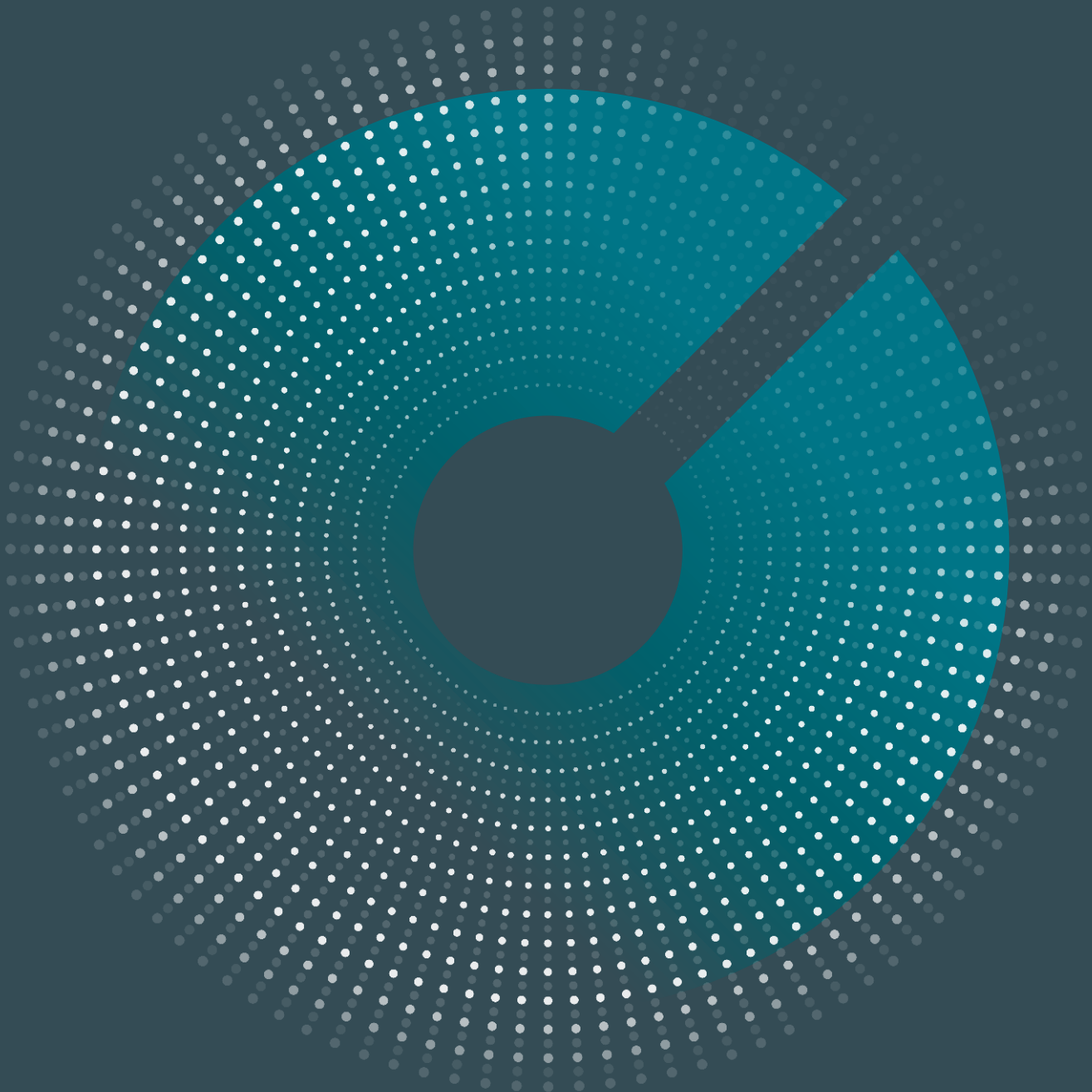


2022 Sustainability Report

Sustainability in Focus



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Foreword from the Managing Board

Dear Readers,

In 2022, Manz AG not only further developed its operational and strategic activities, but also expanded its focus on sustainability topics. We are contributing to the green transformation of the economy with our products. Our machines and equipment for battery manufacturing help facilitate the conversion from combustion engines to electromobility, making a valuable contribution to significantly reduce carbon emissions. At the same time, we are making it possible to boost the expansion of renewable energy, since storage solutions manufactured on our production equipment make energy from photovoltaic or wind energy systems available exactly when it is needed. However, for Manz, sustainable business means more than just the direct contribution our solutions make to a future worth living. Instead, we take a comprehensive approach to sustainability, involving internal and external stakeholders. In this report, we provide information on our progress in 2022.

For the first time, we based our preparation of the sustainability report on the globally recognized standards of the Global Reporting Initiative (GRI). Last fiscal year we also reevaluated the most important sustainability issues for Manz AG through an internal survey of our managers – including ourselves as members of the Managing Board. The results of the survey not only define the structure of this sustainability report, but will also be validated during the fiscal year 2023 through a materiality analysis involving external stakeholder groups. We will use the findings of that analysis to further develop our sustainability strategy and the objectives it pursues.

The importance of sustainability for Manz AG is also reflected on the organizational level. During fiscal year 2022, we clearly defined responsibilities on the different levels of management and further expanded the competencies of our ESG task force, which was initiated in 2018. The ESG task force, an interdisciplinary team of colleagues from six departments, is responsible for group-wide control and coordination of all sustainability measures, and reports directly to Manz AG's CFO, Manfred Hochleitner. At Manz, sustainability is based on teamwork. We take on responsibility for this issue together, thereby underscoring its strategic importance for our company.

Taking responsibility for our employees and the environment is, in our opinion, also the key foundation for long-term financial success. Manz AG focuses in particular on continuously developing its employees, who are the underlying basis for our long-term corporate success – especially in light of the increasing skills shortage. We also consider environmental protection concerns in our own production activities. We use large photovoltaic systems, for instance, to generate a substantial portion of the power we need with solar energy at our sites in Germany or China. In addition, we assume social responsibility, for example through



the annual support of social institutions in the Neckar-Alb region. In other words, for us, financial success and responsible behavior are not a contradiction, but decisive factors for the future viability of the Corporate Group.

Developing innovative products and solutions for our customers plays a central role for our long-term corporate success. This development is advanced in the research and development area. Because of this, we highly value knowledge transfer within the group, and ensure it through our national and international technology portfolio. In addition, we drive innovations

through cooperations like the ones with GROB-WERKE GmbH und Co.KG and Dürr AG. By doing so, we make an important contribution to European independence in the strategically important future technology of battery production.

We are proud to present our progress in the area of sustainability in detail in this report, and hope you enjoy reading it.

Sincerely,

The Managing Board of Manz AG



Martin Drasch



Manfred Hochleitner

About this Report

Reporting period and scope

This sustainability report covers the period of fiscal year 2022 from January 1 to December 31, 2022. Manz AG has been preparing an annual sustainability report since the 2017 fiscal year. The reports are available on Manz AG's website at www.manz.com in the "Investor Relations" section under "Publications / Reports".

Unless otherwise specified elsewhere, this sustainability report covers Manz AG and its subsidiaries (collectively, the "Manz Group" or the "Group") with development and production facilities in Germany, Slovakia, Hungary, Italy, China, and Taiwan, as well as the sales and service subsidiary in the United States.

This report also complies with the statutory requirements for a non-financial group report pursuant to Sections 315b, 315c in conjunction with 289c to 289e German Commercial Code (HGB) and the requirements of Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the delegated acts adopted in this regard, as well as with their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the delegated acts adopted in this regard, as presented in "Disclosure EU Taxonomy" of the non-financial consolidated report.

Methodology and frameworks

For the preparation of our sustainability report, we are guided by the recommendations of the Sustainability Code (Deutscher Nachhaltigkeitskodex – DNK) as well as the standards of the Global Reporting Initiative (GRI). For the first time, we have reconciled the information available in this report in the overview table to the GRI standards. Going forward, we plan to gradually adapt the sustainability report to the future requirements of the European Sustainability Reporting Standards (ESRS) and expand it. To this end, we continuously monitor the development of new reporting standards being promoted by the European Union as part of the Corporate Sustainability Reporting Directive (CSRD).

Sustainability Strategy and Management

Business model

Founded in 1987, Manz AG is a global high-tech engineering company with a focus on five industries: automotive & electromobility, battery production, electronics, energy, and medical technology. The company reports its business activities in the two reporting segments Mobility & Battery Solutions and Industry Solutions. With its many years of expertise in automation, laser processing, inspection systems, digital printing and wet chemistry, the company offers manufacturers and their suppliers in these growth industries a broad portfolio of products and solutions. In addition to customized production solutions, this also includes individual machines and modules that can be linked together to form complete, individual system solutions. The company also offers a comprehensive range of services in addition to Manz AG's core technological competencies: from simulation and factory planning to process and prototype development, customer training and after-sales service. Manz AG is a development partner for industrial companies, and in this role helps to support new technologies to market maturity.

Organization

In 2018, we launched an ESG Task Force. The interdisciplinary team is made up of colleagues from the Marketing & Corporate Communications, Investor Relations, Purchasing, Operations, Human Resources and Finance departments. Under the leadership of Axel Bartmann, Director Marketing & Corporate Communications, the ESG Task Force develops strategies, goals and measures, supports their implementation at the respective locations, and also documents Manz AG's progress in the area of sustainability. In doing so, it remains in a continuous exchange with the managing directors of the Manz Group's international locations. The Task Force reports directly to CFO Manfred Hochleitner, who also has overall responsibility for the topic of sustainability within the Manz Group. Manfred Hochleitner is advised by the Supervisory Board.

The focus of the ESG Task Force in fiscal 2022 included preparations for validation in accordance with the European Eco-Management and Audit Scheme (EMAS) and the planned certification in accordance with ISO 14001 by the end of 2023. In addition, 19 sustainability projects were approved or implemented for the Manz Group's locations worldwide last year. In addition, an internal communication campaign on the subject of sustainability was performed throughout the Group. The aim of this campaign was to sensitize the workforce to the issue of sustainability, and to present concrete ideas on how employees can contribute to a desirable future with their behavior.

Key sustainability topics

As part of our sustainability management approach, we re-evaluated the topics that are material for Manz and its stakeholders for our sustainability report 2022. For this purpose, we conducted an internal survey of 23 executives, including the Managing Board, and the managing directors of our global subsidiaries. Respondents were provided with a list of 17 criteria that were identified as relevant for Manz AG in an international peer group analysis. On a scale of 1 to 5, the respondents rated the relevance of the respective topics for Manz, as well as for its stakeholders.

After evaluating the criteria, they were grouped into four main topics, with the following ranking as a result of the average assessment by respondents:

1. Market & Products
2. Governance & Compliance
3. Corporate Citizenship
4. Environment & Climate Protection

The evaluation of the criteria is to be validated in a further step in 2023 through the involvement of external stakeholders. In doing so, we are building on the exchange with our stakeholders that we have maintained for a significant period of time (Stakeholder Dialog). In the following chapter, we will explain how the key issues are reflected in our sustainability strategy and the goals it pursues.

Strategy and goals

Strategy

Our sustainability strategy is based on the focus topics identified in the course of the internal survey and the 17 global Sustainable Development Goals (SDGs) defined by the United Nations as part of the 2030 Agenda.

In addition to the four key areas of Market & Products, Governance & Compliance, Corporate Citizenship and Environmental & Climate Protection, these are the following SDGs:

- SDG 7: Affordable and Clean Energy
- SDG 8: Decent Work and Economic Growth
- SDG 9: Industry, Innovation and Infrastructure
- SDG 13: Climate Protection Measures

Market & products

Our customers are at the center of everything we do, and we want to convince them with high-quality and safe products every day. Technologically speaking, our production facilities are based on our many years of experience in automation, laser processing, inspection systems, wet chemistry and digital printing. In this way, and through the rapid implementation of innovations, we realize new product properties for our customers and thus pursue the goal of making a significant contribution to increasing their productivity.

In order to ensure the quality and safety of our products, we have established ISO 9001:2015 certified quality management for our sites in Germany, Hungary, Slovakia, Taiwan and China. In addition, we ensure full compliance with the “Essential Safety Requirements” of the European Union in the development and production of our machines. We report in detail on the individual measures and certification processes in the chapter “Quality and innovation management” on page 41 of this sustainability report.

Our customers’ satisfaction with Manz AG’s products and services is reflected, among other things, in the high proportion of existing customers, which has remained relatively constant at around 80% in recent years, measured in terms of incoming orders for the respective fiscal year. Our long-term goal is to continuously increase overall customer satisfaction. In order to make our progress measurable, we conducted a global customer satisfaction analysis for the first time in 2022. In addition to overall satisfaction, the survey also analyzed satisfaction with our performance, products and services in different project phases. In addition, potential for continuous improvement of our customer processes was identified.

Our customers are particularly positive with regard to the accessibility, competence and professionalism of our employees. We want to continue to cultivate these qualities in the coming years, and also improve further in the areas of speed and response time, as well as documentation. The customer satisfaction analysis is part of our continuous stakeholder dialog, which is described on page 13 of this sustainability report.

