

2021

# Corporate Responsibility Report

**TÜV NORD GROUP**

Expertise for your Success

# About this report

The TÜV NORD GROUP published its first Corporate Responsibility Report in 2018. In 2019 and 2020, we released progress reports outlining the economic, environmental and social impacts respectively of our business activities.

This year, as in 2018, we are once again publishing a comprehensive report on Corporate Responsibility. This represents our Strategy 2025 for Corporate Responsibility in terms of “Company”, “People” and “Environment”. We also reveal the goals we want to achieve by 2023.

This report has been drawn up in accordance with the GRI standards: in addition to the German companies and the sites of all the business units of the TÜV NORD GROUP, Option “Core” and its scope also includes for the first time the following twelve international Group companies in India, China, Taiwan, Hong Kong, Korea, Indonesia, Spain, the Netherlands, Greece and the Czech Republic:

- TÜV India Private Ltd., Mumbai, India
- TÜV NORD Hangzhou Co., Ltd., Hangzhou/China
- Guangzhou TÜV Industrial Technical Services Co., Ltd., Guangzhou/China
- TÜV NORD TAIWAN CO., LTD., Taipei/Taiwan
- TÜV NORD HONG KONG LTD., Kwun Tong, Kowloon/Hong Kong
- TÜV NORD Korea Ltd., Seoul/Korea
- THE INSPECTION COMPANY OF KOREA (INCOK), Seoul/Korea
- PT. TÜV NORD Indonesia, Jakarta/Indonesia
- ALTER TECHNOLOGY TÜV NORD S.A.U., Seville/Spain
- TÜV Nederland QA B.V., Best/the Netherlands
- TÜV HELLAS (TÜV NORD) S.A., Athens/Greece
- TÜV NORD Czech, s.r.o., Prague/Czech Republic

The reporting period is the TÜV NORD GROUP fiscal year, which runs from 1 January to 31 December 2021. Our plan to publish annual reports on our progress in the area of Corporate Responsibility remains unchanged.

Excerpts from this document are also published under “Corporate Responsibility” in the TÜV NORD GROUP's Annual Report for 2021.

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GRI 102-13, 102-14, 102-16, 102-43

# Preface by the Chairman of the Board of Management

Dear readers,

Even though climate protection and conserving resources are probably the most urgent tasks facing the international community in its shared efforts to save our planet, other developments are currently threatening to eclipse this important goal. The military conflict in Ukraine, only an hour and a half by air from Germany, is causing great suffering to many people and will change economic and social life across the globe for an unforeseeable period of time. In their day-to-day work in more than 100 countries, the employees of the TÜV NORD GROUP are actively committed to the cause of peaceful, democratic and respectful coexistence between people and states. The values of our diverse corporate culture which are thus exemplified also form the basis of the CR Report presented here.

In the current situation, bringing about a secure energy supply that promotes regenerative technologies while at the same time reducing CO<sub>2</sub> emissions is one of our priority tasks as a company. Weather records and studies confirm that action must be taken now to hold up and, if possible, head off the onset of irreversible damage to the Earth and the very basis of our existence. In its annual assessment\*, the German Weather Service confirms the global warming trend. According to the report, 2021 was the eleventh year in a row of above-average temperatures. The most

recent publication of the Intergovernmental Panel on Climate Change (IPCC)\*\* states that it will only be possible to limit the global temperature rise to 1.5 to 2.0 degrees Celsius if global emissions of CO<sub>2</sub> and other climate-damaging gases start to fall by 2025 at the latest.

As the TÜV NORD GROUP, we will continue to use our wealth of expertise and potent innovations to promote the energy transition and thereby to fulfil our social responsibility. Many of these activities, which we have evaluated for their sustainable benefits, are described in this CR report. At this point, three examples should be mentioned:

- With the Group-wide HydroHub initiative, we are contributing to the development of a sustainable hydrogen infrastructure. This will benefit organisations including energy companies, industry and local authorities.
- New services for alternative vehicle drives are supporting climate protection measures and raising awareness of the topic of electromobility in society at large.
- Process improvements are reducing the pollution of wastewater in chemical and petrochemical plants and optimising water consumption. This is contributing to resource efficiency.

