

Sustainable Development **2024**

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About this report

This is HOERBIGER Group's third published sustainability report and has been prepared using the original framework under GRI (Global Reporting Initiative) Standards (v. 2016). It covers the 10 universal principles of the United Nations Global Compact (UNGC) with information for the period from 1st January 2024 to 31st December 2024.

The GRI Content Index in the appendix of this report outlines where specific GRI reporting elements and indicators are addressed. The data presented in this report is combined at HOERBIGER Group level and collected for all its activities across the globe.

During 2023, the EU CSRD – (Corporate Sustainability Reporting Directive) was released and within that several ESRS (European Sustainability Reporting Standards) were issued. HOERBIGER having a major European presence, will implement ESRS, establish double materiality analysis, define KPIs, ambition and establish the non-financial reporting (EU Taxonomy) and as a consequence fully switch to CSRD when required. As part of EU Omnibus package announced end of Feb, 2025, the applicability dates have been delayed. While awaiting the final adaption of the Omnibus proposals, HOERBIGER is using the time to establish its Double materiality analysis and EU taxonomy relevant activities and work on tracking value adding Data Points.

Although HOERBIGER's 3rd party auditors have been fully involved in the CSRD based Double Materiality Analysis, this sustainability report has been subject to only an internal quality review by its core Sustainability team. No external assurance by an independent auditor has been obtained. For questions about sustainability or any of the ESG initiatives, please contact sustainability@hoerbiger.com.

The HOERBIGER Group

HOERBIGER is Globally active in the sectors such as energy, the process industry, the automotive industry, the mechanical engineering, in safety engineering and in the electrical industry. In 2024, its 6,173 employees achieved sales of 1.466 billion euros at its 130 locations across 40 countries. The HOERBIGER group showed an increase of 4% in revenue over 2023.

Our products and services are used in reciprocating compressors, gas flow control units, vehicle drives, rotating union applications, explosion protection, gas-powered engines, and in automobile hydraulics.

Since 1895, it has been our ambition to deliver excellence for our customers. This has been a result of an environment which allows our employees to develop their full potential and demonstrate initiative: people and success go hand in hand at HOERBIGER.

Statement from the Board of Directors and the Executive Board

As a successful family business in its 130th year, sustainability has always been one of the core elements of our culture. In view of the changing industrial environment over the past few years, we see that our focused presence in the emission reduction products and services arena together with diverse activities in Hydrogen as a mobility fuel together with Battery technologies will support our long-term economic success with our established social and environmental responsibility and robust governance practices.

Our aim of becoming a major player in Green Fuels and Emission Reduction Products reminds us of every day to shape a future worth living for our future generations and at the same time as a solution provider, meet the requirements of our customers. Since 2021, we started converging our sustainability efforts to make our products, offerings, processes, production, and service locations more sustainable – by setting up a comprehensive product sustainability program.

Since the beginning of 2023 the nomination of a Head of Sustainability further accelerated and focused our program. Market validation of several products and services and further development of emerging technologies is further supporting HOERBIGER's ongoing business transformation.

Our sustainability mission is:

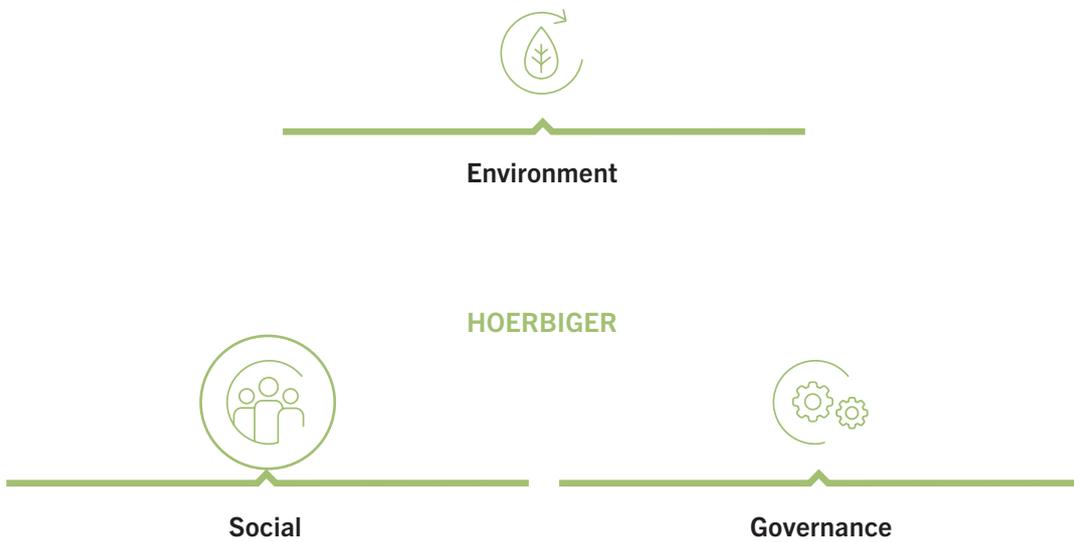
- We are a responsible global enterprise, which helps its customers improve overall operations efficiency including emissions reduction using its sustainable products and applications.
- We follow attractive people oriented policies and honor our corporate social responsibility
- We follow robust procedures for compliance with all relevant laws, anti-corruption policies and supply chain governance.

Sustainability Topics

This report, since 2022, includes HOERBIGER’s Scope and Commitment, Status and Ambition and Strategy of the relevant topics of the Environmental, Social and Governance framework of the United Nations Sustainable Development Goals and the UN Global Compact. The topics were chosen in 2022 after a careful and comprehensive management review and understanding of its business. We have linked each of the Material Topics with the Key relevant UN Sustainable Development Goals. This being third report within the same framework, we have now provided comparable data wherever available.

Key Sustainability Topics for HOERBIGER

HOERBIGER focuses on key areas of Environment, Social and Governance topics in a structured way.



Environment

HOERBIGER is committed to creating a cleaner and energy efficient world by reducing its CO₂ footprint and developing products in sustainable applications. Our key focus areas are:

1. Energy Consumption
2. Corporate Carbon Footprint
3. Sustainable Products
4. Sustainable Applications

Social

HOERBIGER is committed to promoting and nurturing a diverse and inclusive environment, with a record of accomplishment of emphasis in employee health and safety. Another important element is charitable donations. Our key focus areas are:

5. Employee engagement
6. Diversity and Inclusion
7. Health and Safety
8. Corporate Social Responsibility
9. Training and Education

Governance

HOERBIGER is committed to transparency and compliance with laws, regulations and internal policies, a top priority in all business decisions and transactions. Our key focus areas are:

10. Sustainable supply chain
11. Compliance and Anti-corruption
12. Sustainable Governance

Environment

HOERBIGER has chosen its Material Environmental Sustainability Topics in line with the following UN Sustainable Development Goals



1. Energy Consumption

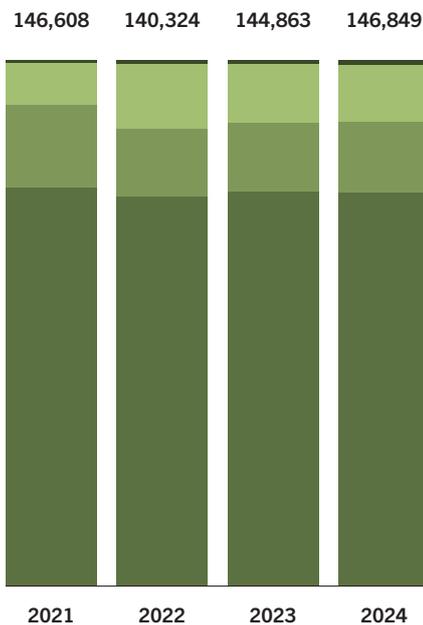
Scope and Commitment

We diligently track and aim to reduce our energy consumption which is directly caused at the various manufacturing sites, service locations and offices. This includes fuels / transports, coolant, heating and process heat and sourced electricity. With our energy consumption data available for a few of years, for 2024, we were able to further improve the quality of the data including minor adaptation to the prior years where necessary. We are committed to continuously reducing our energy consumption and achieving a higher share of renewable energy usage.