Governance & compliance

Our corporate actions are consistently aligned with our core values – reliability, credibility, legality. In doing so, we are guided, on the one hand, by the German Corporate Governance Code (DCGK), which goes beyond the statutory obligations. Secondly, we have laid down our standards of conduct and ethics throughout the Group in the form of a Code of Conduct. With this Code, we provide our employees with clear guidelines and recommendations for good conduct in a business and operational environment, for handling information, and for dealing with each other with ethical and moral integrity. In addition, our Business Partner Code of Conduct has defined the basis for Manz AG’s business relationships with all of its business partners since 2020. In their function as role models, our managers are required to act, in particular, with ethical and moral integrity. The Business Partner Code of Conduct

can be found on Manz AG's website at www.manz.com in the "Company" section under "Sourcing".

In order to ensure responsible corporate governance, the Manz Group has a group-wide compliance system in place. In addition, employee training sessions are held once a year by external compliance specialists. Our goal is to avoid corruption cases or fines for non-compliance with laws and regulations altogether, which we also achieved in 2022. We report in detail on the measures for responsible corporate governance in the section "Governance and Compliance" on page 38 of this report.

Corporate citizenship

Manz AG's positive reputation and credibility as a socially committed company, as well as a fair, reliable, and appreciative employer, are essential prerequisites for our company's long-term success. We, therefore, attach great importance to attracting new talent and retaining qualified employees over the long term, among other things. We want to increase Manz AG's attractiveness as an employer in the long term, for example, by fostering a culture of equal opportunity and diversity. Our medium-term goal is, therefore, also to increase the proportion of women overall and among managers to 25%, for example. In addition, we are constantly developing our qualification and support programs for employees. Our goal is to provide each employee with at least two working days of training per year, as well as to actively support safety and health in the workplace. Another key concern for us is to offer our employees attractive remuneration that is commensurate with their performance and, through our "Innovation Forum," to encourage them to play an active role in Manz AG's continued development. For example, the online-based discussion forum can be used to submit suggestions for improvement on the topics of "new technologies, new markets, potential new customers", as well as "general suggestions for improvement".

A detailed account of employee-related initiatives can be found on pages 28 to 32 of this report. Further forms of dialog with our employees are described in the chapter "Stakeholder dialog" (p. 13). On pages 34 to 35, we also report on how we fulfill our corporate responsibility to the community.

Environment & climate protection

We see the responsible and careful use of our resources as our social obligation to present and future generations. As part of our holistic approach, we regularly review our business activities for potential environmental risks and have defined various targets and measures for environmental and climate protection in our sustainability strategy. In doing so, we want to continuously reduce the amount of waste and energy consumption in relation to future sales, while at the same time increasing the share of renewable energies in electricity consumption. We also aim to reduce fuel consumption in relation to the vehicle fleet by 10% each year compared with the previous year. Carbon emissions out of Scopes 1 and 2 across the Group are to be reduced by 21% by 2026 compared with the base year 2020, as a func-

tion of revenue. In addition, we obtain over two-thirds of our total electricity consumption from renewable energy sources. And we also plan to continuously reduce our water consumption in relation to revenues at all Manz locations through audits and employee awareness measures.

We will be reporting in detail on the environmental and climate protection measures on pages 17 to 21 of this report.

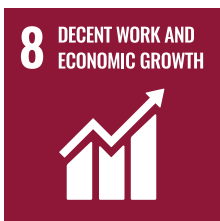
Sustainable Development Goals (SDGs)

Furthermore, we support the following four of the 17 SDGs of the United Nations, to which we contribute with our activities and measures in the area of sustainability and corporate social responsibility (CSR).



SDG 7: Affordable and clean energy

Among other things, we realize production solutions for the storage of energy generated via renewable means. These solutions help offset the inherent volatility of renewable energy sources. This, in turn, allows the share of renewable energies to be expanded, since, for example, excess wind and solar energy can be stored and made available precisely when less energy can be generated. In this sense, we contribute to the sub-goals of SDG 7 – “7.2 By 2030, significantly increase the share of renewable energy in the global energy mix” and “7.3 By 2030, double the global rate of increase in energy efficiency.”



SDG 8: Decent work and economic growth

As a responsible employer, we are committed to ensuring decent work, including respect for labor rights, and promoting equal pay for work of equal value and a safe working environment through our corporate actions. We respect internationally recognized human rights and support compliance with those rights. We strictly reject any form of forced or child labor. In addition, as an innovative machine builder, we support our customers worldwide in increasing their economic productivity through technological modernization and innovation, and in improving resource efficiency in production step by step.



SDG 9: Industry, innovation and infrastructure

With our production solutions and services, we enable our customers in the automotive and electro-mobility, battery manufacturing, electronics, energy, and medical technology industries to use resources more efficiently and thus make their production processes more sustainable. As a driver of innovation, Manz AG focuses on the continuous optimization of proven solutions, as well as the development of novel technologies at its various development locations. In doing so, we rely on an interdisciplinary “R&D Council”, whereby the various competencies of our employees are interlinked across all segments. In particular, we are helping climate-neutral mobility achieve a breakthrough with our innovative production

solutions for battery manufacturing and for various components in the disciplines of automotive electronics and the electric powertrain.

SDG 13: Climate protection measures

As an internationally active mechanical engineering company, we are aware of our responsibility with regard to climate and environmental protection. We have, therefore, taken a variety of measures to combat climate change and its effects, and have set ourselves the goal to reduce Manz AG's carbon footprint (Scope 1 and 2) by 21 % by 2026 compared to 2020, as a function of revenue. This is in line with the so-called "Science Based Targets" (SBT) and thus consistent with the 2015 Paris Climate Agreement. We are also supporting various climate projects in developing and emerging countries, thus offsetting a large part of our unavoidable carbon emissions.





20 Corporate news and press releases



3 Ad-hoc announcements



6 Capital market conferences



4 Webcasts

Stakeholder dialog

Manz maintains an ongoing dialog with key stakeholder groups such as employees, customers, suppliers, investors, analysts, and banks. In addition, we are in permanent exchange with other stakeholder groups such as our strategic partners, players in science and research, the media, politics at municipal, regional and European level, and associations.

We involve our employees in the further development of our company in the form of regular employee surveys on current topics. The performance and presentation of the results of these surveys are published on the Intranet and included in the respective decision-making processes. In addition, our employees have the opportunity to make suggestions within the framework of the "Innovation Forum". The "Innovation Forum" is an online-based discussion forum for employee suggestions for improvement, for example, on the topics of "new technologies, new markets, potential new customers", as well as "general suggestions for improvement". In addition to these measures, the Group companies offer employees further opportunities to participate and exchange views, for example, regular employee meetings and feedback discussions with supervisors or community events such as summer parties.

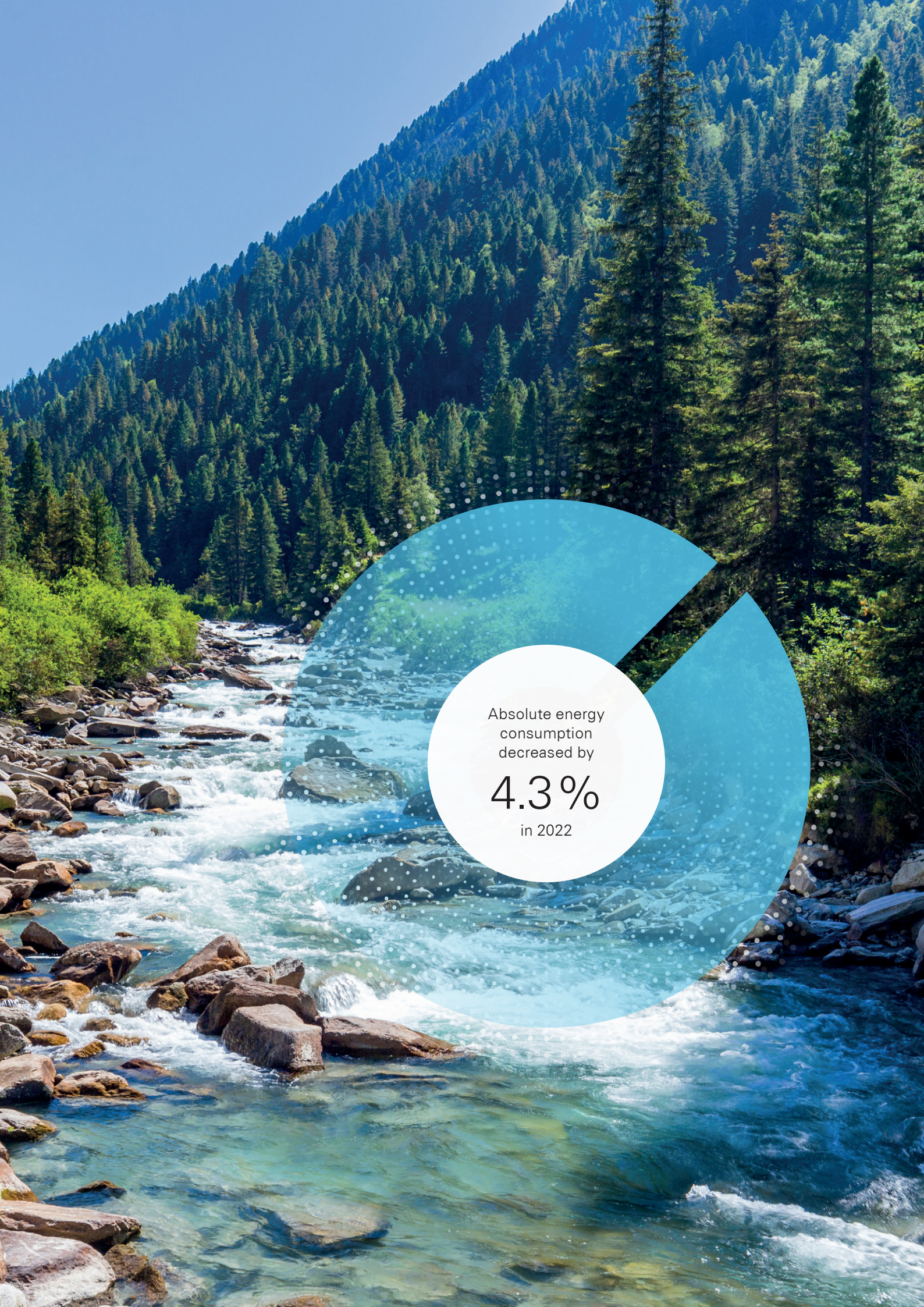
Service at Manz does not begin and end with the delivery of the equipment or its use in production. We see ourselves as a development partner who develops solutions together with our customers. That is why we support our customers in numerous development and design steps right from the start. With our after-sales service, we also ensure that, after commissioning, the machine does exactly what it was purchased for: work efficiently. This is where our 24/7 hotline & remote service comes in.

For the first time in 2022, we systematically surveyed our customers worldwide about their satisfaction in working with Manz. In addition to overall satisfaction, the survey also analyzed satisfaction with our performance, products and services in different project phases. In addition, potential for improvement was identified. Further information on the customer satisfaction survey can be found on page 9.

We also attach great importance to active dialog with investors, analysts and banks. The regular and prompt publication of reports relevant to the company underscores our goal of providing comprehensive information on the company's developments. In doing so, Manz AG, with its listing in the Prime Standard Segment of the Frankfurt Stock Exchange, fully complies with the highest transparency requirements. In addition to our statutory obligations, we regularly participate in capital market conferences, organize roadshows in Germany and abroad, offer conference calls with webcast and audio replay as an online service on the company's website, and publish corporate news and press releases on current corporate developments.

The following table provides an overview of the dialog offerings and key topics for the individual stakeholder groups:

Stakeholder	Dialog offer	Essential topics
Employees	Personal dialog, intranet, exchange via Innovation Forum, employee meetings, community events	Work-life balance; employer attractiveness; human resources development; innovation management; compliance; occupational health and safety
Public/company	Media relations, website, events	Promotion of culture and sports, as well as equality and diversity in society; employer attractiveness
Customers and suppliers	Personal dialog via account managers; code of conduct for customers and suppliers; satisfaction survey	Product and service portfolio; individual solutions; customer service, quality, supplier security
Strategic partners	Regular exchange in Steering Committees with the participation of all partners	Joint customer projects; business development, project progress
Investors, analysts and banks	Personal dialog by phone, e-mail, conferences or roadshows, financial and sustainability reports, website; annual general meeting, capital markets day, press releases and corporate news	Business model and strategy; business development, corporate governance; business planning and risk management
Media	Press releases and corporate news; media events	Business model and strategy; business development, technological innovations
Science and research	Research projects	Development of innovative and efficient production processes for future technologies
Politics	Regular exchange at European and federal level, as well as at municipal and regional level	Establishment of industrial battery cell production in Germany and Europe; promotion of Baden-Württemberg and the Neckar-Alb region as a business location
Associations	Regular, cross-industry dialog within the framework of association meetings	Establishing and expanding the network, strengthening the representation of interests at the political level, business model and strategy



Absolute energy
consumption
decreased by

4.3%

in 2022

Conserving Resources and Lowering Emissions

We want to make sure that the world remains a viable place for future generations. Therefore, we take our responsibility to engage in more sustainable management very seriously, and we view the careful handling of our resources as our social obligation.