The TÜV NORD GROUP is committed to enshrining sustainability and responsible action in all the international divisions of the

\* DWD Climate Status Report for 2021, published on 21 March 2022 Klimastatusbericht Deutschland Jahr 2021 (Climate Status Report for Germany for 2021) (dwd.de)

\*\* IPCC: Intergovernmental Panel on Climate Change, publication of the Sixth Assessment Report on 4 April 2022 AR6 Climate Change 2022: Mitigation of Climate Change – IPCC



Group and promoting the principles of the UN Global Compact and the United Nations Sustainable Development Goals (SDG) within its own sphere of influence. It was to this end that the Group Executive Committee adopted the CR Strategy 2025 last year. In this strategy, we have committed ourselves to closely linking the economic success of the company with the contributions we make to the sustainable development of the economy, society and the environment. In our CR Roadmap, the specific implementation steps are set out along defined fields of action, initially until 2023. The present CR Report provides information on these steps for the first time.

Making the TÜV NORD GROUP carbon-neutral by 2030 is one of our core projects for the coming years. Our decarbonisation project follows the triad of avoiding – reducing – offsetting. In 2021, we succeeded in significantly reducing our global CO<sub>2</sub> footprint as a company for the second time in a row – In the event of any necessary to offset our CO<sub>2</sub> emissions, we have, as a precautionary measure, identified a solar energy project in India, according to clearly defined criteria, which goes some way towards fulfilling selected Sustainable Development Goals (SDG) that are particularly supported by our company.

For its strong performance and transparency in the areas of sustainability and Corporate Social Responsibility, the TÜV NORD GROUP was awarded the Gold EcoVadis medal for the second time in succession. This means that we are currently among the

top three percent of more than 90,000 evaluated companies from 160 countries in the EcoVadis sustainability ranking. On behalf of the Board of Management and the Group Executive Committee, I would like to thank all our colleagues who have contributed to this great success.

The results achieved and perspectives gained, which are summarised in this CR Report, will encourage us to continue resolutely on our path of transformation to a sustainable and responsible TÜV NORD GROUP. Our customers, partners and stakeholders are always welcome to support us in this endeavour with their stimulating ideas, suggestions and criticism: feel free to contact us! We look forward to continuing the dialogue with you to make our contributions to the sustainability cause even more effective.

Dr. Dirk Stenkamp,  
on behalf of the Board of Management and the Group Executive Committee

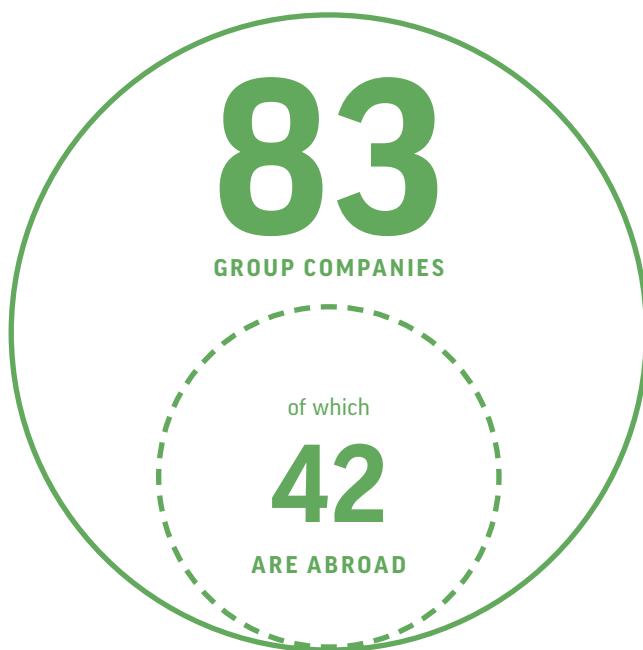
GRI 404-1

# The Year 2021:

## Corporate Responsibility at a glance

“Responsibility and sustainability (brought together under the term Corporate Responsibility) are the basis of the TÜV NORD GROUP’s corporate activities. For us, they are key value drivers that are opening up pathways to new business models and services, enabling us to increase our values-based contribution to society and the environment in the cause of a more sustainable world.”