Status

Energy Consumption

Data in GWh (Giga Watt Hour)

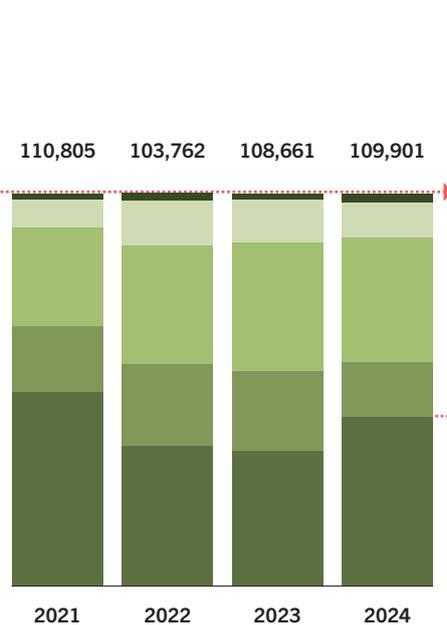


	2021	2022	2023	2024
1	0.6%	0.6%	0.7%	0.9%
2	7.9%	12.5%	11.3%	10.8%
3	15.9%	12.9%	13.1%	13.5%
4	75.6%	73.9%	75.0%	74.8%

- 1 Others
- 2 Fuel (Diesel and Fuel)
- 3 Natural Gas
- 4 Electricity

Electricity by Source

Data in GWh (Giga Watt Hour)

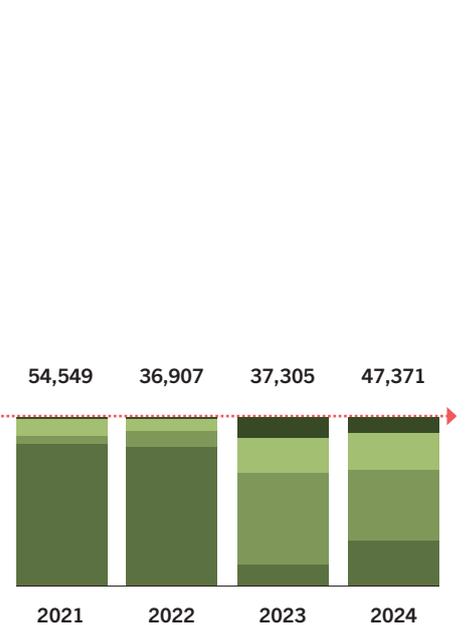


	2021	2022	2023	2024
1	1.7%	1.8%	1.5%	2.2%
2	7.1%	11.4%	10.9%	9.0%
3	25.0%	30.4%	32.9%	31.9%
4	17.0%	20.9%	20.5%	13.8%
5	49.2%	35.6%	34.3%	43.1%

- 1 Others
- 2 Nuclear
- 3 Coal
- 4 Natural Gas
- 5 Renewable

Composition of Renewable

Data in GWh (Giga Watt Hour)



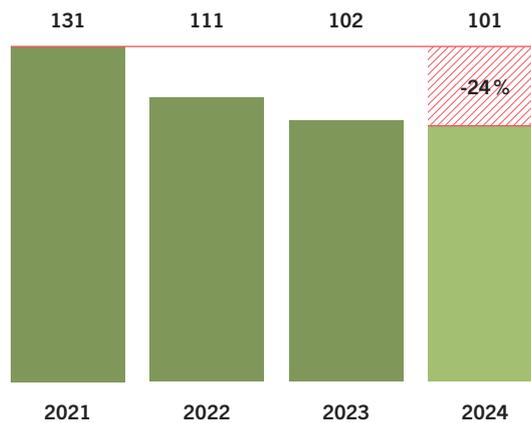
	2021	2022	2023	2024
1	0.9%	1.0%	12.3%	9.0%
2	10.5%	7.6%	20.9%	22.0%
3	4.5%	8.9%	54.4%	42.4%
4	84.1%	82.5%	12.4%	26.6%

- 1 Bio
- 2 Solar
- 3 Wind
- 4 Hydro

On the top of 12% increase in production output from 2022 to 2023, HOERBIGER had further 4% increase in output in 2024. Despite that HOERBIGER was able to maintain in general level the energy consumption to a total of 147 GWh consumed energy in 2024 (from 147 GWh in 2021, 140 GWh in 2022 and 144 in 2023). Main sources of energy stayed constant for electricity (75%) and natural gas about (13%). Within the sources of energy, HOERBIGER was able to substantially improve the Renewable energy usage from 34 to 43% compared to previous year. Our energy consumption per Million of sales dropped by a whopping 24% over the 3 years from 131 MWh in 2021 to 101 MWh per Mil Euro of revenue in 2024.

Energy Consumption

Data in MWh per Million Euro of Sales

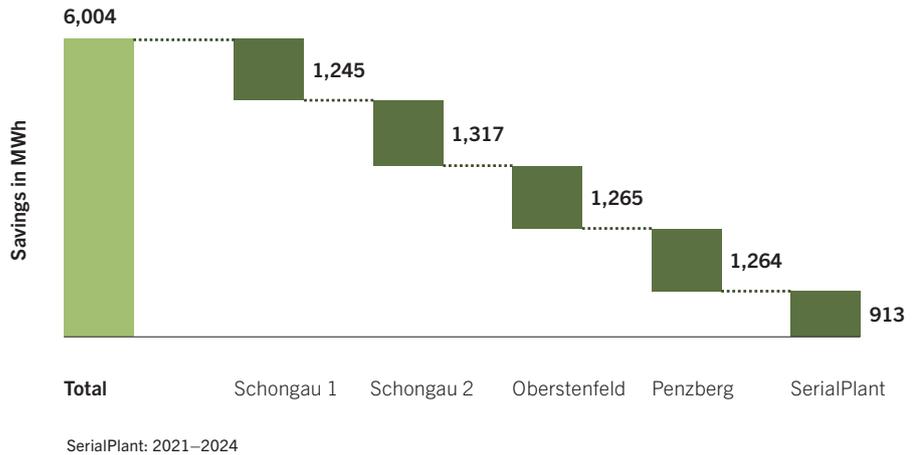


Of the total 110 GWh purchased electricity in 2024, about 43% was sourced from renewable sources and 57% came from fossil fuels – a major swing of 9% towards renewable energy. Most of the total 47 GWh renewable energy in 2024 was sourced from Wind.

Since 2022 HOERBIGER started investing in Solar power systems at its key locations. In 2024, 3 HOERBIGER plants with Solar systems, generated a total of 2.6 GWh of electricity. While this is still a very small share of the total electricity usage, together with purchased renewable sources, it helped reach 43% share of renewable energy usage.

Energy management is an integral part of HOERBIGER’s QSHE (Quality, Safety, Health, and Environment processes) across all divisions. We have implemented in all our leading production sites of the Automotive Division, the ISO 50001-certified energy management system and the associated Plan-Do-Check-Act cycle, providing the scope for addressing issues related to increasing energy efficiency. This effort with the energy management system led to savings in energy consumption over the last 3 years. Our energy management teams at the production sites in the Automotive Division have worked successfully together and saved 6,004 MWh of energy between 2020 and 2024, which is about 2.1% average annual savings of the division’s annual energy consumption.

**Example Automotive Division – Plants in Germany:
Energy savings in MWh through internal energy projects 2020-2024**



Since 2022 HOERBIGER Compression division has embarked on an ambitious Energy Management program named HEAT – HOERBIGER Energy Management, Awareness & Training. It is intended to raise awareness for efficient use of energy among the site leadership teams, provide & refresh energy management knowledge, and discuss ways to permanently establish energy awareness in local organizations.

Finding ways to reduce energy consumption is another key focus and includes evaluation of efficient energy systems and feasibility analysis of self-generation of renewable energy. In 2024, additional 3 HEAT Workshops were held at large HOERBIGER locations in North America, the Middle East and India. Based on energy consumption analysis, identified saving potentials were on average in a 10-20% range of local annual consumption. Beyond the advice on reduced energy consumption, special emphasis was laid on the extension of energy metering and monitoring systems as well as evaluation of solar systems. Realized savings from implemented short and mid-term measures contributed to the positive recognition of a concept for extension of energy management effort during the divisional management meeting 2024. The HEAT workshop philosophy will thus see an even broader application in 2025.

Ambition and Strategy

Continued use of the Energy Management system and increasing awareness about energy consumption are the key focus areas. We continuously reduce energy consumption with initiatives such as the HEAT program and increase the share of renewable (or sustainable) energy to reduce our dependence on fossil fuel, through the installation of PV solar power plants as well as actively increasing the share of clean energy in our energy procurement.

Current Activities and Projects

In the year 2024 HOERBIGER continued its roll out of Solar power plants. After successful start of in-house solar power plants at the locations in Pune, India and Vienna, Austria, a 0.8 MW solar power plant was installed and became operational at the new HOERBIGER production plant in Changzhou, China at the start the year (Q1/2024). Overall in 2024, the 3 newly operational solar power plants generated 2.6 GWh of electricity.