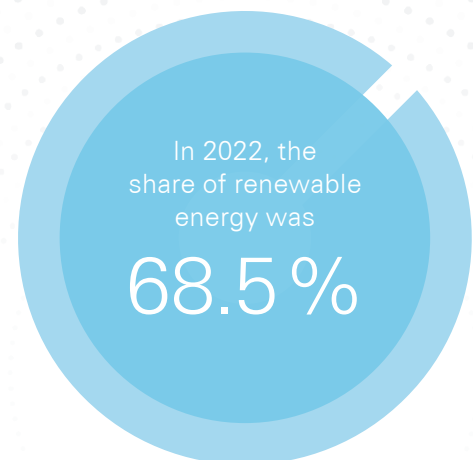
Against the background of climate change, in 2021 we set an ambitious target for ourselves: Over the next few years, ManZ AG will drastically reduce its carbon emissions in the entire Group, and offset unavoidable emissions by supporting climate protection projects.

- The year 2020 was the first time that we calculated our carbon footprint in accordance with the established standards of the Greenhouse Gas Protocol. Within Scope 1 emissions, direct emissions are recorded especially from the stationary and mobile combustion of fuels. The consumption of purchased heat and electricity are recorded along with other figures under the Scope 2 emissions, and for Scope 3 emissions, we are currently determining our emissions from business travel, employee commuting, and purchased working materials.
- Our objective by 2026: reduce Scope 1 and 2 emissions by 21 % compared to 2020, depending on sales. This reduction is in line with the targets of the so-called "Science Based Targets" (SBT), according to which, in accordance with the Paris Climate Agreement of 2015, global warming is to be limited to 1.5 to 2 °C by 2050 compared to the pre-industrial era. In addition, we want to gradually expand the emission sources considered under Scope 3 and reduce them as far as possible.

Water, an Increasingly Endangered Resource

Climate change makes global water shortages worse. We are implementing numerous measures to steadily reduce water consumption at our locations. Our efforts have been successful – water consumption across the Group declined once again by approximately 4 % to a new record low of almost 26,400 m³ in 2022, after almost 33,000 m³ in 2020.

Our contribution



This means, we have not only reached, but exceeded our goal of having over 50 % of our energy requirements met using renewable energy sources by the end of 2021.

Environmental and Climate Protection

Environmental management system

Potential environmental risks that could arise from our business activities, for example, in the areas of carbon emissions and water consumption, are evaluated annually as part of the risk management system. In 2022, no significant environmental risks were identified. Nevertheless, we take our responsibility for sustainable business seriously and have, therefore, defined various targets and measures for the different sub-areas of environmental protection. As part of our sustainability strategy, we have defined efficient resource management, increasing energy efficiency, reducing carbon emissions and water consumption as key goals. In addition, we are improving the indirect resource use of our machinery on the basis of medium-term development roadmaps that are subject to continual enhancement.

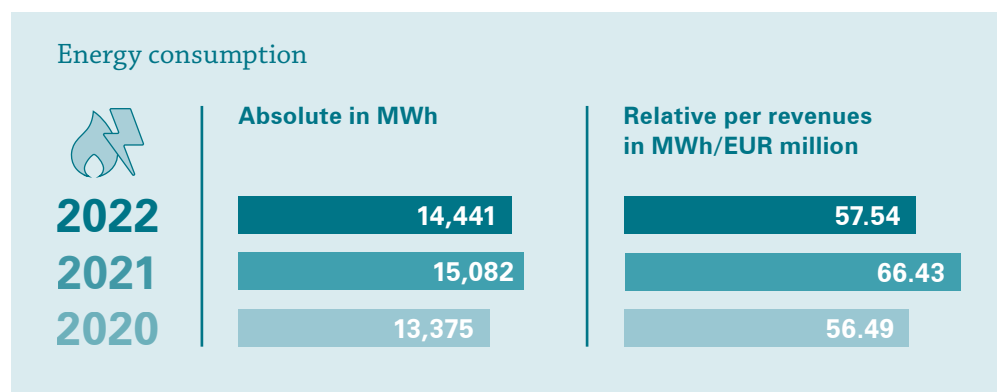
Energy consumption

Absolute energy consumption decreased by 4.3 % to 14.4 GWh in 2022 (previous year: 15.1 GWh). In relation to revenues, there was an even more significant decline of 13.4 % to 57.5 MWh/EUR million (previous year: 66.4 MWh/EUR million), thus meeting the goal of reducing consumption in the past fiscal year.



Goal

Continuously decrease energy consumption based on revenues with respect to the previous year



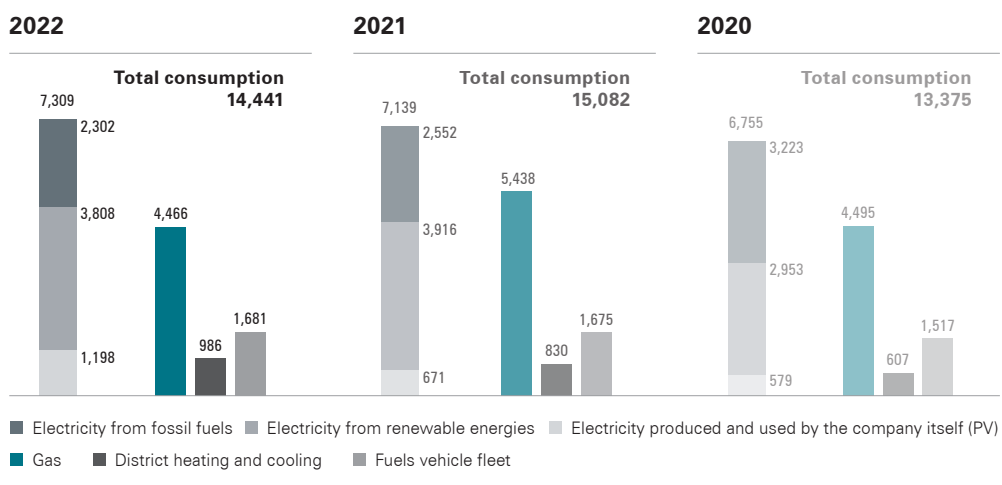
The share of renewable energies in total electricity demand was 68.5 % in 2022 (previous year: 64.2%). We have thus achieved our target of a share of renewable energies in total electricity consumption of over 50 %. Resource-saving production and administration is not an abstract concept for us, but an integral part of our corporate philosophy, as was also demonstrated by the installation of solar modules on the roofs and facades of our buildings at the sites in Reutlingen, Germany, and Suzhou, China. Two PV systems generated around 12.5 MWh of electricity at the headquarters in Reutlingen (previous year: 11.5 MWh) that

have been fully fed into the power grid. In addition, a substantial share of the company’s own electricity needs – some 1,281 MWh – was generated by photovoltaics at our location in China during 2022 (previous year: 753 MWh).

Gasoline and diesel consumption in the company car fleet increased slightly by 0.4% in 2022 compared with the previous year. Total consumption amounted to 163,582 liters (previous year: 162,994 liters). In relation to the entire vehicle fleet, this results in a value of around 1,128 liters per vehicle (previous year: 1,065 liters). The main reason for the rise is the increase in travel, which was severely curtailed due to the Corona pandemic in 2021. In order to determine the Manz Group’s total energy consumption, gasoline and diesel consumption was converted into MWh according to the specifications of the Alliance for Sustainability Leadership in Education. You can read more about the topic of carbon emissions on page 19 of this report.

Energy consumption by category

in MWh



Goal

Gas/fuel consumption

Reduce consumption by 10% compared to the previous year (relative to the number of cars)

Power

Increase the percentage of renewable energy

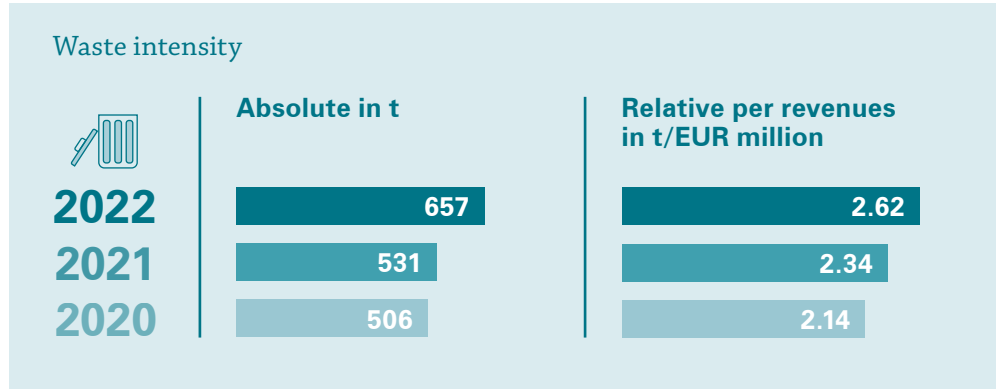
Waste generation and recycling

The volume of waste generated by the Group as a whole (excluding the pure sales locations in the USA and India) increased by 12.0% to 2.62 tons/EUR million (previous year: 2.34 t/EUR million) in relation to total sales. The largest shares were scrap metal at 42% (previous year: 36%), residual waste at 19% (previous year: 24%) and wood at 10% (previous year: 7%). The absolute amount of waste increased by about 24% from 531 tons in 2021 to 657 tons in 2022. This increase is mainly due to higher project volumes, especially in Germany, China and Taiwan. Other nonrecurring effects relate to inventory cleanup and an increased volume of waste in connection with relocation activities. Thus, the goal of reducing the amount of waste was clearly missed. The ratio of recycled materials used decreased from 3.6% in the previous year to 2.0% in 2022.



Goal

Continuously decrease waste production based on revenues in comparison to the previous year



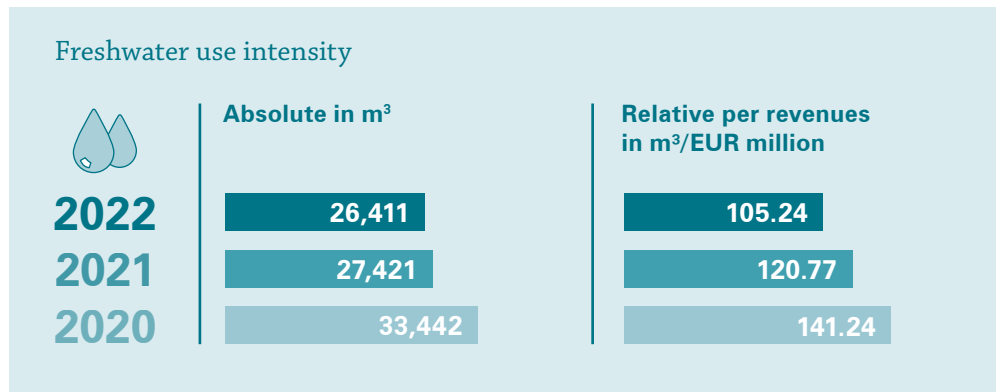
Water and resource conservation

In comparison to the previous year, the Group was able to once again reduce its fresh water consumption in relation to revenues by another 12.9% to EUR 105.2 m³/EUR million (previous year: 120.8 m³/EUR million), which was the lowest level since recording of group-wide water consumption began – thereby achieving the goal of continuously reducing water consumption for 2022.



Goal

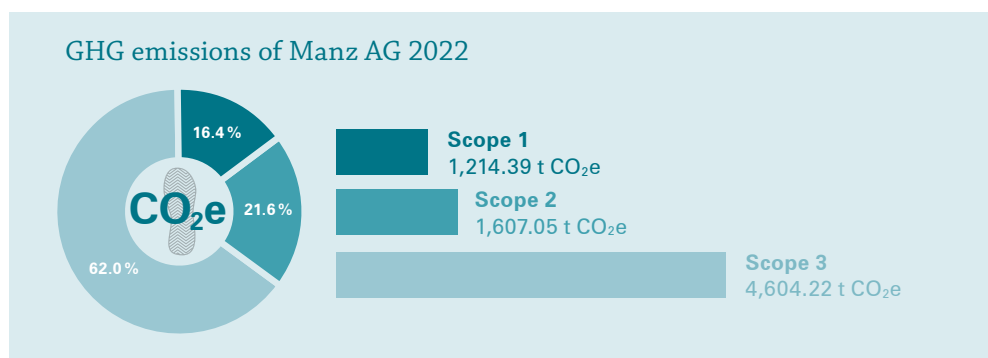
Continuously reduce fresh water consumption based on revenues in comparison to the previous year



Greenhouse gas emissions

In order to obtain a picture as accurate as possible of the greenhouse gas emissions (GHG emissions) caused by our business activities, we have been preparing a corporate carbon footprint (CCF) analysis since fiscal year 2020. In this footprint analysis, emission sources are considered according to the established standards of the Greenhouse Gas Protocol. They include emissions from Scope 1, Scope 2 and parts of Scope 3. This approach has given us a picture of our GHG emissions, which also partly includes emissions in our value chain. Scope 1 emissions include direct GHG emissions from stationary and mobile combustion of fuels and from volatilization of refrigerants. For Scope 2 emissions, indirect GHG emis-

sions from the generation of purchased electricity and heat are considered, and for Scope 3 emissions, we are currently determining in particular our emissions from business travel employee commuting, and purchased work materials (including hardware and consumables). We intend to gradually expand the emission sources considered under Scope 3, in order to obtain an increasingly comprehensive picture of the emissions in our value chain too.