We aim to secure the future of our company by recognising the economic, ecological and societal effects of our decisions and actions and managing their impact in a targeted manner. Above all, we are making a contribution to the sustainable development of the economy, society and the environment.



(2019: 85, of which 43 abroad, 2020: 82, of which 42 abroad)



10

Other countries outside Germany were included in CR reporting for the first time

72%

Share of **PURCHASE VOLUME** sourced from suppliers who have been assessed according to sustainability criteria (2019: 25.7%, 2020: 57%)

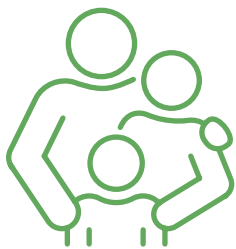
# 14,253

**EMPLOYEES**  
in the TÜV NORD GROUP  
(2019: 14,088, 2020: 14,182)

# €1,002



average expenditure on **INITIAL AND FURTHER TRAINING** per employee in Germany  
(2019: €1,034, 2020: €796)



recertified by the audit **BERUFUNDFAMILIE**



Once again awarded the Gold Medal by  
**ECOVADIS** (2019: Silver, 2020: Gold)



# 1.81 t CO<sub>2</sub>

**INTENSITY**  
of GHG emissions per employee released  
through business travel  
(2019: 2.77 t, 2020: 2.07 t)

GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6

# The Profile of the TÜV NORD GROUP

As a recognised technology service provider, the TÜV NORD GROUP is the global byword for security and trust, neutrality and quality. At the same time, we have the digital future firmly in mind. Independent engineers and IT security professionals provide excellent solutions for safety, security and quality, guaranteeing an outstanding competitive position. At home in 50 countries and active in over 100, our workforce of more than 14,000 employees supports companies in the discharge of their responsibility for people, technology and the environment. We've been on hand for every industrial revolution and assisted in the development of globally recognised security standards – and we are now also playing our part in making the world safe and secure in this digitally connected age.

The TÜV NORD GROUP has been active in the TICCET (Testing, Inspection, Certification, Consulting, Engineering, Training) market for over 150 years. The focus of our business activities has always been – and is now more than ever – on testing technology and safety in accordance with recognised standards and national and international legal requirements. As a technology group, the TÜV NORD GROUP thus guarantees to provide comprehensive support to its customers, be they domestic, international or regional in scope. Its customers include global players and small and medium-sized enterprises with a regional and local focus, alongside organisations, authorities, institutions and consumers.

The head office of the TÜV NORD GROUP is in Hanover. 73.7% of Group revenue was generated on the German market in 2021. Revenue from international business accounted for 26.3% of the total (15.0% in the rest of Europe, 9.4% in Asia, 1.4% in the Americas and 0.5% in Africa).

The TÜV NORD GROUP has divided its activities into six business units, in particular organising internal Group services in the Holding/Services division. In all six business units – Industrial Services, Mobility, Engineering and Natural Resources, Training, Aerospace and IT – we offer products and services throughout the world, adapted to the respective markets and the regulatory requirements that apply in those markets. We are not aware of any general market-specific exclusions of our products and services in 2021.

As of 31 December 2021, the TÜV NORD GROUP had 83 companies, 41 of which were in Germany and 42 abroad, which were either directly or indirectly controlled by TÜV NORD AG as the management holding company. TÜV NORD AG is deemed within the meaning of Section 17 of the Stock Corporations Act (Aktiengesetz – AktG) to be directly dependent upon TÜV Nord Holding GmbH & Co. KG of Hamburg and TÜV HSA Holding GmbH & Co. KG of Hanover and indirectly dependent upon TÜV NORD e.V. and TÜV Hannover/Sachsen-Anhalt e.V.

# Corporate Responsibility Strategy

**“ We link our corporate success with the positive contribution we make to the sustainable development of the economy, society and the environment.”**

We are positioning the TÜV NORD GROUP as a “sustainability and purpose leader” by working together with our employees to accelerate our expansion into sustainable growth areas and the alignment of our product and service portfolio with the Sustainable Development Goals (SDGs) of the United Nations, by committing ourselves to climate protection and by credibly communicating our attitude of responsibility, both within the Group and to the world at large.