Resulting from the HEAT program, department Global Real Estate Management partnered with HOERBIGER Apprentice Training Center and People & Culture Germany to offer HOERBIGER apprentices the chance to further qualify as Energy Scouts. Like in previous years, HOERBIGER continues to build on young talents to further develop organizational awareness for efficient use of energy. In 2024, 5 new apprentices from HOERBIGER entities in Germany completed their additional qualification as Energy Scouts at IHK Academy Munich (Germany). Their specific knowledge makes them ideal partners for energy efficiency projects in their future job positions. According to the HOERBIGER Apprentice Training Center, the Energy Scout program is well received and will see further participants in 2025.

2. Corporate Carbon Footprint

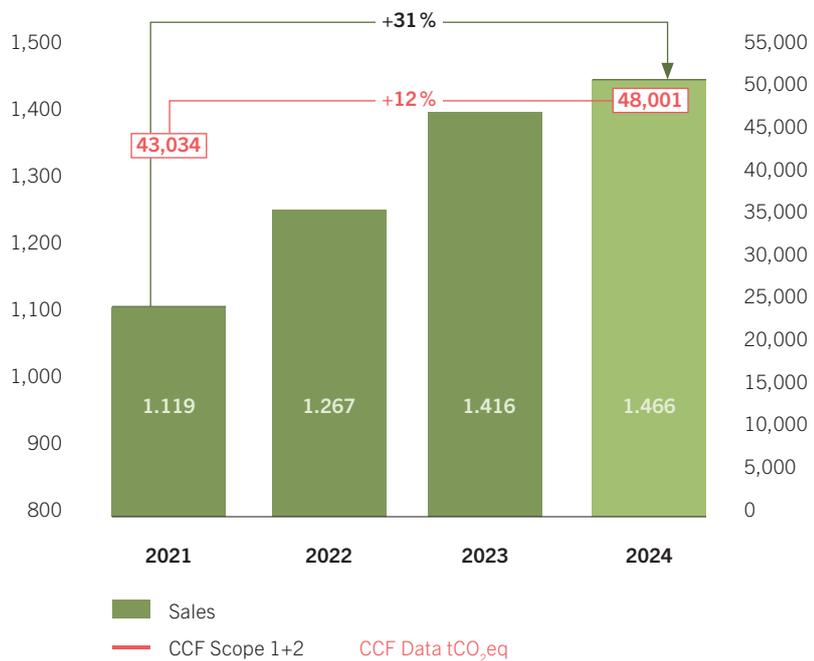
Scope and Commitment

HOERBIGER tracks its Corporate Carbon Footprint (CCF) as defined in the Greenhouse Gas (GHG) Protocol. We measure the output in CO₂ equivalents (CO₂eq) of direct and indirect emissions that are owned or controlled by a company (Scopes 1 & 2), as well as emissions that occur from external sources because of a company’s activities (Scope 3).

We at HOERBIGER are committed to reducing the Carbon Footprint in Scope 1 and 2 of our current operations. During 2024 we started working on measures to reduce the Scope 3 CCF.

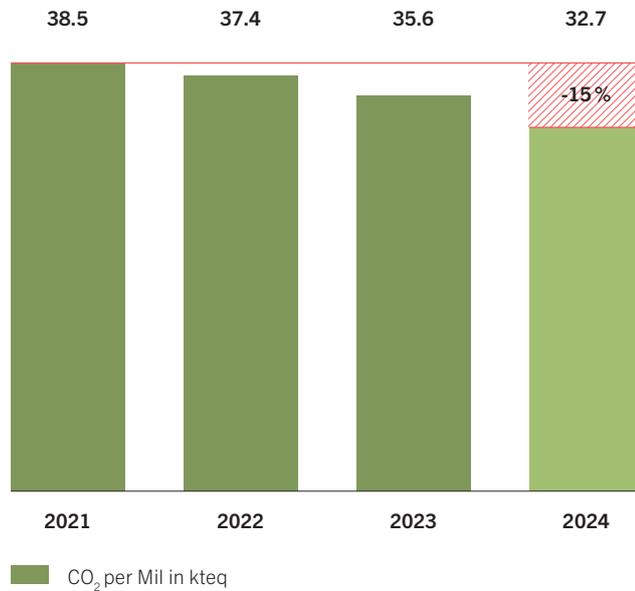
Status

Carbon footprint Scope 1+2 (2021 to 2024) and Sales in Million Euro



Since 2021 HOERBIGER has been calculating its CCF (including CO₂, methane and hydrocarbon gases) by collecting location-specific primary data. The CCF has been calculated based on the application of scientifically well-recognized emission factors from various professional sources. The data collection methods that are mostly manual so far will be automated in 2025.

CO₂ (Scope 1+2) emission in TCO₂eq / per Million Euro of Sales



The Scope 1+2 emission which was 50.7kt of CO₂eq in 2023 went down to 48kt of CO₂eq in 2024, an absolute reduction of 5 % over 2023.

The group’s CCF for the year 2024 from Scope 1 and 2 totaled 48kt of CO₂eq (market based), generated from sources directly owned or controlled by the company. It was only 9 % of the total CCF, the remaining 91 % of all emissions i.e., 485kt of CO₂eq (market-based), were generated by Scope 3 related activities.

Of the total 48k tCO₂eq emissions generated from Scope 1 and 2 activities, 18 % were direct emissions at our operations and the remaining 82 % emissions were attributable to power usage at our operations around the world.

HOERBIGER achieved a turnover of €1.466 Million in 2024, which was a 4 % growth over 2023. All divisions contributed to the overall growth. Contrary to the growth in sales, the Scope 1 and 2 emissions per Million Euro of sales reduced from 35.6t / Mil Euro in 2023 to 32.7t / Mil Euro in 2024, a reduction of 9 %. This was possible due to judicious choice of energy sources and reduced use of natural gas.

HOERBIGER will continue to use 2022 as baseline for its CCF tracking and targets going forward.

Ambition and Strategy

HOERBIGER will in the short-term focus on its Scope 1 and 2 emissions as part of core ESG-initiatives before working with all its suppliers to gradually help them assess their Product Carbon Footprint for HOERBIGER related products for a more exact CCF assessment.

We are committed to reducing our Scope 1 and 2 Carbon Footprint between 5% and 15% year on year (2022 as a baseline) with an aim to reduce 50% by 2030 and make our operations Carbon Neutral by 2039.

During 2025 HOERBIGER will further derive ways and means to tackle its Scope 3 Carbon footprint impact and create long term reduction targets.

Current Activities and Projects

In 2022, HOERBIGER launched a program to install solar power plants at its operating sites. After the completed solar power plant project at the HOERBIGER plant in Pune / India (in 12/2022) and the plant in Vienna (in 11/2023), the Solar system in new plant in Changzhou started in 04/2024 and in 8+ months in 2024, already generated 712 MWh of energy. Based on full installed capacity and power yield this is around 20% of the factory power load. The energy generated alone saved 735t of CO₂eq in carbon footprint.

The climate-friendly solar power generated is used directly by the factory for its own energy needs.

The solar systems of HOERBIGER India, HOERBIGER Vienna and now HOERBIGER Changzhou are already an important part of the HOERBIGER Group's long-term sustainability strategy, which includes the use of green energy and thus contributes to a climate-friendly future.

As a next step, HOERBIGER's other plants in Europe and America are working on their Solar systems in the coming years.

3. Sustainable Products

Scope and Commitment

HOERBIGER cares for the environmental impacts of its products in the use phase. HOERBIGER is committed to its emission reduction through initiatives such as reduction of product weight, energy efficiency of product use, reduction of noise and vibration.

Status

In addition to the optimization of the production and service processes to reduce energy consumption HOERBIGER is continuously improving the ecological, social, and economic performance in the use phase of its products. The product portfolio of HOERBIGER shows a wide range of innovative solutions which reduce the environmental impact along the entire product lifecycle.

Ambition and Strategy

In 2025, HOERBIGER plans further steps to improve the sustainability of its products in the whole product lifecycle. We are working on establishing processes to measure the PCF (Product Carbon Footprint) for first products in the automotive division (based on the ISO 14067 standard) and engaging with suppliers to see the potential for materials with the best carbon footprint and sustainability performance.

Current Activities and Projects

Compression Business

We work to help our customers reduce power consumption and reduce their carbon footprint – the following products are key pillars on this strategy:

Stepless Electric Capacity Control System (HydroCOM and eHydroCOM)

HOERBIGERs e-HydroCOM system uses the reverse flow control by which the delivery rate of the compressor is adjusted continuously to the process requirements. This helps avoiding the use of an energy wasting bypass valve, leads to increased efficiency, and a reduced emission footprint. The technology reduces compressor energy consumption and has already helped save large quantity of CO₂eq since its introduction in 1995. In 2024 alone, our installed base led to reduction of approx. 1.6M tons CO₂eq, and just the new system brought into the market in 2024, will lead to an annual additional savings of 0.11m tons CO₂eq*.