Goal

Reduce CO₂ equivalents depending on revenues by 21 % by 2026

For the year 2022, the CCF created with the CO₂ calculator of KlimAktiv gGmbH resulted in a total value of 7,425.66 tons of CO₂ equivalent (t CO₂e) based on the operational control approach. Compared to the previous year, this corresponds to an increase of 5.2 % (2021: 7,319.13 t CO₂e). The main reason for this is the significant increase in business travel, with travel severely curtailed in 2021 due to the Coronavirus pandemic. Emissions from employee commuting have also increased, which is especially related to the increase in the number of employees. Here, we want to achieve a reduction in emissions through awareness-raising measures among the workforce and targeted support for sustainable mobility offerings. It should be noted that the values shown here for 2020 and 2021 were recalculated using the CO₂ calculator used from this year onwards. The values shown in the sustainability report 2021 differ, in particular, due to different emission factors, as the CCF was prepared last year by a different service provider. In addition, the adjusted activity data for business trips of some subsidiaries due to the standardization of reporting was taken into account in the recalculation.


Since we intend to gradually expand the emission sources considered under Scope 3, we relate our target to reduce carbon emissions as a function of sales by 21 % by 2026 compared to 2020 to Scope 1 and 2 emissions to enable comparability. This reduction would be in line with the goals of the so-called Science Based Targets (SBT), which were launched in 2015 by a broad coalition of NGOs and IGOs to define science-based carbon reduction targets. The SBTs are consistent with the 2015 Paris Climate Accord according to which global warming is intended to be limited to 1.5 to 2 °C compared to the pre-industrial era by 2050. For the base year 2020, carbon emissions from Scopes 1 and 2 amount to 3,168.24 t CO₂e. In 2022, GHG emissions from Scopes 1 and 2 amounted to 2,821.44 t CO₂e, resulting in a decrease of 11 % compared to the previous year and to the base year 2020. As a percentage of sales, GHG emissions from Scopes 1 and 2 were also down in 2022, by 20 % compared to the previous year and 16 % compared to the 2020 baseline.



Goal

Continuous reduction in greenhouse gas emissions per revenue compared to the previous year

GHG emissions Scopes 1 und 2

	Absolute in CO₂e	Relative to revenues in t CO₂e/EUR million
 2022	2,821.44	11.24
2021	3,187.78	14.04
2020	3,168.24	13.38

We also regularly monitor the Scope 3 emissions categories with the aim of reducing emissions as far as possible, for example through employee awareness measures. In addition, we have been supporting various climate projects in developing and emerging countries since 2021, in order to make an active contribution to greater climate protection and the UN's Sustainable Development Goals (SDGs). As a result, Manz offsets all Scope 1 and Scope 2, as well as designated Scope 3 carbon emissions. Specifically, a forest conservation project in Brazil and a hydropower project in India were supported in 2022, offsetting GHG emissions of 6,666 CO₂e. Both projects are certified according to the Verified Carbon Standard (VCS).



The percentage of women in leadership positions in 2022 was

12.4%

Promoting Diversity and Equal Opportunity

Diversity and equal opportunity are central to our self-image. People with different backgrounds and talents should be able to live up to their maximum potential within our Group.

Fairness and flexibility across all borders



Employees and managers from 34 nations work at the various Group companies.

Any type of discrimination – whether based on age, national origin, gender, disability, world views, sexual orientation, religious affiliation or other personal characteristics – is not tolerated within our Group. This is also explicitly stated in our Code of Conduct, which applies throughout the Group.

Previously in 2019, the “Agile Working Time” concept was introduced at our German location to promote equal opportunity and flexibility. Employees can choose between the concept of a working time account with time recording or the concept of independent working time using a trust-based flextime system. In this way, we create an attractive working environment for both experienced employees and new talent.

Diversity is Our Strength

Our culture of mutual trust and respect should also be reflected in the composition of our workforce by employment type and gender. During the last financial year, we succeeded in slightly increasing the percentage of women in this context, while the number of temporary workers increased.

- We want to avoid precarious employment situations and prefer to retain our employees. However, peak order times did result in a temporary increase in non-permanent employees from 400 in 2021 to 501 in 2022.
- 268 women, or around 18% of female employees in 2022 – this corresponds to an increase of 9.4% compared to 2021. This means Manz is above the national average of 11.3% of women in engineering.

Corporate Citizenship

Equality of opportunity and diversity

Equality of opportunity and diversity is a central concern for us as a global mechanical engineering company. Fostering a culture of equal opportunity, mutual trust and respect are very important to us. We are, therefore, also committed to the principles of the Declaration of Universal Human Rights, in particular, Article 1 of the Declaration "All human beings are born free and equal in dignity and rights". Accordingly, we do not tolerate discrimination in our dealings with colleagues and business partners on the grounds of age, disability, origin, skin color, gender, sexual orientation, religious affiliation, ideology or other personal characteristics. We have also explicitly stated this in our Code of Conduct, which applies throughout the Group and which commits us to treat each other with respect at all times.

At the same time, the elected employee representatives are responsible for promoting equality between women and men, the integration of severely disabled persons and other persons in need of special protection, the employment of older colleagues in the company, the integration of employees of different nationalities in the company and the understanding of all employees among each other, as well as ensuring the compatibility of family and employment.

If employees nevertheless feel that they have been disadvantaged or treated unfairly or adversely affected in any other way, they can always turn to the relevant departments of the company in confidence. If desired, employee representatives can also provide support or mediation. This culture built on mutual trust is also reflected in our diverse workforce that spans genders, nationalities and age groups.

Composition of the workforce

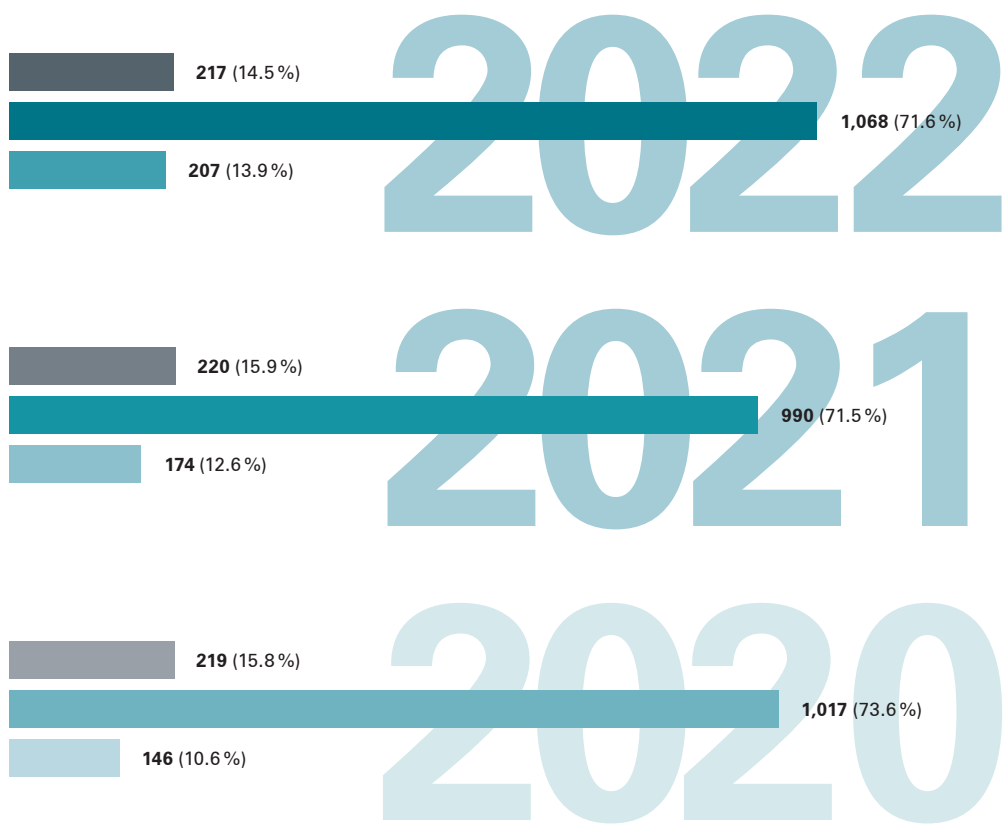
As a high-tech machine manufacturer, we employed a total of 1,492 permanent staff (previous year: 1,384) in eight different countries (Germany, China, India, Italy, Slovakia, Taiwan, Hungary, USA) at the end of fiscal 2022. The number of non-permanent employees increased to 501 in 2022 (previous year: 400), corresponding to 25.1 % of all employees (previous year: 22.4 %). The increase is attributable, on the one hand, to compensating for order peaks by deploying temporary workers in our dynamic business. In 2022, Manz employed a total of 320 temporary workers (previous year: 251). On the other hand, we were able to give significantly more students the opportunity to gain practical experience in business. The total number of students employed in 2022 was 114 (previous year: 82).

In 2022, 268 of the permanent employees were female, which means that the proportion of women among permanent employees increased slightly from 17.7 % in the previous year to 18.0 %. As a result, Manz came marginally closer to the medium-term goal of a 25 % share of women in the company during the reporting period, but is well above the German industry

average in the engineering sector. According to a survey of 520 member companies conducted by the industry association VDMA in June 2022, the proportion of women among the 180,000 engineers in the sector was 11.3%. Among the Manz Group’s managers, the proportion of women fell slightly to 12.4% in the reporting period (previous year: 12.7%).

Disclosure of different types of employment

■ Management ■ Employees ■ Others



The average age of male employees in 2022 was 41.1 years (previous year: 40.9 years), that of female employees 40.3 years (previous year: 40.5 years). With this age structure, we continue to believe that we are well-positioned to successfully confront challenges facing us in those dynamic markets in which we operate.



**Team Leaders
Male**

2022: 87.6 %
of 217 team leaders

2021: 87.3 %
of 220 team leaders

2020: 90.0 %
of 219 team leaders

**Male
Employees**

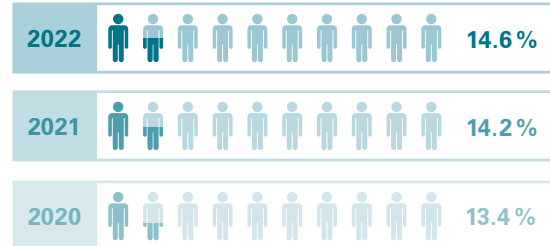
2022: 82.0 %
of 1,492 employees

2021: 82.3 %
of 1,384 employees

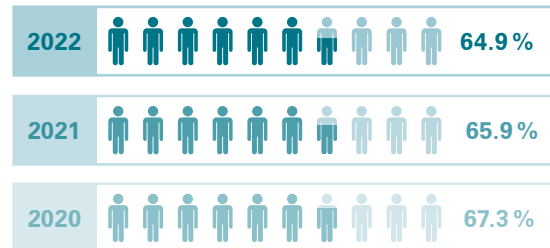
2020: 82.4 %
of 1,382 employees

Age Groups

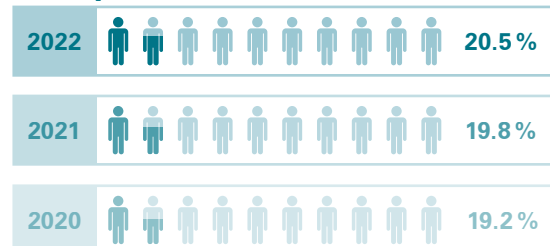
< 30 years



30–50 years



> 50 years





Goal

25 % share of women
(medium-term)

Age Groups

< 30 years



30–50 years



> 50 years



Female Employees

2022: 18.0 %
of 1,492 employees

2021: 17.7 %
of 1,384 employees

2020: 17.6 %
of 1,382 employees



Ziel

Share of female managers 25 %
(medium-term)

Team Leaders
Female

2022: 12.4 %
of 217 team leaders

2021: 12.7 %
of 220 team leaders

2020: 10.0 %
of 219 team leaders





Goal

Employment relationships

Precarious employment relationships should be avoided; before hiring temporary or contract workers, a permanent hire will be considered.