GRI 102-12, 102-13, 102-16, 102-43, 102-44, 102-46, 102-52, 103-1, 103-2, 103-3

# Our Corporate Responsibility Strategy 2025

## FURTHER DEVELOPMENT AND REFINEMENT OF THE CR STRATEGY

Sustainability and responsibility are the driving force behind the entrepreneurial vision of the TÜV NORD GROUP, and these qualities are firmly embedded in our DNA. Our long-term Group-wide Corporate Responsibility (CR) Strategy is at the heart of all our activities. In response to the extraordinarily dynamic development of the conditions under which we have been operating over the past two years, we have further developed and refined our CR Strategy. In March 2021, the new CR Strategy 2025 came into force which will determine the influence of Corporate Responsibility on our actions as a company for the coming years. To achieve the goals set out therein, we also developed an initial CR Roadmap for the years 2021 to 2023, which was released at the same time as the CR Strategy 2025. In 2023, we plan to develop a roadmap for the period 2024 to 2025.

Our CR Strategy and the goals, measures and indicators formulated in the roadmap are embedded in the overall strategic positioning of the TÜV NORD GROUP ("Strategy2025"), which is in turn significantly influenced by the current scientific findings of climate research. According to these findings, limiting the man-made global temperature increase to a maximum of 1.5 degrees Celsius is imperative. To achieve this goal, CO<sub>2</sub> emissions must be significantly reduced before 2030 and net zero emissions achieved by 2050. In the light of the above, the Sustainable Development Goals (SDGs) set out in the United Nations' Agenda 2030 have also met with an extraordinarily high level of acceptance in the economic sector; the SDGs are shaping the strategic orientation of customers and competitors alike. At the same time, our stakeholders ([see chapter on Shaping Relations With Our Stakeholders, P. 12](#)) are calling on us to make an appropriate contribution to the sustainable development of the environment and society. The legislature, in turn, is imposing requirements on non-financial reporting, which is giving rise to an increasing need to establish a uniform management system for non-financial indicators.

The combination of all the above sets the context for the TÜV NORD GROUP's sustainability endeavours: since 2020, we have defined sustainability as one of our guiding values. With the "Strategy2025", sustainability is also set to become a main strategic thrust for our Group and all its business units and functional divisions. This means that we intend to strategically position ourselves as a leading company in the TIC (Testing, Inspection, Certification) industry with an ecologically, economically and socially sustainable product and

service portfolio. In addition to our explicit commitment to the 1.5-degree target, for us this includes the need to move into sustainable growth areas and the application of sustainability criteria to innovations and services. For us, Corporate Responsibility is a key guiding value that is reflected in our business activities and corporate culture ([see chapter on Values and Responsibility, P. 11](#)).

## A HOLISTIC MANAGEMENT APPROACH

Our CR follows a holistic management approach. The focus is on three fields of action: "Company", "People" and "Environment" ([see chapter From Shared Value to System Value, P. 9](#)). We are pursuing its implementation along the entire value chain. In doing so, we are taking a long-term approach and using the Group's integrated management system for the implementation.