** Calculated with average energy saving potential of 333 kW per operating hour of compressors with driver power >1 MW; Energy emission intensity of 420g CO₂/MWh; 8.000 operating hours*

Profiled Plate Valve (CP, XP)

To increase reliability and save energy, Compressor users need a technologically advanced valve. HOERBIGER's XP (for energy emission) and CP (Vented emission) Profiled Plate Valves combine all the properties to meet these requirements: The valves offer up to 50 % higher effective flow area than conventional valves. PowerPEEK® valve plates outperform any other valve plate in terms of impact resistance and strength. Users can drastically decrease electric power or fuel consumption and reduce the related CO₂ emissions, while increasing the useful service life. In a typical application users can reduce the annual energy-related emissions of a reciprocating compressor up to 2,016 tons CO₂eq*.

** Calculated with average energy saving potential of 60 kW per operating hour of compressors with driver power >1 MW; Energy emission intensity of 420g CO₂/MWh; 8,000 operating hours*

Emissions Control Panel (ECP)

Reciprocating compressors have been identified as a major source of fugitive emissions, which not only affect the environment but can also pose a safety risk to operators working near the compressor. With an Emissions Control Panel from HOERBIGER, these emissions can be kept under control. Nitrogen purging is an effective way to reduce uncontrolled gas leaks from compressors. Reducing or preventing hazardous emissions increases safety of people near the compressor and protects the environment. HOERBIGER can help reduce greenhouse gas emissions drastically when Emissions Control Panels are coupled with a recovery system or an efficient flare system.

Packing Case Repair (HPR)

Corrosion, deterioration and surface damages on the packing case cups decrease sealing performance and leads to higher leakage and fugitive emissions. Deposits and dirt in cooling passages hinder heat dissipation and can reduce lifetime of pressure packing. Also, a poor condition of O-rings grooves leads to leakage of gas into cooling water, thus compromising the safe operation of compressors. To ensure long-term compressor reliability and to safeguard employees as well as the environment, proper and regular service of packing cases and piston rods is essential. When using the HOERBIGER Packing Case Repair (HPR) all internal subjects are replaced and packing cases as well as piston rods are inspected and overhauled as needed. This saves unplanned downtime as well as energy, avoids fugitive emissions and increases safe operation. But not only that, with our service with can actively reduce methane emissions and fulfill environmental regulations (EPA).

Reliable, Efficient, Environmentally sound (REE) Assessment

Reliable and more efficient compressors have more potential to reduce the CO₂ footprint, as well the use of environmentally sound technology and maintenance processes. But identifying improvement potential requires a benchmark and a structured approach. HOERBIGER knows this, and has therefore developed the REE – reliable, efficient, environmentally soundness – an auditing process since over a decade ago. Since then, we have already helped thousands of compressors improve their performance. With the introduction of the digital Fleet Audit Tool, it has now become even easier and faster to identify, quantify and prioritize compressors with larger improvement potential, making the REE process faster and even more accessible to our customers.

Carbon Footprint Assessment

The impact our customers compressor's emissions have on the environment and the user's operational ability to meet stricter government / environmental regulations force all compressor emissions to be measured in the long term. HOERBIGER measures user's compressor's footprint and shows the user how one can significantly reduce emissions, while still optimizing efficiency and running time. What is the Carbon Footprint Assessment? We provide detailed information about the reciprocating compressor's emission footprint. It is an in-depth report with a holistic assessment of the entire compressors footprint (annual CO₂ emissions).

Static Rod Sealing System – EmissionShield

Conventional pressure packing cases are designed to seal with the compressor being in operation. They show significant leakage when the compressor is at a standstill. Therefore, a big volume of gas contained in the cylinders, volume bottles, heat exchangers and piping, is vented or flared every time the compressor is stopped and depressurized. In a number of applications, it happens that the blowdown gas is vented, for example it is sent to atmosphere without being combusted in a flare. This poses a significant environmental issue if it is a greenhouse gas such as methane or other hydrocarbons. With HOERBIGER's EmissionShield, blowdown and vented emissions are designed to be effectively eliminated.

Automotive Business

We are moving into a new field of eMobility to create an environmentally sound alternative to our current product range. We now offer our customers innovative performance-determining products for new applications in e-mobility.

e-Coupling

Smart actuators for the powertrain help to reduce the power consumption in Electric Vehicles. This can be achieved through decoupling of e.g., the 2nd axle of 4WD vehicles or by introducing multispeed gearboxes.

Battery Components

An innovative cell monitoring system and new designs and production method for cell cans & caps increase performance and safety for battery cells.

Green Hydrogen Electrolyser Components

The production capability of HOERBIGER contributes to the scaling-up in electrolyser production and supports the European and Global strategy to a carbon-free energy chain.

Rotary Business

We supply mission critical components in the non-conventional fields such as renewable energy and Electric Vehicles.

Through a major rotary indexing table manufacturer, our Slip Ring Rotary Union Combo units are used exclusively at a new line of Battery Electric Vehicle SUV production plant. In 2024, this deployment supported production of 28,000 new electric vehicles per year using Deublin products, significantly contributing to the reduction of carbon emissions in the automotive industry.

In the Wind Energy sector, in 2024, we shipped 4,500 Hydraulic Rotary Unions and Electrical Slip Rings. Considering 90% of the shipment were fitted onto new wind turbines, collectively they would generate enough electrical energy to power 5.7 million homes.

Engines Business

We help our customers optimize their Internal Combustion Engines (ICEs).

For low-emission natural gas operation or zero-emission hydrogen operation. e.g., our H2PFI GVC10 has already fully decarbonized several mobile and stationary ICE applications.

Safety Business

We use sustainable materials in our products assembly.

eSuppressor

In recent years, we have developed and launched new flagship products for explosion suppression, focused on performance, sustainability and reducing the carbon footprint along the value chain. The eSuppressor is an electro-mechanical operated extinguisher that does not require traditional pyrotechnic devices. Pyrotechnic devices are massive heat producing, develop strong smoke, and have explosion effect and have a limited-service life and require periodic replacement.

Explosion suppression

Safety's active explosion protection systems suppress industrial explosions and resulting fires at numerous industrial manufacturing sites all over the world. The industries protected include food, pharma, wood, chemical processing facilities, thus ensuring the health and safety of our customers and employees.

In 2024, Safety recorded over 20 successful suppressions resulting in 100's millions in \$\$s in savings in new construction and the resultant carbon emissions if the process equipment were not protected. On an average, every two industrial explosion results in one death and five injuries. Together we save lives!

4. Sustainable Applications

Scope and Commitment

HOERBIGER is active in several applications that act as enablers for sustainable economic activities such as e-mobility and zero-emission transport or the production, transport, and storage of renewable energy. HOERBIGER is committed to helping its customers reduce their Carbon Emission with a focused product and services portfolio.

Status

HOERBIGER is developing several products for zero-emission applications across its divisions. In addition, HOERBIGER's Safety business is solely dedicated to the purpose of solutions to protect people and saving lives, equipment, and processes.

Ambition and Strategy

HOERBIGER has ambitious plans to improve the sustainability of its Product Applications. This includes major investments in products that enable use of Hydrogen as a clean fuel.

Current Activities and Projects

Compression Business

- As a significant part of the HOERBIGER Group, the Compression division is committed to helping the group ambition of creating a better tomorrow. One part in doing that is the work and innovative power we are presently putting behind the development of a cost-efficient solution to boost the market of hydrogen fueling in zero emissions mobility.
- We also realize that the traditional oil and gas industries are changing. Since they will be an important and integral part of the energy mix and chemical industries for the near future, it is imperative we enable them to change in a sustainable way. HOERBIGER offers products and services targeting fugitive emissions and energy and reliability-related emissions.

Automotive Business

- As mobility moves from IC Engines to eMobility, we as leaders in high performance transmission components, are now focusing on efficient shift elements for electric vehicles such as dog clutches and the new age smart battery housings.

Rotary Business

- Our steam systems make a significant impact on energy savings. In 2024 we supported and supplied our customers in overhauling two large paper machines leading to annual savings of 68 tons of steam, meaning saving of 9.40 tons CO₂eq for our customers.

Calculation 70 m³ of CH₄ is needed to produce 1 Ton of steam which in turn emits 1,983 KG of CO₂eq. Effectively every Ton of steam saved, corresponds to avoided emission of 138,8 kg

Engine Business

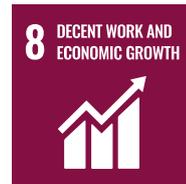
- Internal Combustion Engines - ICEs cannot be completely dismissed in the future, especially in mid to heavy-duty applications. Hence our innovative products decarbonize on- and off-road mobility, stationary gensets and maritime engines.
- Our Engines business has been H₂ Pioneer having enabled H₂ off road Engine, H₂ 18-ton Truck and H₂ Ignition system.