Internships

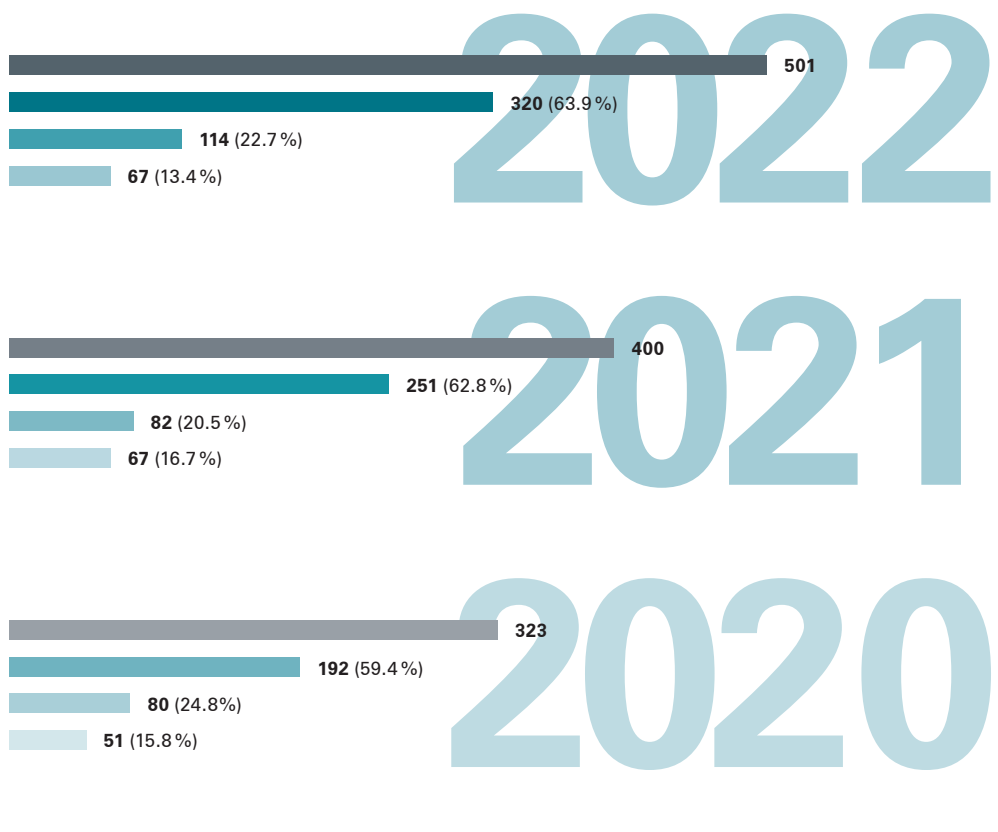
Restriction of the internship length

Temporary positions

Annual contracts should be converted into permanent employment relationships after extension.

Position of non-regular employees

■ Total ■ Labor leasing workers ■ Students ■ Freelancer



Staff development

Qualification and development

With regard to long-term employee retention, Manz AG’s focus – in addition to creating a safe working environment (more on this on pages 32 to 34) – is primarily on future- and needs-oriented qualification and development opportunities for employees. Training measures related to products, methods or soft skills go hand-in-hand with a variety of long-term programs, for example, related to our management philosophy. Our aim is to offer as many employees in the Group as possible an adequate range of training opportunities, comprising at least 16 hours per week – i.e. two working days – per employee per year.

In 2022, we were able to significantly exceed this target value. A total of 28,902 training hours were held in the reporting period (previous year: 17,768). This corresponds to an average training time per employee of around 20 hours (previous year: 13 hours). The significant

increase in average training hours can be explained primarily by the elimination of restrictions as a result of the easing of the pandemic situation.

Years ago, we founded the Manz Academy, in order to continuously promote our employees and strengthen them on their career paths. At the Manz Academy, we organize and manage internal and external continuing education measures for our employees. The training and continuing education measures offered at the Manz Academy are geared toward employees' needs, and are bundled into qualification categories, such as technical product training, methods and soft skills training, as well as management development programs. The aim is for the measures to benefit both employees and the company. In the annual meeting between managers and employees, these further training measures are discussed and evaluated retrospectively.

The focus of the Manz Academy in 2022 was on:

- the roll-out of the global learning portal at our sites in China and Taiwan
- the optimization of project management through suitable qualification measures
- qualification measures in the area of product life cycle management
- the continuation of international management training at the European locations
- the provision of e-learning content
- addressing new needs for learning and the culture of learning

Initial training and test phases for the learning portal took place at our sites in China and Taiwan in 2022. At our European locations, the first modules, e.g. on working with OneDrive, have already been offered via the learning portal since the past fiscal year. The roll-out of the global learning portal is planned in further steps in 2023. In addition, we introduced an e-learning platform in June 2022 on which new learning content is offered at regular intervals.

As part of our project management optimization efforts, training courses for project managers were offered in the reporting period on gate processes, leadership without a supervisor function, and SAP management and controlling, among other things. Further measures in this area in 2022 included the implementation of training courses for technical project managers, as well as workshops on the topic of "Agile Project Management," each of which was conducted with external trainers.

Additional training sessions lasting several days were also held in the area of Product Life-cycle Management and for our international managers. "Future Leadership @ Manz" has already established an international management development program at management level. In this context, a training program with colleagues from Italy, Slovakia and Reutlingen took place in the reporting year in three modules of two days each with an external trainer. In addition to traditional face-to-face seminars, the focus continues to be on on-the-job training, coaching as an individual development measure, and increasingly also on e-learning courses.

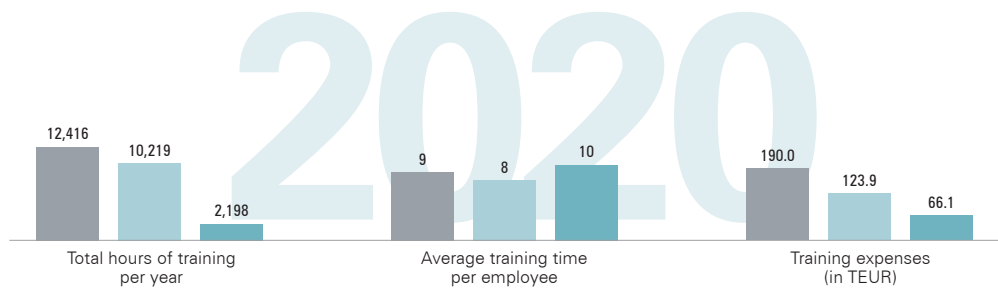
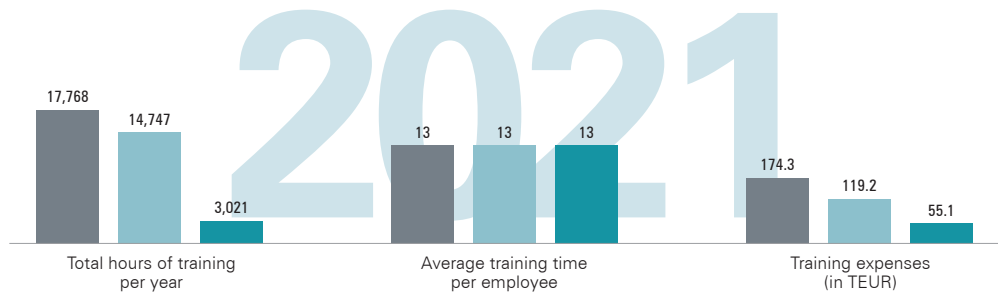
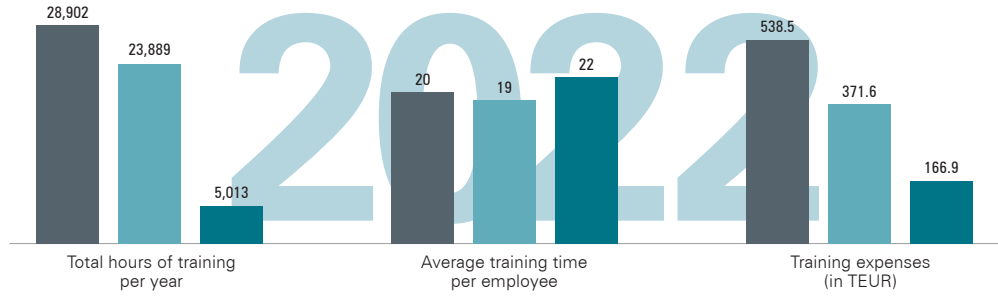


Goal

Average of at least
2 work days of training
per employee

Training

■ Total ■ Employees ■ Manager



In 2023, the Manz Academy will place an additional focus on health-related offerings – based on, among other things, a great response from our employees. We want to further strengthen employee loyalty through regular and transparent communication about the Manz Academy and the continuing education opportunities it offers, for example, via our Intranet or as part of onboarding. In addition, the Manz Academy will offer workshops with a focus on “Culture & Change”.

We are continuing our work to establish the Manz Academy on a global basis in light of the strategic need to deploy employees with the right qualifications to the right location at the right time. Qualification processes are to be standardized where it makes sense, synergy

effects are to be used and costs are to be saved. All locations should be able to access global, as well as local, qualification offers via the same learning platform.

Employee issues

We respect all applicable laws on employee rights in Germany, in the countries where our subsidiaries are located, and wherever we do business. We also respect the right of employees to freedom of association as set out in the national laws of the countries in which our sites are located. As a matter of principle, this also means that we do not prevent our employees from joining forces to protect or assert their interests. In order to represent the interests of our employees, we have set up committees at all Group companies, such as the voluntary employee representative body in Germany.

Employee representatives are elected by the workforce in Germany. They are the contact person for all employees, and represent their interests vis-à-vis the company. All employees also have the right to lodge a complaint with the appropriate company authorities if they feel they have been discriminated against, treated unfairly or otherwise adversely affected by superiors or other members of the company. If it is necessary for complaints to be resolved with the appropriate agencies in the presence of the person who made the complaint, he or she may call in a member of the employee representative committee to assist or mediate. Employees must not suffer any disadvantages as a result of filing a complaint.

The election procedure, the rights and duties as well as the working methods of the employee councils are defined by their rules of procedure.

The primary tasks of employee councils in Germany include, for example

- Contact person for employees in case of problems at the workplace
- Mediator between employees and executives, board of directors or managing directors
- Monitoring compliance with laws, regulations and collective bargaining agreements
- Review of the equality of employees
- Planning staff with the Human Resources Department
- Collaborating with the Human Resources Department regarding operational changes

Within the Group, a professional relationship rooted in openness and trust is maintained between the Managing Board, the respective managing directors, the employees and their representative bodies. In addition, each company has central contact persons for special topics such as equal treatment, occupational safety or health. Together with employee representatives, we create reliable working conditions.

Rendering working time more flexible

In addition, the Managing Board and managing directors are in constant contact with employee councils who also make suggestions for securing and promoting jobs. They may be involved with the flexible organization of working time, the promotion of part-time work and semi-retirement for older workers, new forms of work organization, changes in working methods and procedures, alternatives to outsourcing work or the assignment of work to other companies, and the production and investment program.

In order to afford our employees greater flexibility in shaping their personal needs, the "Agile Working Hours" concept was introduced at the Germany site in 2019. For example, our employees have the choice between the working time account concept with time recording or autonomous working (EVA) based on trust-based working time.

The classic principle of the working time account is based on time recording using a time recording system. With independent working time, working hours are not recorded on a daily basis. Depending on the working hours in the department, employees decide on their own responsibility about their working hours during the framework working hours. The focus is on delivering results and the achievement of corporate and departmental goals, as well as individual targets. All employees can compensate for more time worked by taking time off. Switching between a working time account and independent working time can be agreed once a year.

Occupational health and safety

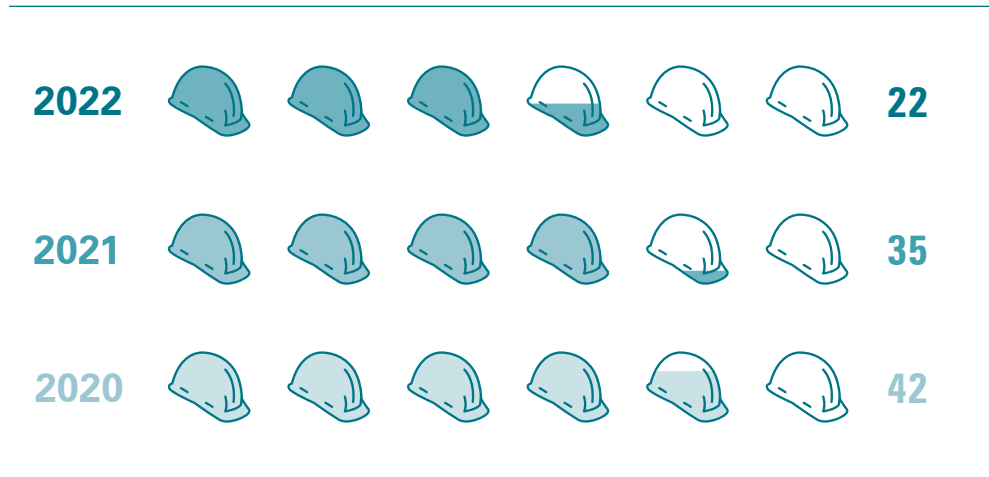
Occupational safety takes high priority at Manz. It is important to us to be active and preventive in this area, beyond the laws and regulations, and, therefore, we have an occupational health and safety management system in accordance with ISO 45001. We look at all aspects of occupational safety – from primary accident prevention to stress-related factors in the organization. In doing so, we ensure that processes and information channels are continuously optimized, new techniques (such as e-learning) are applied, and the further training of employees is carried out through close support and supervision by specialist personnel. Each individual also promotes health and safety in his or her work environment by committing to comply with all applicable regulations through the Code of Conduct. If employees discover that equipment is not in perfect working order in terms of safety, they must report this defect to their superiors without delay.

