

## DEUTZ's Sustainability Vision for 2023 at a glance

Key topics	Corresponding KPIs	Targets for 2023
Product stewardship	Share of consolidated revenue attributable to E-DEUTZ products	5–10 % <sup>1</sup>
HR management	Engagement <sup>2</sup>	78 %
	Enablement <sup>2</sup>	69 %
	Rate of staff turnover <sup>3</sup>	5–10 %
	Proportion of women in the workforce <sup>4</sup>	> 10 %
	Proportion of women in management positions <sup>5</sup>	> 20 %
	Ratio of trainees to total employees <sup>6</sup>	> 1.5–2 %
Occupational health and safety	Recordable Incident Rate <sup>7</sup>	7
Corporate Governance & Compliance	Proportion of workforce to have completed compliance training <sup>8</sup>	> 95 %
Supplier management	Proportion of new suppliers to have had their compliance with the supplier code of conduct verified	90 % <sup>9</sup>
	Number of suppliers that have passed business partner compliance checks	90 % <sup>10</sup>
	Proportion of suppliers assessed against sustainability criteria	50 % <sup>11</sup>
Environmental and climate protection	CO <sub>2</sub> emissions from production sites (tonnes CO <sub>2</sub> e) <sup>12</sup>	–20 % <sup>13</sup>
	CO <sub>2</sub> emissions from production sites per manufactured engine (kg CO <sub>2</sub> e) <sup>14</sup>	–20 % <sup>13</sup>
	Nitrogen oxide emissions from production sites per manufactured engine (kg) <sup>15</sup>	–3 % <sup>16</sup>
	Particulate emissions from production sites per manufactured engine (g) <sup>15</sup>	–3 % <sup>16</sup>
	Waste for disposal	–10 % <sup>16</sup>

<sup>1</sup> Target for 2023/2024.

<sup>2</sup> DEUTZ measures the levels of engagement (motivation) and enablement (empowerment) in its workforce (all employees within the Group including staff on fixed-term contracts but excluding temporary workers) using a groupwide employee survey, which it first carried out in 2019 and will repeat every three years going forward.

<sup>3</sup> Relates to all employees within the DEUTZ Group, excluding staff on fixed-term contracts and temporary workers. The calculation includes both resignations and dismissals.

<sup>4</sup> Including staff on fixed-term contracts but excluding temporary workers.

<sup>5</sup> Including staff on fixed-term contracts but excluding temporary workers; the second level below the Board of Management, i.e. all female managers who report directly to a manager in the top level of senior management and have managerial responsibility.

<sup>6</sup> Number of trainees at the sites in Cologne, Ulm, and Herschbach (Germany) in relation to the number of employees in Germany, including staff on fixed-term contracts but excluding temporary workers, Torqeedo, and Futavis.

<sup>7</sup> For the production sites in the DEUTZ Group, excluding joint ventures. The recordable incident rate (RIR) is the number of reportable accidents at work per year per one million hours worked. An accident is deemed reportable if it occurs during working hours on the Company's premises while an insured activity is taking place and results in an absence of more than three calendar days. The day of the accident itself is not counted, but weekends are included if a medical certificate has been issued by an occupational health practitioner. Working hours are defined as the recorded or calculated actual time spent working and/or traveling by the employees. The working hours of permanent employees are counted, as are those of temporary workers, employees with fixed-term contracts, part-time staff, interns, and student workers.

<sup>8</sup> Here, the term administrative employees includes all individuals who are employed by the DEUTZ Group, including its foreign affiliates, as at December 31 of any given year and who are integrated into the Group's IT infrastructure, have access to a PC, and speak Chinese, English, French, German, Italian, Russian, or Spanish as the e-learning modules are available in these languages only. It excludes employees who left the Company during the year, were on parental leave, or were absent for more than 50 percent of the year due to long-term sick leave.

<sup>9</sup> 90 percent of the suppliers brought on board each year.

<sup>10</sup> Relates to existing suppliers with whom DEUTZ's purchasing volume for the prior year exceeded €0.5 million.

<sup>11</sup> 50 percent of the top 150 suppliers as measured by DEUTZ's purchasing volume in the prior year.

<sup>12</sup> CO<sub>2</sub>e = carbon dioxide equivalents; CO<sub>2</sub> emissions from the production sites of the DEUTZ Group excluding joint ventures. CO<sub>2</sub> figures are reported in accordance with the Greenhouse Gas Protocol and are determined by multiplying the energy consumed by the relevant emissions factor.

<sup>13</sup> Base year 2017.

<sup>14</sup> Excluding joint ventures. CO<sub>2</sub>e = carbon dioxide equivalents; CO<sub>2</sub> figures are reported in accordance with the Greenhouse Gas Protocol. The 'emissions per engine' figure is calculated by dividing total emissions by the number of engines made. CO<sub>2</sub> reporting covers Scope 1 (CO<sub>2</sub> emissions from diesel, natural gas, LPG, heating oil, and CNG caused by combustion in our own facilities) and Scope 2 (CO<sub>2</sub> emissions relating to purchased energy (e.g. electricity, district heating)). Only internal combustion engines and electric motors are counted, i.e. no other components such as batteries, gearwheels, or conrods for non-DEUTZ engines.

<sup>15</sup> Excluding joint ventures; the figures 'nitrogen oxide per manufactured engine' and 'particulate emissions per manufactured engine' are calculated by dividing the total emissions of each from test bays by the number of engines made. Only internal combustion engines are counted, i.e. no electric motors and no other components such as batteries, gearwheels, or conrods for non-DEUTZ engines. Electric motors do not produce nitrogen oxide emissions or particulate emissions.

<sup>16</sup> Base year 2019.