Safety Business

- BESS: Battery Energy Storage System: We supply our specially designed BESS-ex explosion vent panels for use in Clean Energy Storage Systems. In 2024 our special purpose panels were used to protect 5 GWh of installed energy storage.
- We have already been using sustainable, completely harmless mediums to suppress explosions and design systems for a minimum of a decade's lifespan. Now, the newest version of the suppression platform, the eSuppressor, is the first fully electro-mechanical system in the industrial explosion market, eliminating hazardous actuators (for example, explosives with lead). Further, if systems are called into action to suppress an explosion, they can be fully refurbished and reused without actuator replacement.
- Safety continues to incrementally decrease our carbon footprint by consolidating businesses. In 2024, our IEP France office merged with our HOERBIGER Compression offices, thus being able to decrease the total energy consumption and optimizing space usage while eliminating duplicate resources.

Social

HOERBIGER has developed its Material Social Sustainability Topics in line with the following UN Sustainable Development Goals



5. Employee Engagement

Scope and Commitment

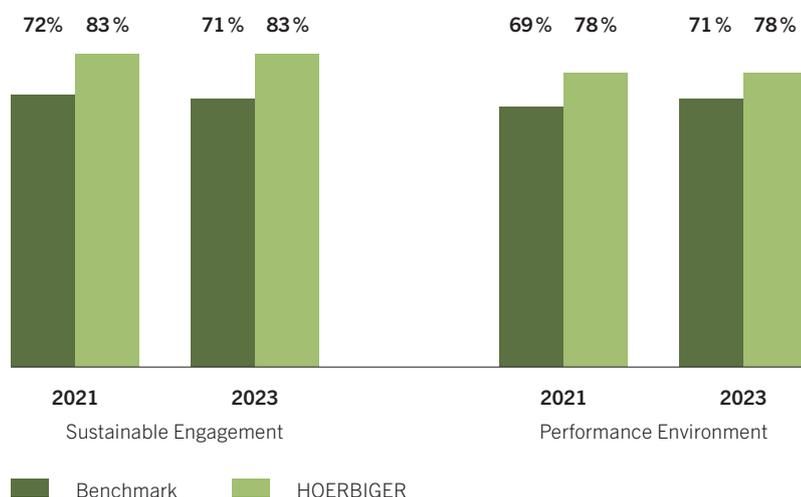
At HOERBIGER, our employees' engagement is at the core of our success. This is reflected in the long-term loyalty of our employees and the spirit they share. Since employee engagement is a topic that merits continuous attention and care, HOERBIGER regularly reviews its level of attractiveness as an employer and conducts periodic employee engagement surveys.

Status

HOERBIGER is committed to a company-wide bi-annual engagement survey. The survey is based on the Strategic Fitness Model that considers both Engagement and Performance Environment as pillars of employee engagement. Engagement focuses on job satisfaction, commitment, motivation and well-being of our employees, whereas Performance Environment puts the spotlight on whether our employees have the right leadership, team spirit and tools to help them achieve their goals.

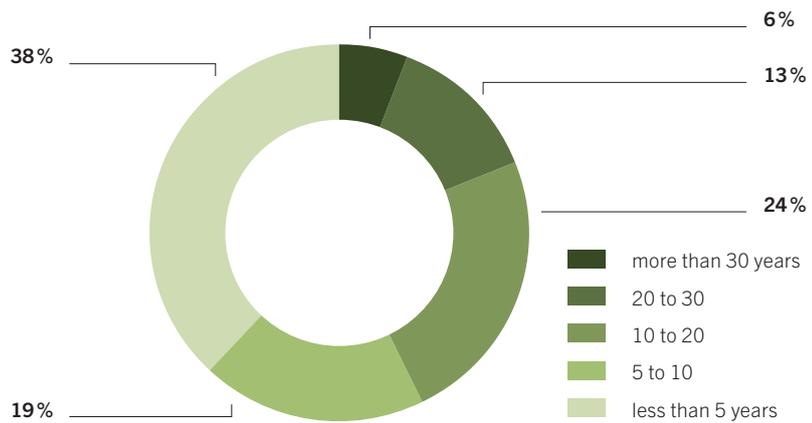
The last survey took place in 2023 and the results showed an Engagement score of 83% and a Performance Environment score of 78%. When compared with external benchmarks of similar manufacturing companies, HOERBIGER's results are 11% higher in engagement and 7% higher in regards to performance score. With these results, HOERBIGER proudly is in the top 20% of companies in terms of engagement. And this high engagement is even more noteworthy with a high participation rate of 8% (In 2022 - 79%). These high scores in employee engagement and participation are also reflected in the above industry standard tenure of our employees.

Employee Engagement Survey 2021 and 2023



HOERBIGER’s long-term success is reflected in the long-term commitment of its people. As of End 2024, about 43 % of employees have been working for more than 10 years with the company.

Employee Tenure – 2024



Ambition and Strategy

Our next survey takes place in 2025. HOERBIGER’s ambition is to maintain and further improve upon the already high Sustainable Engagement and Performance Environment scores.

Current Activities and Projects

The employee engagement survey results are communicated in each location and to each team: we strive for a 100% communication rate. We put great emphasis on the definition and implementation of concrete measures in each team. As our employee engagement level is high, we pay additional attention to those areas that show most room for improvement. Tailor-made coaching, workshops and ongoing support for these teams are intended to ensure significant improvement in employee engagement.

Additionally, from a global perspective four focus topics have been identified that are being implemented by international cross divisional senior management teams:

- 1 Moving the organization with communication to all levels: Help leaders to communicate strategy, transformation and change to all employees.
- 2 Managing workload: Enable the organization in dealing with workload through few simple tools.
- 3 Enabling useful feedback: Ingrain feedback in daily business as an organizational habit.
- 4 Creating development opportunities: Make internal development opportunities transparent and communicate principles of internal job market.

6. Diversity and Inclusion

Scope and Commitment

Diversity makes us strong. HOERBIGER is a global organization, represented by a diverse network of employees with 84 nationalities working close to our customers through locations across 40 countries. Our international diversity is strongly rooted in our history and our values and makes us successful. We strongly believe that diverse teams in an inclusive environment are better able to solve complex problems by incorporating a broader set of viewpoints and different mindsets.

At HOERBIGER, therefore expanding our Diversity focus includes a broad range of diversity aspects – such as gender, age, nationality and ultimately – diversity of ideas. Our goal is to encourage and support all forms of diversity in the workforce and create an inclusive environment where all employees are valued. This means nurturing a culture of trust, free of discrimination, in which all people have a fair opportunity to bring in their unique strengths and ideas enabling us to succeed together.