Outside experts in occupational safety aid us in complying with all occupational safety regulations at the company. We have also hired an outside expert for all questions concerning radiation protection.

Across the Group, the average accident rate (number of accidents in relation to number of employees) fell significantly to 1.47 % in 2022 (previous year: 2.5 %). In absolute figures,

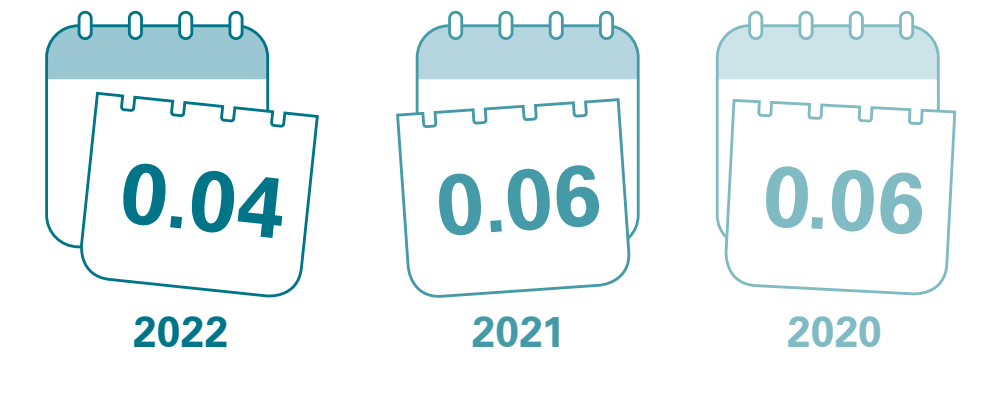
Manz recorded 22 accidents at all locations worldwide. Calculated on the basis of the associated days lost (number of days lost due to accidents compared to the total number of working days), the rate was 0.04 % (previous year: 0.06 %).

Number of accidents per year



Accident rate

in %



In addition to workplace safety measures, we also promote the general health of our employees through numerous country-specific offerings. For example, we offer our employees in China labor insurance for employees, as well as health and work accident insurance. In order to prevent health risks, we have a company physician at our German location who provides preventive medical checkups. We also gave all employees the opportunity to be vaccinated against Covid-19 during the Corona pandemic.

The company physician is available to all employees on a daily basis in the office for acute issues. In addition, a monthly consultation hour is offered at the company. Unit managers

also receive a free annual all-round health check. However, the company physician supports the company in questions relating to the planning, execution and maintenance of operating facilities and the design of work processes and workplaces.

Indeed, we place great value on health issues not just related to the direct performance of work. We also support our employees, for example, through discounted fitness and wellness offers, or the leasing of a "JobRad" commuter bicycle.

Community commitment

As a reliable employer, we fulfill our responsibility to the community throughout the Group. This includes the fact that, as a company, we pay local taxes in the respective countries in which we operate and do not pursue an active tax avoidance strategy. We have the propriety of taxes paid audited annually by independent auditors.

Donations to charitable organizations

At our respective locations, however, we are also involved beyond matters of work. In this context, Manz AG supports local sports and cultural clubs, as well as organizations in which our employees are active on a voluntary basis, by making financial donations as part of the "Employees in Volunteering" initiative. In addition, Manz AG lives up to its social responsibility through the annual support of social institutions. Four international subsidiaries of the Manz Group, as well as Manz AG in Germany, donated a total of approximately 46,600 EUR in 2022 (previous year: 26,300 EUR).

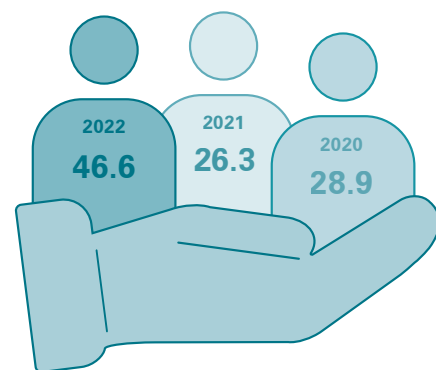
These included six donations to locally-based charitable organizations at the German site. Both the "Reutlinger Tafel" and the "Tübinger Tafel", as well as the hospices in Reutlingen and Tübingen, the Frauenhaus Reutlingen and the organization Frauenhelfen-Frauen were supported by us with a donation of 5,000 EUR each.

Memberships in associations

Manz AG is a member of the German Engineering Federation (VDMA), which sees itself as the leading association for representing the industry in politics and vis-a-vis the public. In addition, Manz is a member of the German-Slovak Chamber of Industry and Commerce at its location in Slovakia, a member of the German-Hungarian Chamber of Industry and Commerce at its location in Hungary, a member of the German-Chinese Chamber of Commerce in Shanghai at its location in

Donations to social institutions

in TEUR





China, and a member of the German Trade Office Taipei at its location in Taiwan. In addition, Manz AG is a member of the association "Kompetenznetzwerk Lithium-Ionen-Batterien e. V." (KLiB), an interdisciplinary alliance of industry and research to strengthen Germany's competitiveness in the key technology of manufacturing lithium-ion batteries. With this objective in mind, the KLiB networks industrial enterprises, research institutions and public bodies, initiates cross-segment dialog and increases public awareness of the future-oriented technology represented by re-chargeable batteries in Germany. Furthermore, Manz AG is a member of the "Unternehmensverband Südwest" (USW), an interest group with a socio-political orientation, specializing in issues of labor law, social security, labor policy, and securing skilled workers.

Political donations

There were no direct or indirect donations to parties or politicians in 2022.



Continuous
dialog
with all stakeholder
groups

We Practice Transparency and Take Responsibility – Around the World

Reliability, credibility, legitimacy – these are the values on which our actions are based. They secure the success of our company, particularly in an ever more connected world.

Fair competition as well as ethical and legal business activities are essential to our long-term success. Every employee and all business partners of Manz AG must comply with our group-wide Code of Conduct. It describes our values and principles of conduct and also covers topics such as the careful use of resources, the protection of trade and business secrets, and international labor and social standards.

Evaluate, Sensitize, Control

Through our group-wide compliance system, we ensure that legal breaches are avoided and that codes of conduct and internal company guidelines are observed. Evaluations are performed twice a year.

- The Code of Conduct is provided to new employees as part of the on-boarding process, and a central Compliance contact person is available to answer questions about its practical implementation at all times.
- Annual employee training provided by external Compliance specialists contributes to general awareness-raising and correct behavior in situations involving legal risks.
- An anonymous whistle-blower system exists to ensure that any suspected or actual violation of the law or our corporate policies is reported.
- Since the beginning of 2020, our standards have also been extended to our business partners by way of contract.

With these measures, we protect our company against possible legal and financial risks and strengthen our reputation as a responsible and fair employer, business partner and client.

Code of Conduct – The foundation of our action



There were no corruption cases or fines for non-compliance with laws and regulations in 2022.

Governance and Compliance

Sustainable remuneration structures

Responsible corporate governance includes transparent, performance-based remuneration structures oriented toward sustainable corporate development. Our managers and employees, therefore, also participate directly in the success of the company on the basis of specific financial indicators for the Group.

In accordance with statutory requirements and the recommendations of the German Corporate Governance Code (GCGC), the remuneration of Managing Board members is based on the customary level and structure of Managing Board remuneration at comparable companies, as well as on the economic situation and future prospects of the company. In addition, the duties and performance of the respective Managing Board member and the salary structure within the company are taken into account.

In order to ensure the appropriateness of Managing Board remuneration, the Supervisory Board conducted a horizontal and a vertical comparison in fiscal year 2022. The review of the appropriateness of the Managing Board's remuneration for fiscal year 2022 showed that the Managing Board remuneration resulting from the target achievement for fiscal year 2022 is appropriate.

In addition, the Managing Board of Manz AG receives, aside from performance-related components, a variable remuneration component. In addition to financial performance criteria, variable remuneration also includes variable components that are based on non-financial corporate departmental targets. In line with the corporate goal of sustainably increasing Manz AG's competitiveness, the non-financial performance criteria are intended to promote the focus of the Managing Board's activities on the strategic, technical, and structural development of the company, including the areas of environment, social affairs, and governance. These are individual targets of the individual Managing Board members.

We report in detail and with maximum transparency on the target agreements and remuneration for the Managing Board and Supervisory Board in our remuneration report on the website www.manz.com in the "Investor Relations" section under "Corporate Governance/ Compensation".

Compliance management

The Manz Group has a compliance system in place throughout the Group to ensure that violations of the law are avoided, and that standards of conduct and internal company guidelines are adhered to. Four times a year, an evaluation of the effectiveness of our compliance system takes place as part of our risk management system. In recent years, we have not identified any material violations in this regard. We have also set up an internal anonymous whistleblower system throughout the Group through which any suspected (or actual) violation of laws or our corporate policies can be reported. There were no corruption cases or fines for non-compliance with laws and regulations in 2022.

As far as good corporate governance is concerned, Manz follows both the German Corporate Governance Code (DCGK) and the group-wide Manz AG Code of Conduct, which define our values and our ethical and behavioral standards across the Group.

This is available to our employees worldwide on the Manz Group's Intranet in the respective local language. New employees are provided with the Code of Conduct as part of the onboarding process. If they need support in implementing the Code of Conduct in specific situations, our employees can contact our central compliance contact or local compliance contacts at the individual subsidiaries at any time.

Employee training courses are also held once a year by external compliance specialists as one of the practical measures to prevent legal violations. In addition to general awareness-raising for employees, the aim is to provide department-specific training for employees with clear guidelines on correct behavior in situations involving legal risks.

Manz AG's Code of Conduct can be viewed on our website at www.manz.com in the "Company" section in the "Profile & Group Structure" section under "Downloads". It is also presented in section "V. Compliance Management System" of our "Corporate Governance Statement," which is available in the "Investor Relations" section under "Corporate Governance".

These and other standards are also set out in our "Business Partner Code of Conduct," which is also available on our website at www.manz.com in the "Company" section under "Profile & Group structure". With this Code of Conduct, we underline the importance and our understanding of our value system, which we expect all business partners to comply with. Detailed information on the topic of "Sustainable supply chain" can be found on page 42.

Management of sustainability risks

Our risk management system is embedded in our entire organizational structure and process organization. It consists of a large number of components, which are explained in detail in our annual report. These components include the evaluation of our compliance system four times a year, as well as the early identification of risks affecting workplace safety. By taking adequate measures against these risks, we create reliability and stability for our employees. Furthermore, our technology portfolio, which can be used across industries and regions, helps us to deploy our employees flexibly wherever they are needed. This creates additional stability in capacity utilization at Group level. No significant risks that are likely to have a serious negative impact on the environmental or social aspects of sustainability can currently be derived from our business model.

Quality and Innovation Management

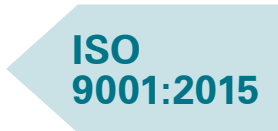
We place the customer at the center of our actions every day with our employees as the basis. We understand the challenges our customers face. By providing them with high-quality products and services that are tailored to their needs, we make a significant contribution to their success. We want to succeed against our competition on the basis of quality, innovative strength and our global presence.

For this purpose, we have established a Quality Management System that is certified according to ISO 9001:2015. This certification covers the development, manufacture, sales and services of systems and production lines for the automotive industry and electric mobility, battery production, electronics, energy, and medical technology, among other products. In the development and production of our machines, we also ensure full compliance with the “essential safety requirements” of the European Union. Each of our machines receives CE conformity marking or country-specific labeling as required by the importing country concerned, in line with this promise of quality. Certification in accordance with the Machinery Directive 2006/42/EC is based on a firmly defined process. These procedural instructions apply to all areas of the company and regulate the responsibilities and processes within sales, divisional management, product management, project management and all engineering disciplines, as well as in the preparation of operating, maintenance and care instructions.

In the course of certifying our machines, a hazard and risk assessment is carried out in accordance with the harmonized European standard EN ISO 12100:2010. We rely on SAFE-EXPERT® software, which is typically used in mechanical and plant engineering, to provide our employees with professional support in safety project management, performance level calculations in accordance with EN ISO 138491, and in dealing with standards and EU directives. Risk assessment documentation is prepared by the designers; if necessary, they also initiate design measures to achieve the necessary risk reduction. The respective manager reviews the risk assessment and approves it. Processes and responsibilities are clearly defined when preparing the risk assessment for new or modified products.

In order to verify that the “Performance Level Required” of the functional safety circuits according to EN ISO 138491 has been achieved, the project managers assign the electrical design staff. It is determined and documented using the SISTEMA® software.

