
thereof in the USA	People/Heads	N/A	104
thereof in Turkmenistan	People/Heads	N/A	43
thereof in Ukraine	People/Heads	N/A	451
thereof in Uzbekistan	People/Heads	N/A	60
Number of permanent employees	People/Heads	9,937	9,983
Number of temporary employees	People/Heads	252	285
Number of full-time employees	People/Heads	9,995	9,602
Number of part-time employees	People/Heads	194	666
Number of employees who have left the company	People/Heads	N/A	1,093
Employee turnover	%	N/A	10.6
Self-termination rate	%	6.6	6.1
Average length of service	Years	9.6	10.0
Time off work for family reasons - proportion of male employees	%	N/A	2.0
Time off work for family reasons - proportion of female employees	%	N/A	7.2
Percentage of women on the Supervisory Board	%	33	33
Women on the Supervisory Board	People/Heads	4	4
Proportion of women on the Group Management Board	%	25	33
Women on the Group Management Board	People/Heads	1	1
Proportion of women in the first management level (management and executive management of the	%	20	19
Women in the first management level (management boards and management of the companies)	People/Heads	N/A	24
Age group ≤ 25	%	8	7.9
Age group 26-30	%	10	10.4
Age group 31-35	%	14	13.2
Age group 36-40	%	15	15.3
Age group 41-45	%	14	13.6
Age group 46-50	%	11	11.3
Age group 51-55	%	11	10.3
Age group 56-60	%	11	11.2
Age group ≥ 61	%	6	6.7
Men	%	81.9	82.1
Women	%	18.1	17.9
Fatal work-related accidents	Number	0	0
Recordable work-related accidents	Number	207	195
Days lost due to work-related accidents	Number	5,776	4,937
Work-related accident rate (work-related accidents > 3 days per 1,000 employees)	Quote	20.7	17.9
Health rate	%	95.8	95.6
Governance information			
G1 - Compliance			
Number of convictions for violations of anti-corruption and anti-bribery laws	Number	0	0
Amount of fines for violations of anti-corruption and anti-bribery laws	€	0	0
Number of confirmed incidents in the value chain with direct involvement of employees	Number	0	0
Training rate (participation rate) risky functions Group total	%	N/A	92.4 %
Training rate (participation rate) Compliance basic training Group total	%	96.8	90.4 %

ABBREVIATIONS

BY/PY	Base year/Previous year
CNG	Compressed Natural Gas
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DMA	Double materiality assessment
DNSH	Do No Significant Harm
ESG	Environment Social Governance
ESRS	European Sustainability Reporting Standards
EUT	EU taxonomy
FTE	Full Time Equivalent(s)
GHG	Greenhouse gas(es)
GPS	Continuous growth, outstanding performance and sustainable stability are the main pillars of Zeppelin's Group strategy
GRI	Global Reporting Initiative
HVO	Hydrotreated Vegetable Oil
IMS	Integrated management system
IRO	Impact Risks Opportunities
KPI	Key Performance Indicators
SBU	Strategic business unit
SDG	UN Sustainable Development Goals

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We are neither obliged nor willing to participate in dispute settlement proceedings before a consumer arbitration board.

Platform of the EU Commission for online dispute resolution:
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