Status

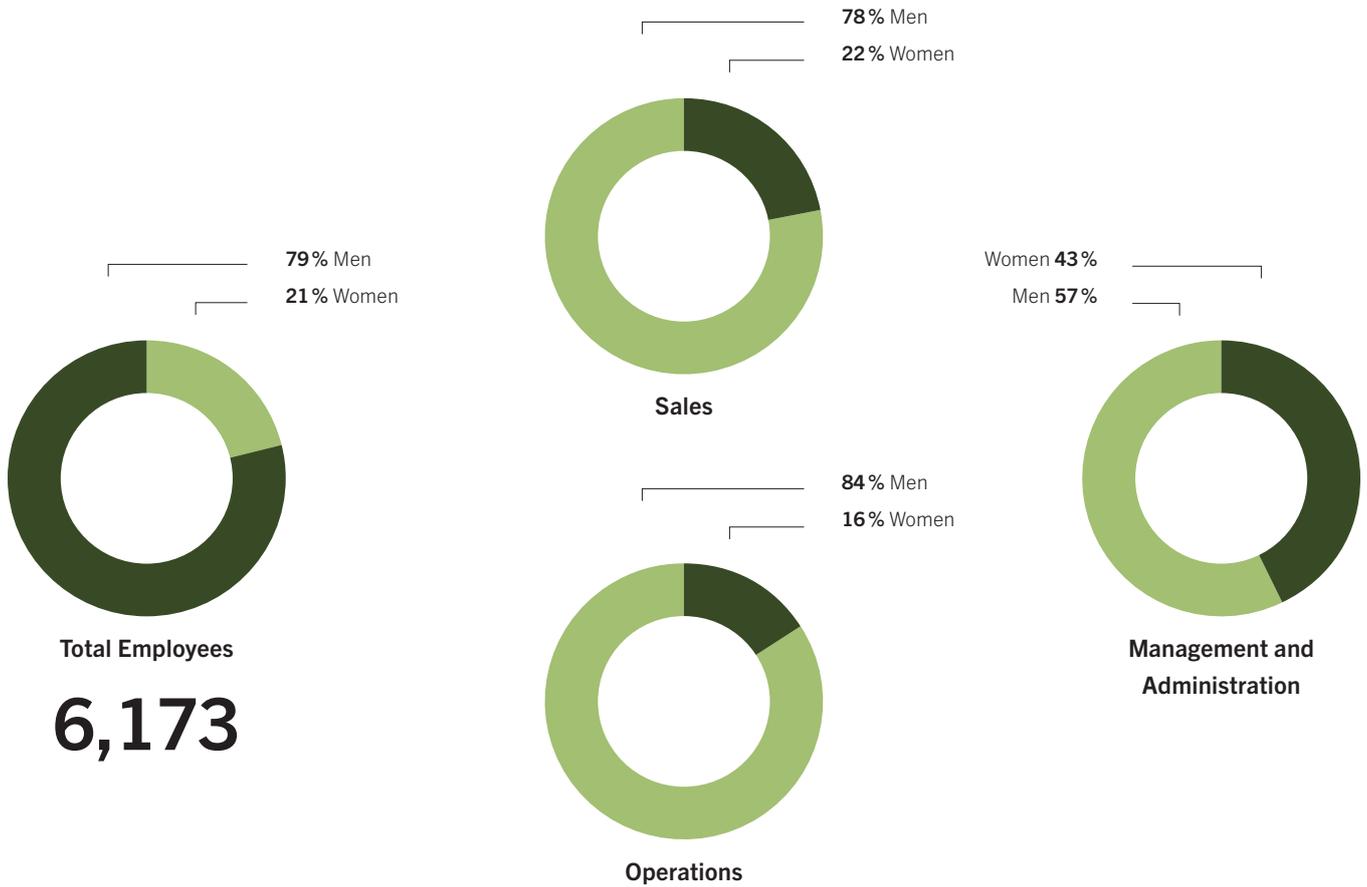
Our international diversity, defined as employees who work in a country different from their country of birth, is strongly rooted in our history and our values. In 2024, 14 % of colleagues in Sales and Engineering functions live abroad, compared to 13 % in Operations and 13 % in General and Administration.

HOERBIGER's International Diversity 2024



In 2024, of the 6,173 employees 21 % were women, with a higher (43 %) representation in General and Administration functions than in Manufacturing (16 %) and in Sales & Engineering (22 %).

HOERBIGER's Gender Diversity 2024



To leverage our diversity with a culture of trust and inclusion we have started a set of actions in 2024. They range from concrete trainings to less visible measures like offering cross-cultural and – divisional exchange platforms and making sure those different perspectives are considered in decision making.

Ambition and Strategy

Looking ahead, we want to leverage the spirit of Diversity and Inclusion further across all functions and regions. Diversity and Inclusion improves the engagement and job satisfaction of our teams and acts as a catalyst for our innovation & growth strategy.

Current Activities and Projects

In 2024 we have set several measures on global and local level to drive Diversity while fostering Equity and Inclusion. Global trainings e.g. on “Building trust” and “Intercultural Awareness” not only focus on developing skills but also offer a safe space to exchange ideas with colleagues from other countries, divisions and functions. A more individual approach is our Mentoring program which is currently piloted. Furthermore, local workshops on Unconscious Bias have taken place. Measures to build and strengthen an equitable talent pipeline are our Talent programs and training of recruiters.

7. Health and Safety

Scope and Commitment

At HOERBIGER we claim that *“all employees go home in the evening just as healthy as when they came to their workplace in the morning”*. Health and Safety are core elements of our QSHE mission. We work on preventing accidents at work and take preventive measures to protect the health of employees, including physical and mental aspects of health. Setting preventive actions, providing safe working conditions, following the goal of zero accidents, and cutting safety risks are part of the mission to which we at HOERBIGER are committed.

Status

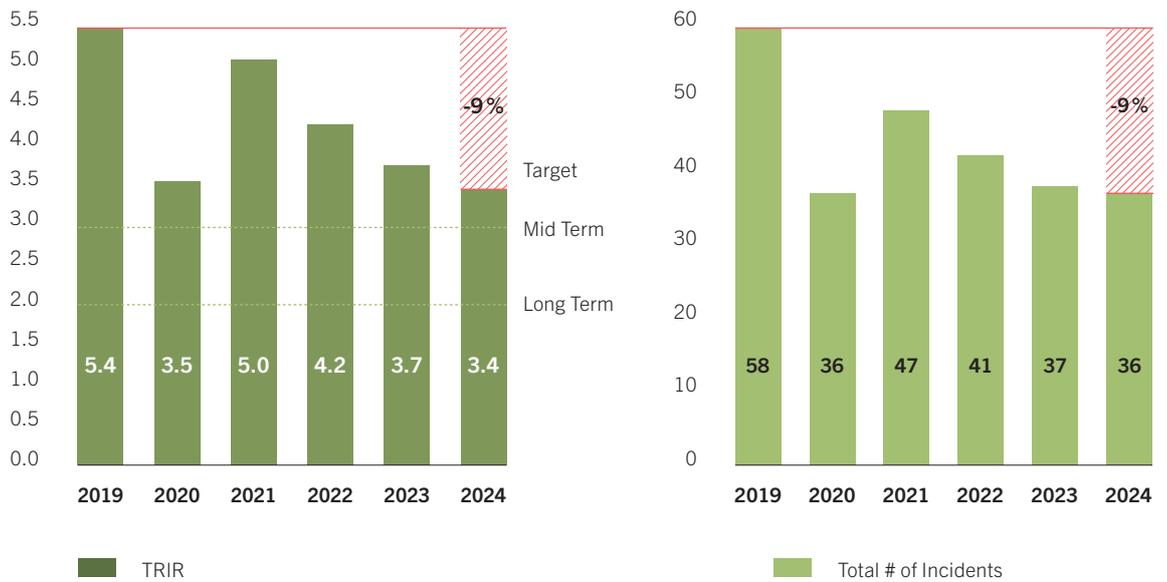
At HOERBIGER, every work accident is one accident too many. All managers / supervisors and employees at HOERBIGER work every day to achieve the target of “zero incidents”.

The workforce is supported by occupational safety experts, who have relevant ability and set up the necessary transparency. Therefore, in the daily work setting, occupational safety is a fundamental part of every activity at HOERBIGER. This basic understanding is established in the SAFETY PRINCIPLES of the Group.

Ambition and Strategy

To measure our progress, the EHS (Environment, Health & Safety) metric of Total Recordable Incident Rate (TRIR) shows the organization’s safety performance by calculating the number of recordable incidents in relation of the working hours performed in the same period.

HOERBIGER TRIR and Number of Incidents 2019 to 2024



HOERBIGER’s operations have shown a consistent reduction in the TRIR over the past 5 years. The data for 2020 was an aberration due to major disruptions at our plants in the Corona Pandemic and the consequential reduction in the working days.

Current Activities and Projects

HOERBIGER is very advanced in terms of procedures and safe workspaces. What needs continued focus is reinforcing safety as a mindset and a behavior. To achieve this, as a process, all major meetings start with a “Visual Safety Leadership” moment, where leaders are challenged to reflect on whether their behavior helps create a safe environment. Further internal Visual Safety Leadership trainings are being offered that focus on the role of the leader in creating a zero-accident workplace.

Apart from Safety at workplace, HOERBIGER also made an important adaptation to this CSR strategy by including the health and wellbeing as a separate focus area. This change, implemented at the end of 2024, follows a careful review by the Executive Board which reflected on the insights gained from previous initiatives. This addition reflects the growing demand for projects that promote both the physical and mental health of our employees and the communities we serve. In 2024, HOERBIGER invested close to €250,000 in health and wellbeing initiatives and in 2025, plans to further expand these initiatives and introduce new ones, reinforcing our commitment to the overall well-being of our workforce and the communities we impact.