However, professional work is also a central concern for us in the direct use of our machinery. With this in mind, our customers receive extensive training to ensure proper and safe use. These are also recorded in operating, maintenance and care instructions. Therefore, in accordance with the requirements of CE certification, each machine is also accompanied by instructions in the official Community language(s) of the Member State in which the machine is placed on the market and/or put into service. Our local service teams ensure prompt responses to follow-up questions from our customers after the delivery of machinery.



**ISO
9001:2015**



**EN ISO
12100:2010**



**EN ISO
13849-1**

With the introduction of a group-wide Product Lifecycle Management (PLM) system at our European sites, and thanks to the so-called "smartPRODUCTIONKIT", we can check the performance of our machines in real time, as well as over the entire product life cycle and identify potential faults remotely throughout the production phase. This affords us improved control over the various processes, enables us to optimize them to suit individual customers, and avoid time-consuming, resource-intensive and costly downtimes. It also enables us to increase efficiency in production and support the sustainable use of existing resources by our customers.

In addition, through our innovations – not only at product level, but also in relation to our services, in particular – we are promoting the transformation toward realizing a more sustainable economy. Thus, since 2022, we have been offering companies in our new Laser Application Center (LAC) the opportunity to test and optimize various laser welding processes and material combinations under real conditions, and to create samples of the respective products with the advice of Manz. This is crucial for efficient, fast and safe product development. The LAC is already being used by companies in the automotive and energy storage industries, for example, for process development or optimization in the manufacture of battery cells and modules.

Sustainable supply chain

A secure and resilient supply chain is a key factor in Manz AG's corporate success. Our purchasing philosophy, therefore, embraces the responsibility to optimally supply all Manz companies and divisions. In order to meet this requirement in full, we enter into strategic partnerships and long-term contracts with core suppliers, and achieve volume effects by bundling group-wide requirements. The purchasing strategy for all companies and divisions is determined by the Director Strategic Purchasing in close coordination with the Managing Board at the Manz Group's headquarters in Reutlingen. Our international subsidiaries purchase both through the parent company and on an independent basis.

However, for Manz AG, sustainability in the supply chain goes beyond secure and resilient structures, and includes further due diligence in the areas of environment, social affairs, and governance. In our "Business Partner Code of Conduct," we, therefore, define corresponding standards in the areas of "Social and Corporate Responsibility," "Compliance with Laws, Rules and Regulations," "Conflict of Interest," "Respect for Human Rights, Anti-Discrimination and Strengthening of Women's Rights," "Product Safety, Health and Environment," and "Data Protection, Confidential Information and Intellectual Property." If a business partner commits a substantial breach of this standard, Manz reserves the right to terminate its business relationship with the business partner with due regard to applicable laws and ongoing agreements. In 2022, as in the previous year, no material violations of these standards by our business partners have come to our attention.

IT security and data protection

In a networked business world, a secure digital infrastructure is a central component for the success of a modern company like Manz AG. In addition to numerous opportunities and possibilities, digitization also harbors potential risks – such as the loss of data, information, trade secrets or expertise through targeted hacker attacks or system infection by malware. For this reason, Manz AG also gives the topics of IT security and data protection a correspondingly high-level priority.

The implementation of Manz AG's IT security concept and compliance with uniform security standards within the Manz Group are monitored by the IT Security Officer, who reports directly to the Chief Financial Officer. The individual subsidiaries each have a central contact person for IT security.

A key element of Manz AG's IT security concept is the IT security policy, which applies to all employees of the Manz Group, and is regularly reviewed with regard to current threats and risks and updated as necessary. Upon joining the company, every employee of Manz AG in Germany receives mandatory IT and data protection training. In addition, further training courses on the topic of IT security are offered to Manz Group employees in the relevant areas. The range of training courses is regularly reviewed and expanded.

Through penetration tests, we also regularly check the security of our system components and applications of the network and software system. These penetration tests are performed at least once a year.

With regard to the issue of data protection, the "Data Protection" corporate policy sets out the rules for processing personal data in accordance with the applicable legal provisions, in particular, the EU General Data Protection Regulation (GDPR). The timeliness and effectiveness of (as well as compliance with) Manz AG's corporate policy are monitored in Germany by an external data protection officer and an internal data protection coordinator. In addition, there are local contacts for data protection at each of the European sites.

Overview of Goals

Environmental issues

Energy efficiency Goal	Waste efficiency Goal	Carbon footprint Goal
Continuously decrease energy consumption based on revenues with respect to the previous year	Continuously decrease waste production based on revenues in comparison to the previous year	Reduce CO ₂ equivalents depending on revenues by 21 % by 2026
Energy consumption by energy source Goal	Fresh water efficiency Goal	
Gas/fuel consumption Reduce consumption by 10 % compared to the previous year (relative to the number of cars)	Continuously reduce fresh water consumption based on revenues in comparison to the previous year	
Power Increase the percentage of renewable energy		

Overview of Goals

Employee issues and training

Continued training Goal	Non-permanent employees Goal	Hiring women Goal
Average of at least 2 work days of training per employee	<p>Employment relationships Precarious employment relationships should be avoided; before hiring temporary or contract workers, a permanent hire will be considered</p> <p>Internships Restriction of the internship length</p> <p>Temporary positions Annual contracts should be converted into permanent employment relationships after extension</p>	<p>25 % share of women (medium-term)</p> <p>Female managers Goal</p> <p>Share of female managers 25 % (medium-term)</p>

Disclosure EU Taxonomy

Taxonomy-eligible and taxonomy-compliant economic activities

One of the key objectives of the EU Taxonomy is to provide greater support to those companies that engage in environmentally sustainable activities. This is to be done by redirecting investment flows to these companies. In this way, the EU Taxonomy is expected to contribute to the implementation of the European Green Deal, in order to achieve the EU's climate targets. The EU Taxonomy represents a classification system for environmentally sustainable economic activities. The Taxonomy Regulation defines the following six environmental objectives: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems.

Economic activities are considered "environmentally sustainable" according to the taxonomy specifications, if they:

1. make a substantial contribution to achieving one or more of the six stated environmental goals ("Substantial Contribution"),
2. do not significantly harm the achievement of the five other EU environmental objectives ("Do No Significant Harm", DNSH) and
3. comply with minimum social standards ("Minimum Safeguards")

The "Substantial Contribution" and "Do No Significant Harm" criteria are reviewed using the technical evaluation criteria. At the time of reporting, the EU only has criteria for the first two environmental targets. Thus, for fiscal year 2022, these two goals are to be reported on.

Economic activities are considered "taxonomy-eligible" if they comply with the activity description set out in Annexes I and II to the delegated act of June 4, 2021. To be considered "taxonomy-compliant," taxonomy-eligible economic activities must also meet the technical evaluation criteria defined for each economic activity. Compliance with minimum social standards must also be ensured within the scope of economic activities.

The information in this report is based on the Taxonomy Regulation (EU) 2020/852, which came into force in July 2020. The Delegated Regulation on Articles 10 and 11 (technical evaluation criteria) of June 2021 and the Delegated Regulation under Article 8 of the Taxonomy Regulation of July 2021 have also been taken into account. At the reporting date, the EU Taxonomy Regulation and the delegated acts adopted in this context still contain terms with significant uncertainties of interpretation, for which clarifications have not been published in every case. In such cases, the assumptions made have been identified and explained in this report.

Procedure at Manz AG

During an initial mapping approach, Manz AG's business activities were first assigned to the relevant activity descriptions of the EU taxonomy. In addition, the business activities in the Mobility & Battery Solutions and Industry Solutions divisions were analyzed and examined to determine whether the relevant technical assessment criteria were actually met for the business activities under consideration.

The majority of Manz AG's business activities are not directly reflected by the Taxonomy Regulation. The current version of the Taxonomy Regulation is not directly aimed at the mechanical engineering industry. Solutions and technologies from the mechanical engineering industry are not explicitly mentioned. However, in our opinion, the solutions and technologies from this sector are making a significant contribution to the green transformation of European industry.

For this reason, the activity description "3.6 Production of other low-CO₂ technologies" and the associated technical evaluation criteria play an important role for Manz AG. A large part of Manz AG's business activities consists of developing and manufacturing machinery and equipment that leads to significant reductions in carbon emissions in the automotive and aviation industries, among others. Manz AG's portfolio of solutions was reviewed with regard to low-CO₂ technologies. Technologies that contribute to a significant reduction in carbon emissions and achieve significantly lower emission levels compared to the best-performing reference technology available on the market are classified as taxonomy-eligible.

In addition, the initial mapping of Manz AG revealed that parts of Manz AG's business activities can be assigned to the activity description "3.1 Manufacturing of renewable energy technologies". This activity is the production of renewable energy technologies within the meaning of Article 2 (1) of Directive (EU) 2018/2001.

Application of the EU Taxonomy to the business activities of Manz AG

The following activities defined by the EU taxonomy were identified by Manz AG for the KPIs revenues, CapEx, and OpEx:

3.1 Production of renewable energy technologies

3.6 Production of other low-CO₂ technologies

The description of the activity "3.1 Production of renewable energy technologies" and the related criteria for a significant contribution have been clearly defined by the EU Commission. Therefore, no interpretation of Manz AG is required for this activity. Several machines provided by the Industry Solutions division enable Manz AG's customers to generate energy from renewable sources.

Disclosure EU Taxonomy

Application of the eu taxonomy to the business activities of Manz AG
No significant impact on other environmental objectives

The description of the activity “3.6 Production of other low-CO₂ technologies” and the associated criteria for a significant contribution is kept very general by the EU Commission. Therefore, Manz AG’s interpretation of this activity must be presented in more detail. The activity includes economic activities that produce technologies that strive for (and demonstrably achieve) significant reductions in life-cycle carbon emissions when compared to the best performing alternative technology available on the market. The technical evaluation criteria for this activity do not specify a precise value for “significant carbon emission reductions.” Manz AG defines a “significant reduction” as a reduction in carbon emissions of at least 20 % during the deployment phase. A significant reduction in greenhouse gas emissions of this magnitude can only be achieved through a technological leap. The reference technology is the technology commonly used in the market today. This mainly includes internal combustion engines that run on either gasoline or diesel.

The technical evaluation criteria in activity 3.6 describe the need for life cycle greenhouse gas inventories for business activities. The financial statements must be prepared in accordance with established standards, and verified by independent third parties.

For Manz AG as a high-tech engineering company, performing the required life cycle analysis at the project level is not economically feasible. As a high-tech engineering company, Manz AG offers individual technological solutions tailored to customer-specific requirements. One example of a sustainable activity is the manufacture of production lines for the production of high-performance batteries for electric vehicles. These production lines are designed to achieve significantly reduced carbon emissions during the use phase, in particular, through a high degree of automation and optimized resource efficiency. Batteries are the central component of electric vehicles, which can make a significant contribution to reducing carbon emissions in the transport sector. According to the “Global EV Outlook 2022” report by the International Energy Agency (IEA), the savings potential through the use of electric vehicles compared to vehicles with combustion engines amounts to around 580 million tons of CO₂ equivalent by 2030. In this respect, we consider our production lines – especially in the segment Mobility & Battery Solutions – dedicated to the manufacturing of high-performance batteries for electric vehicles to be an economic activity for the production of other low-carbon technologies within the meaning of activity 3.6 of the EU taxonomy.

No significant impact on other environmental objectives

Manz AG has also analyzed whether the achievement of the five other environmental goals is significantly impaired by the above-mentioned business activities.

With regard to the environmental goal (2) climate change adaptation, there are no indications that Manz AG’s activities will increase the adverse effects of the current and expected future climate on Manz AG itself or on people, nature, or assets.

The fulfillment of the DNSH criteria for the environmental goal (3) water quality essentially refers to legal and regulatory requirements that Manz AG is obligated to comply with. There are no indications that Manz AG is in violation of corresponding requirements.

For the environmental goal (4) transition to a circular economy, there are general requirements such as long usability, easy maintenance or disassembly. The majority of Manz AG's equipment is recyclable; it is designed for a very long service life, and still has a monetary value at the end of its useful life.

The fulfillment of the DNSH criteria for the environmental goal (5) reduction or prevention of environmental pollution essentially refers to legal and official requirements, which Manz AG is obligated to comply with. There are no indications that Manz AG is in violation of corresponding requirements.

For the environmental goal (6) protection and restoration of biodiversity and ecosystems, Manz AG conducts environmental impact assessments and comparable assessments as deemed necessary within the scope of its own business activities.

Compliance with minimum social standards

For compliance with minimum social standards, the Taxonomy Regulation refers to compliance with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Core Labor Standards and the International Bill of Human Rights.

Manz AG bases its compliance with minimum social standards on the "Final Report on Minimum Safeguards" of October 2022 of the "Platform on Sustainable Finance". The report analyzes the standards referred to in Article 18 of the Taxonomy Regulation. As a result, the report identifies four core issues that must be considered for compliance with minimum social standards. These core topics are:

1. Human rights, including the rights of workers,
2. Bribery/corruption,
3. Taxation,
4. Fair competition.

The result shows that the processes and systems established at Manz AG are fundamentally suitable for identifying potential risks and violations of minimum social standards.