8. Training and Education

Scope and Commitment

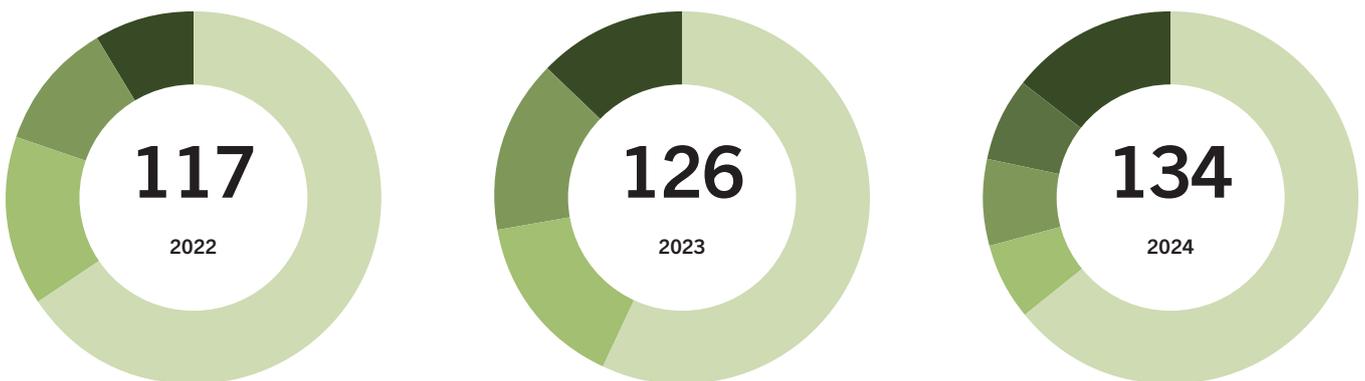
The backbone of HOERBIGER’s training and education strategy comprises high-quality education of our employees, ongoing relevant training opportunities, and regular performance evaluation to foster their growth and career development.

At HOERBIGER, we commit to creating an environment where all employees can develop by providing resources and opportunities for formal training and individual growth. We additionally value training and education as part of our social contribution to the communities in which we are active.

Status

One pillar of our education and training approach focuses on the future generations of our workforce. With our apprenticeship and internship programs we provide young people with key early experience and valuable insight into various parts of our industry. In 2024, HOERBIGER employed 145 apprentices and interns across multiple locations in 14 countries, a majority of which were in Germany (86), followed by Austria (21) and United States of America (10).

HOERBIGER Apprentice Program 2022–2024



Apprentices* worldwide

	2022	2023	2024
Germany	66%	57%	64%
India	15%	15%	7%
Austria	11%	15%	7%
USA	0%	0%	7%
RoW	9%	13%	14%

*Apprentice includes interns

Apprentices are taught crucial technical skills by experienced instructors in our dedicated apprentice training centers in Germany and Austria as well as at specialized schools or shared apprentice centers in other locations.

In addition to training programs for students HOERBIGER leverages its internal Learning Platform to offer a variety of training to employees globally. In 2024, 3,060 (about 50%) employees across the HOERBIGER Group actively made use of this, concluding 19,385 trainings, and thereby dedicating a total of 23,843 hours to their own development. Additional training and development initiatives are offered to employees in various formats and systems locally, based on organizational and individual development goals.

Employee Training imparted in 2024

HOERBIGER global learning management system data for 2024



Leadership development has historically been a strategic priority at HOERBIGER and is a key driver of our innovation and growth strategy. HOERBIGER leaders get feedback and are developed based on a Leadership Capability Model, which takes a holistic approach to leadership. This serves as a standardized development framework for our leaders across the Group and lays the foundation for new targeted leadership development offerings, some of which are currently in the pilot stage. The Leadership Capabilities firmly embed leadership values into the HOERBIGER culture and act as a conduit to bringing leadership to life for all our employees.

Ambition and Strategy

HOERBIGER's long-term Training and Education approach is targeted towards empowering our people and enabling our strategic goals. Next to the key technical skills required across our businesses, leadership development will continue to be a core strategic goal, looking ahead, which will allow us to attract, develop and motivate talent and increase our internal fill rate in key positions.

Our aim is to create an environment of continuous learning and development, which allows employees to take ownership of their own development journeys and supports them on an organizational and individual level. Helping our people grow and develop their skills is crucial to a successful and sustainable future for HOERBIGER.

Current Activities and Projects

Fostering the ongoing learning and development of all employees is a core priority. In 2024, the HOERBIGER Group spent a total of close to €2.5m on training and education, which was like the previous year. Selected projects were:

- “The HOERBIGER Way” program: Internally delivered leadership training covers 400 employees worldwide, with teaching strategy, tools, and methods as well as Leadership involved in an interactive way.
- Leadership Capability Toolbox: External training offer based on internal Leadership capabilities such as leading change, inspiring people, or developing self & others.
- “GrowtH talent” program: Giving local high potentials the skills, exposure and network to succeed in an international career.
- Digital Courses: In vast numbers incl. trainings in Software tools, Remote Collaboration, Compliance & Data Protection etc.

9. Corporate Social Responsibility (CSR)

Scope and Commitment

HOERBIGER's commitment to Corporate Social Responsibility (CSR) is deeply embedded in our corporate culture. A comprehensive CSR strategy was developed in 2023 and implemented throughout the entire organization from January 2024. Implementation during 2024 was successful and widely noted within the company. A key factor in this success was the introduction of a clear strategic structure, which has significantly improved the transparency and effectiveness of our CSR initiatives.

The new structure expanded CSR activities globally, enabling HOERBIGER to have a positive social impact in all geographic regions where HOERBIGER operates. An important component of the strategy is the annual allocation of a share of profit after tax (PAT) to CSR activities. This practice, which was established in 2023, enables CSR to be implemented in a coherent and structured manner across all areas of the company. The aim is to promote sustainable development in the respective communities and make the transition from a sporadic donor to systematic enabler for CSR initiatives.

In 2024, over € 500,000 were spent on several CSR initiatives, which represents a significant increase compared to the previous years. These investments are expected to increase further to maximize the impact of the projects in the long term and increase the positive impact on society.

Status

In 2024, we significantly expanded the scope of our CSR activities. We were able to further develop many of the existing projects while also launching new ones. One notable example of this development is the increasing involvement of employees in projects such as supporting Caritas in Vienna. Our employees now volunteer weekly to deliver food to those in need, and our CSR budget has been able to further support this extraordinary engagement with a donation.

Overall, there has been a clear trend of increased employee engagement in 2024. Our employees have become more actively involved in the implementation and organization of projects, marking a significant development compared to the previous year. This heightened engagement demonstrates how the new strategic approach has fostered greater motivation and inspiration within the organization.

At the end of 2024, the Executive Board reviewed activities of the past 12 months, identifying areas for optimization such as more focus on initiatives that directly benefit people.

Ambition and Strategy

The CSR strategy developed in 2023 and implemented across the organization in 2024 follows a structured approach based on four core principles:

HOERBIGER CARES about people. We support and empower our employees, their families, and the communities they work and live in. If people or communities are affected by crisis or disaster, we will provide support and rapid relief to our best capability and ability.

HOERBIGER COMMITS to making a meaningful and lasting contribution to societal and environmental welfare through sharing resources and know-how with the communities in which our company operates and your employees live. We think long term. We principally aim to spend annually 1 % of the profit after tax (PAT) of the HOERBIGER Group on CSR activities and to support corporate citizenship initiatives of our employees.

HOERBIGER CONTRIBUTES by leveraging our areas of expertise and passion, which strengthens our commitment, enhances our credibility, and amplifies our impact. We support projects that align with three key topics closely connected to our company's values and expertise.

HOERBIGER COLLABORATES by striving for lasting partnerships with local organizations. Working with and through local partners ensures that our projects are strongly anchored in the local context. Investing in CSR activities close to where we work ensures strong participation and sustainability.

With the new adaptations and the focus on people, the main area of CSR efforts falls under "Education and Skills". This is where we have made the biggest commitments and achieved the greatest impact.

As stated earlier, HOERBIGER adapted CSR strategy to include health and wellbeing as a separate focus area. As of 2025, this means that HOERBIGER will focus primarily on three areas of Education & Skills, Health & Wellbeing and Citizenship.

We use various approaches to implement these projects: through partnerships, sponsorship, or good citizenship. We are actively involved in partnerships on a long-term basis by participating in decision-making processes and allowing our employees to contribute, for example through volunteer work. In this way, we can use our resources and expertise in collaboration with strategic partners. In sponsoring, we leave the conception and implementation of projects to expert organizations and support them financially. Our employees can participate in the activities, but do not take a leading role. By good citizenship or civic engagement, we mean spontaneous support for local communities in need or for community-related activities, independent of the three main areas of our CSR strategy. This enables our local facilities to act flexibly and efficiently.

Current Activities and Projects

Currently, the focus of most projects is on educational initiatives and direct support for marginalized communities. HOERBIGER is particularly proud of the renewed collaboration with organizations such as Caritas, SOS Children's Villages, Rotary International, United Way and other partners. These long-standing and new collaborations underscore the ongoing commitment to sustainable and impactful social contributions.

A total of 66 projects were implemented in 2024, 73% of which were spontaneous donation initiatives. 48 of these projects were directly aimed at supporting local communities and illustrate the company's strong social commitment. At the same time, investments in education and skills projects were higher per initiative, meaning that the total funds were distributed almost evenly between the "Education & Skills" and "Citizenship" categories.

In addition to long-term commitments, some were expanded, while new initiatives were introduced. Here are examples from both areas to provide a global perspective:

North America: Scholarships are now being awarded at universities, **Latin America:** New partnerships with local organizations have been established, **Asia Pacific:** The long-standing collaboration with an Indian school has expanded with additional volunteer projects, **Europe:** The partnership with Caritas was expanded, with employees in Vienna volunteering weekly to deliver food, supported by targeted CSR donations.

A key highlight of 2024 was the continued partnership with Caring Hands in India, supporting a holistic educational and social program. This initiative helps children from vulnerable backgrounds by providing shelter, food, education, and comprehensive care. The project ensures that children not only receive schooling but also have access to a safe environment where all their essential needs are met.

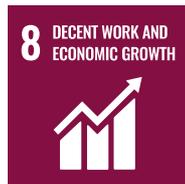
A significant achievement has been the growing participation of HOERBIGER employees in this initiative. Employees now volunteer every two weeks, offering tutoring, organizing sports activities, and hosting cultural events. Their involvement has made them an integral part of the school community, strengthening relationships and fostering a deep sense of shared responsibility.

Encouraged by the positive impact of this initiative, HOERBIGER is now actively searching for a new flagship project to replicate the success of the Caring Hands collaboration. The goal is to establish a similar long-term initiative in another region, applying the same holistic approach.

The CSR project portfolio is growing steadily, as most of the initiatives are designed to be long-term and have a sustainable impact.

Governance

HOERBIGER has developed its Material Governance Sustainability Topics in line with the following UN Sustainable Development Goals



10. Sustainable Supply Chain

Scope and Commitment

We at HOERBIGER strongly object to children, forced or compulsory labor. We fully support the protection of labor rights and living wages. HOERBIGER is committed to compliance with human rights at its own sites and includes working conditions at our supplier's end.

Status

HOERBIGER's Supplier Code of Conduct clarifies our mission, values, and principles, linking them with standards of professional conduct to the environment and human rights. The code articulates the values the organization wishes to foster in leaders and employees and, in doing so, defines desired behaviors and becomes a central guide and reference for employees to support day-to-day decision making.

Our supplier code of conduct, which was issued in 2023, sets the standards for our suppliers to adhere to the principles of human rights and sustainability.

Ambition and Strategy

Our ambition is to always follow laws and regulations. Furthermore, we do not only want to have a sustainable supply chain, but we also strive to deliver professional supplier relationships which are based on trust and fairness. Our business partners can be confident in our products, services, and supplier relations.

We intend to achieve that by using a strong risk analysis of our supply chain and develop a fair and reasonable due diligence process at all steps of supplier interaction.

Current Activities and Projects

We are continuously preparing our entities in Europe, mainly Germany to adhere to the German Supply Due Diligence Regulations. This includes employee training, continuous assessment of the supplier base, deployment of supplier code of conduct and a feedback loop. A dedicated manager is named as key point of contact for all matters relating to the regulations.

11. Compliance and Anticorruption

Scope and Commitment

Compliance with international and national laws, directives, and regulations as well as our Code of Conduct and HOERBIGER Policies are the pillars and top priorities in all our business decisions and transactions. Furthermore, we are committed to political neutrality; we do not make contributions to political parties or candidates for public office.

Status

The HOERBIGER Group makes about 20-30% of its sales in countries with an elevated level of risk for corruption. This assessment was based on the Transparency International Corruption Perception Index. Sales to countries with less than 60 points are considered elevated risk. HOERBIGER has set up a clear compliance governance system and responds to compliance risks with a range of preventive and reactive instruments.

Our compliance program addresses, among others, the topics of anti-bribery & corruption, anti-money laundering, anti-trust, conflict of interest, data privacy, export control, sanctions regulations and fraud, and white-collar crime (see our corporate governance webpage for further details on policies). HOERBIGER's anti-corruption policy includes a detailed procedure and authorization process for intermediaries (agents) and policies on gifts, entertainment, donations, and sponsorships. Policies and their application in the daily work context are regularly trained across the relevant occupations in the Group.

Ambition and Strategy

HOERBIGER will always follow laws and regulations. Furthermore, we do not only want to avoid compliance related penalties, but we also strive to deliver outstanding customer service, including in challenging compliance environments. Our business partners can be confident in our products, services, and robust compliance system.

HOERBIGER's compliance strategy is designed to meet regulatory requirements in all its areas of operation. This includes an unequivocal tone from the top, a defined compliance organization, policies, procedures, permits, awareness campaigns and training of specialist staff. The compliance strategy is reviewed annually based on a risk-based assessment of the Division's business plans.

Current Activities and Projects

Since 2019 HOERBIGER operates an integrity line (compliance reporting system). Our employees and third parties can report suspected compliance violations. It is possible to make reports anonymously. Reports are independently investigated by the Group Legal and Compliance Department. HOERBIGER has a documented policy which prohibits any kind of retaliation against anyone who makes a report in good faith.

In the year 2024, the HOERBIGER Group Whistleblower Hotline / Integrity Line received a total of 12 cases including the open cases from 2023. Out of the 5 new reports received in 2024, 3 were anonymously reported. All open cases from 2023 and 4 of the 2024 cases were closed so far satisfactorily in the year. Most reports received in 2024 referred to possible conflicts of interests' violations and violations of local laws and/or HOERBIGER regulations.

In 2024, the average time needed to close reports were 1,5 weeks when no investigation was required and 5 months, when further investigations took place.

12. Sustainable Governance

Scope and Commitment

HOERBIGER manages its ESG (Environmental, Social, Governance) activities under a formal Governance structure which drives management attention and measures the impact of the initiatives.

Our Board of Directors sets the tone of the Sustainability Strategy for the Group and the core underlying principles for the organization to work on, the budgets, and the short- and long-term goals for all sustainability initiatives.

Status

The HOERBIGER Group has built its ESG parameters as part of the senior management deliberations. Our Executive Board has ESG as the standard agenda topic in its regular meetings and workshops and is directly involved in setting the ambition and roadmap.

Sustainability initiatives are a cross-functional endeavor within HOERBIGER and thus coordinated at corporate level involving all divisions and functions. We consider environmental and sustainability risks in business decisions (business plans, M&A), and we observe regulatory developments, and prepare for future requirements.

HOERBIGER's divisions report their sustainable baseline across several topics to external databases upon clients' requests (e.g., CDP (Climate Disclosure Project), ECOVADIS, NQC, etc.).

The day-to-day activities of Sustainability @ HOERBIGER are managed by the Group Head of Sustainability and his extended team. The Head of Sustainability reports directly to the CEO and coordinates a team of functional experts at the group level and relevant domain experts in its divisions.

Ambition and Strategy

We intend to build a robust reporting mechanism for the relevant non-finance ESG parameters. We will standardize our global way of addressing several ESG requirements and ensure that we continuously improve by investing in tools, processes, and governance mechanism in the ESG parameters and targets that we work with. We will constantly drive our ambitious ESG targets and follow up on its execution. In the Mid-term we aim to get 3rd party assurance for the ESG data and reported key information.

Current Activities and Projects

Currently we are working on building the Sustainability Reporting into the HOERBIGER management reporting system to bring prominence to the several projects that are undertaken and to get focused management attention on the targets. We are in the process of converting the GRI based report to the EU CSRD requirements and the ESRS standards. We will reflect the EU Omnibus package changes in our approach and continue working on value adding ESG KPIs in daily operations. We have completed our ESRS based DMA as well as overview of the EU taxonomy relevant activities.

This report has been prepared in accordance with the GRI Standards / Core option and in 2025/2026 we are preparing to adapt to ESRS under EU CSRD as is being changed by the EU Omnibus package.

GRI Index

- Organizational Profile
- Strategy
- Ethics / Integrity
- Governance
- Stakeholder Engagement
- Reporting Practices
- Energy and Emission
- Raw Materials, Supplies and Packaging
- Health and Safety
- Diversity and Inclusion
- Sustainable Product Design
- Sustainable Application Areas
- Human Rights along Supply Chain
- Compliance and Anti-Corruption

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Forward-looking statements

This Report contains forward-looking statements, which involve risks and uncertainties. These forward-looking statements typically include terms such as “believes”, “is of the opinion”, “assumes”, “plans”, “anticipates” and similar expressions. Due to a variety of factors, actual events may vary materially from the projected development.

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