Sales revenues

The definition of sales revenues in accordance with EU taxonomy corresponds to the sales reported in the IFRS consolidated financial statements. Sales revenues in fiscal 2022 amounted to 251 EUR million. See also Note 1 “Net sales” to the consolidated financial statements. The majority of Manz AG’s revenues come from the production and supply of customer-specific machinery and equipment. These sales revenues are recognized on a proportional basis using the percentage of completion (PoC) method.

Economic activities	Sales revenues		Substantial contribution to climate protection				Compliance DNSH criteria						Compliance Minimum protection	Taxonomy compliant Sales revenues		Category (enabling activities)	Category (Transitional activities)
	EUR million	%	Climate protection	Climate change adaptation	Climate protection	Climate change adaptation	Water & marine resources	Circular economy	Environmental contamination	Biol. diversity & ecosystems	Y/N	EUR million		%	(E)		
A. Taxonomy-eligible activities	55.7	22.2	55.7	22.2	0.0	0		Y	Y	Y	Y	Y	Y	55.7	22.2		
3.1 Production of renewable energy technologies	5.8	2.3	5.8	2.3	0.0	0		Y	Y	Y	Y	Y	Y	5.8	2.3	E	
3.6 Production of other low-CO ₂ technologies	49.8	19.9	49.8	19.9	0.0	0		Y	Y	Y	Y	Y	Y	49.8	19.9	E	
B. Activities not taxonomy-eligible	195.3	77.8															
Total (A+B)	251.0																

Capital expenditure

Capital expenditure in accordance with the EU taxonomy relates to the following items in the IFRS consolidated financial statements. These include additions to intangible assets and property, plant and equipment, as well as rights of use to leased assets. These are described in Notes 14 “Intangible assets” and 15 “Property, plant and equipment” to the consolidated financial statements.

Capital expenditures that could not be clearly allocated to a taxonomy-eligible or taxonomy-compliant business area were taken into account using an allocation key. The allocation key is based on the share of taxonomy-compliant sales per production site and is applied in the next step to the capital expenditures of the respective production site. This allocation key was used to distribute 61.4% of capital expenditures. The remaining 38.6% are capitalized development costs as part of the project entitled “Lithium Battery Factory of the Future”. This Manz AG project is supported by the German Federal Ministry for Economic Affairs and Climate Action (BMWK) and the Baden-Württemberg State Ministry of Economics as part of the Important Projects of Common European Interest (“IPCEI”) to promote research and innovation in the battery value chain. These capitalized development costs were directly allocated to activity 3.6. No other significant capital expenditures from other activities were identified.

Economic activities	Capital expenditure		Substantial contribution to climate protection				Compliance DNSH criteria						Compliance Minimum protection		Taxonomy compliant Capital expenditure		Category (enabling activities)	Category (Transitional activities)			
	EUR million	%	Climate protection	Climate change adaptation			Climate protection	Climate change adaptation	Water & marine resources	Circular economy	Environmental contamination	Biol. diversity & ecosystems	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	EUR million	%	(E)
A. Taxonomy-eligible activities	9.1	54.2	9.1	54.2	0.0	0		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	9.1	54.2		
3.1 Production of renewable energy technologies	0.2	1.3	0.2	1.3	0.0	0		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0.2	1.3	E	
3.6 Production of other low-CO ₂ technologies	8.9	52.9	8.9	52.9	0.0	0		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	8.9	52.9	E	
B. Activities not taxonomy-eligible	7.7	45.8																			
Total (A+B)	16.8																				

Operating expenditure

Operating expenditure as defined by EU taxonomy take into account non-capitalizable expenses for research and development, building refurbishment measures, short-term leasing, maintenance and repair, and all other direct expenses for the upkeep of property, plant and equipment to ensure that the taxonomy-allowable or taxonomy-compliant assets are ready for operation. Operating expenditures are not directly reconcilable to the presentation in the consolidated statement of income.

For the operating expenditures attributable to economic activities already identified in the context of "sales" in line with the taxonomy, an allocation was made as follows. Operating expenditures that could not be clearly allocated to a taxonomy-eligible or taxonomy-compliant business segment were taken into account using an allocation key. The allocation key is based on the share of taxonomy-compliant sales revenue per production site and is applied in the next step to the operating expenditure of the respective production site. This key was used to distribute 100 % of the operating expenditures. No other significant operating expenditures from other activities were identified.

Economic activities	Operating expenditure		Substantial contribution to climate protection				Compliance DNSH criteria						Compliance Minimum protection	Taxonomy compliant Operating expenditure		Category (enabling activities)	Category (Transitional activities)
	EUR million	%	Climate protection	Climate change adaptation			Climate protection	Climate change adaptation	Water & marine resources	Circular economy	Environmental contamination	Biol. diversity & ecosystems	Y/N	EUR million	%	(E)	(T)
A. Taxonomy-eligible activities	2.1	18.1	2.1	18.1	0.0	0		Y	Y	Y	Y	Y	Y	2.1	18.1		
3.1 Production of renewable energy technologies	0.2	1.9	0.2	1.9	0.0	0		Y	Y	Y	Y	Y	Y	0.2	1.9	E	
3.6 Production of other low-CO ₂ technologies	1.9	16.2	1.9	16.2	0.0	0		Y	Y	Y	Y	Y	Y	1.9	16.2	E	
B. Activities not taxonomy-eligible	9.4	81.9															
Total (A+B)	11.5																

GRI Table

General disclosures		Page	Comment
GRI 2	General disclosures		
GRI 2-1 a	Legal name of the organization	6	Reporting period and scope
GRI 2-1 b	Legal form of the organization	6	Reporting period and scope
GRI 2-1 c	Headquarters of the organization	18	Reutlingen
GRI 2-1 d	Countries of operation of the organization	6	Reporting period and scope
GRI 2-2 a	All entities of the organization included in the sustainability report	6	Reporting period and scope
GRI 2-2 b	Differences between the list of entities included in the financial reporting and the list included in the sustainability reporting	6	In this sustainability report, the sales location in India was not considered due to its small size (8 employees)
GRI 2-3 a	Reporting period and frequency of sustainability reports	6	Reporting period and scope
GRI 2-3 b	Reporting period for financial reporting		Jan. 1 to Dec. 31, 2022
GRI 2-3 c	Date of publication of the report or reported information		March 30, 2023
GRI 2-3 d	Contact point for questions about the report or reported information	59	sustainability@manz.com
GRI 3	Material topics	8	Key sustainability issues
Topic specific information		Page	Comment
GRI 201	Economic performance	51	Disclosure EU taxonomy (Sales revenues)
GRI 204	Procurement practices	42	Sustainable supply chain
GRI 205	Anti-corruption	39	Compliance management
GRI 206	Anti-competitive behavior	39	Compliance management
GRI 207	Tax	34	Community commitment
GRI 301	Materials	19	Water and resource conservation
GRI 302	Energy	17	Energy consumption
GRI 303	Water and effluents	19	Water and resource conservation
GRI 305	Emissions	19	Greenhouse gas emissions
GRI 306	Effluents and waste	18	Waste generation and recycling
GRI 308	Supplier environmental assessment	42	Sustainable supply chain, business partner code of conduct (PDF Download)
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GRI 402	Labor/management relations	31	Employee issues
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GRI 407	Freedom of association and collective bargaining	31	Employee issues
GRI 408	Child labor	11	Sustainable Development Goals (SDGs)
GRI 409	Forced or compulsory labor	11	Sustainable Development Goals (SDGs)
GRI 414	Supplier social assessment	42	Sustainable supply chain, business partner code of conduct (PDF Download)
GRI 415	Public policy	35	Corporate citizenship
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Independent Auditor's Report on a Limited Assurance Engagement on a Separated Non-financial Group Statement

To Manz AG, Reutlingen

Conclusion

We have performed an independent limited assurance engagement on the separated non-financial group statement (hereinafter the "non-financial group reporting") of Manz AG to comply with Arts. 315b and 315c in conjunction with Arts. 289b to 289e of the German Commercial Code (HGB) for the financial year from January 1, 2022 to December 31, 2022.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the attached non-financial group reporting for the financial year from January 1, 2022 to December 31, 2022 are not prepared, in all material respects, in accordance with the relevant German legal and European requirements and with the criteria set out by the Company's legal representatives.

Basis for the conclusion

We conducted our engagement in accordance with the draft IDW Auditing Standard: Limited assurance engagement on the content of the non-financial (Group) reporting not within the scope of the audit of the financial statements (IDW EPS 991 (11.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility thereafter is further described in the Auditor's Responsibility for the examination of the Group's non-financial reporting. Our practice has implemented the quality control system requirements of the IDW Quality Management Standard: Requirements for Quality Management in Auditing Practice (IDW QMS 1) and, in addition, the International Standard on Quality Management (ISQM) 1. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matter – principles for the preparation of non-financial group reporting

Without modifying our conclusion, we draw attention to the explanations in the non-financial group reporting, in which the principles for the preparation of the non-financial group

reporting are described. The non-financial group reporting was prepared by the Company to meet the requirements of Arts. 315b and 315c in conjunction with Arts. 289b to 289e HGB. Consequently, the non-financial group reporting is not suitable for other purposes.

Responsibilities of the legal representative and the Supervisory Board for the non-financial group reporting

The legal representatives are responsible for the preparation of the non-financial group reporting in accordance with the relevant German legal and European regulations and with the specific criteria outlined by the legal representatives, and for such internal controls management determines necessary to enable the preparation of non-financial group reporting that are free from material misstatement, whether due to fraud (that is manipulation of the non-financial group reporting) or error.

This responsibility includes selecting and applying appropriate accounting policies and making accounting estimates on the non-financial disclosures that are appropriate in the circumstances.

The relevant regulations contain formulations and terms that are subject to considerable uncertainties of interpretation and for which no authoritative comprehensive interpretations have been published yet. Accordingly, the legal representatives have provided their understanding of these formulations and terms in section "Disclosure EU Taxonomy" of the non-financial group reporting. The legal representatives are responsible for the reasonableness of these interpretations. As such formulations and terms may be interpreted differently by regulators or courts, the legality of these interpretations is uncertain. As set out in section "Disclosure EU Taxonomy" of the Group's non-financial reporting, the quantification of non-financial performance indicators is subject to inherent uncertainties due to outstanding comprehensive interpretations which have not been published yet.

The Supervisory Board is responsible for overseeing the process of preparing the non-financial group reporting.

Auditor's responsibility for the examination of the non-financial group reporting

Our responsibility is to express a conclusion with limited assurance whether, based on our examination, any matters have come to our attention to cause us to believe that the non-financial group reporting is not prepared, in all material aspects, in accordance with the relevant German legal and European regulations and with the specific criteria outlined by legal representatives of the entity.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a significantly lower level of assurance is obtained. The selection of the procedures is subject to the auditor's professional judgment.

During the course of our examination we have, among other things, performed the following procedures and other activities:

- Assessment of the appropriateness of the criteria presented by the legal representatives in the non-financial group reporting
- Inquiries of the legal representatives and relevant employees involved in the preparation of the non-financial group reporting regarding the preparation process, internal controls related to this process and disclosures in the non-financial group reporting
- Identifying and assessing the risk of material misstatements in the non-financial group reporting
- Analytical procedures on selected disclosures in the non-financial group reporting
- Reconciliation of selected disclosures with the corresponding disclosures in the consolidated financial statements and group management report
- Assessment of forward-looking disclosures. There is a significant unavoidable risk that future events will differ materially from the forward-looking disclosures.
- Assessment of the presentation of the non-financial group reporting
- Assessment of the process for identifying taxonomy-eligible and taxonomy-compliant economic activities and the corresponding disclosures in the non-financial group reporting.

As set out in the description of the legal representatives' responsibility, the legal representatives have interpreted the formulations and terms contained in the relevant regulations; the legality of these interpretations is subject to the inherent uncertainties mentioned in this description. Furthermore, the quantifications of the non-financial performance indicators referred to in this description are subject to inherent uncertainties in their measurement or assessment referred to in this description. These inherent uncertainties in the design and in the measurement or assessment of the non-financial performance indicators apply, *mutatis mutandis*, to our audit.

Restriction of use of the report

We draw attention to the fact that the examination was carried out for the company and that the report is only intended to inform the company about the result of the examination. Consequently, it may not be suitable for any other purpose than the aforementioned. Thus, the report is not intended to be used by third parties to make (financial) decisions. Our responsibility is to the company alone. We do not accept any responsibility to third parties.

The engagement, during which we have performed the aforementioned services for the Supervisory Board of Manz AG, Reutlingen, was based on the General Engagement Terms for German Public Auditors and Public Audit Firms in the version dated 1 January 2017. Acknowledging and using the information contained in this report, each recipient confirms that he/she has taken note of the rules made therein and acknowledges their applicability in his/her relationship with us.

Frankfurt am Main, March 30, 2023

Baker Tilly GmbH & Co. KG
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This is the English translation of the German sustainability report. If there are any discrepancies, the German version of the report shall take precedence over the English translation.



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