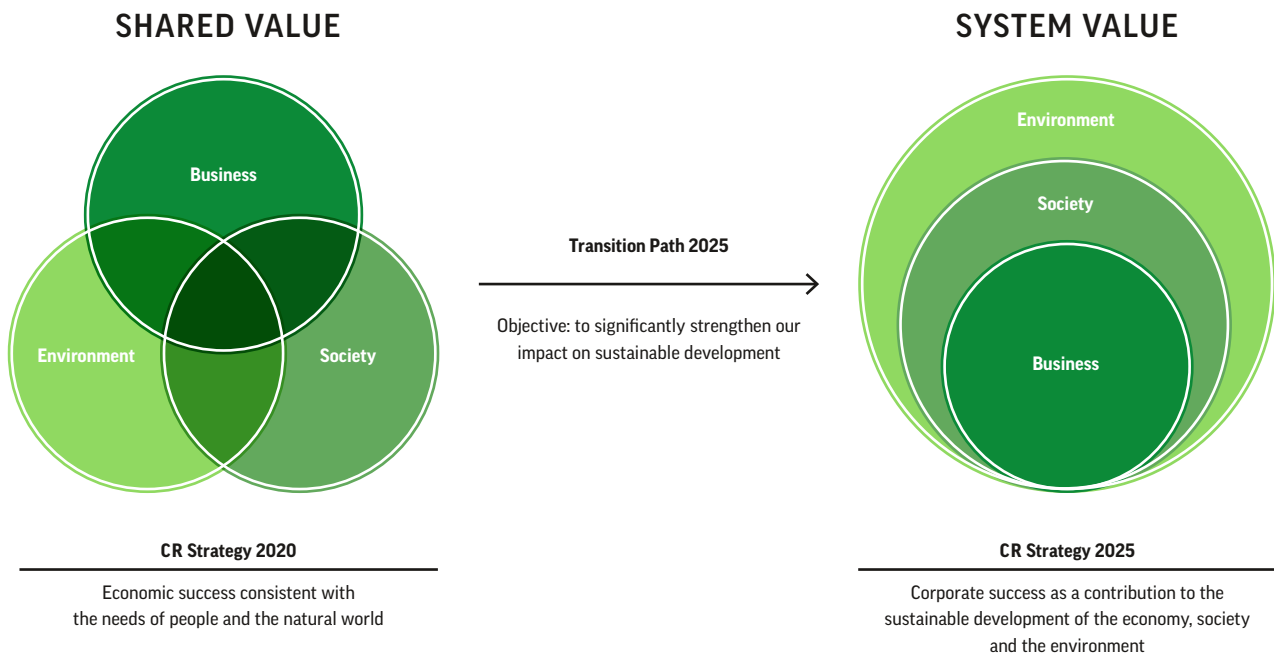
The goals and measures defined in the CR Strategy and the CR Roadmap are based on a materiality analysis ([see chapter on Materiality of Our CR Topics, P. 13](#)). As they implement the strategy, the business units and Group companies can set different priorities and define and shape their contribution to the joint achievement of goals in line with the possibilities open to them and their current strengths. What is crucial is for the Group-wide targets to be achieved by aggregating all the contributions.

How the planning and implementation of CR is being coordinated is described in the "Managing Corporate Responsibility" chapter ([P. 10](#)).

## PARADIGM SHIFT TO A SYSTEMIC APPROACH

With our CR Strategy 2025 and our clear shift in positioning towards sustainability-oriented value creation, the TÜV NORD GROUP is making a paradigm shift from the shared value approach previously pursued as part of the CR Strategy 2020 to a future-oriented system value approach based on systems thinking ([see chapter From Shared Value to System Value, P. 9](#)). In this way, we make it clear that the three subsystems of the global system (economy, society and environment) are interdependent and interact with each other in line with the inclusion model described. As a company, we have therefore decided to make our corporate success contingent also on the contribution we make to the sustainable development of the economy, society and the environment ([see also our Corporate Responsibility Guidelines](#)).

## FROM »SHARED VALUE« TO »SYSTEM VALUE«



The CR Strategy 2025 is thus anchored in the TÜV NORD GROUP's new Corporate Responsibility Guidelines, which were likewise published in March 2021. In tandem with the CR Roadmap 2023 (and, subsequently, the CR Roadmap 2025), the document is intended to provide impetus for the implementation of the "Strategy2025", to point the way to the sustainable further development of the Group and to focus on sustainability issues in the long term, including beyond 2025. In addition, the new CR Strategy, together with the subordinate roadmaps, will serve to establish a framework and appropriate metrics for the management of non-financial indicators in the Group until 2025.

### ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS AND THE UNITED NATIONS GLOBAL COMPACT

Our strategic orientation is not limited solely to megatrends: since 2018 we have also been increasingly aligning ourselves with the United Nations Sustainable Development Goals (SDGs). In the past two reporting years, we paid particularly close attention to the transformative potential of the SDGs for our own digitalisation projects, innovations, services and business activities and anchored this potential in our "Strategy2025" as an objective for our "Sustainable Product and Services Portfolio".

In 2021, we once again evaluated the new innovation projects of all the German business units and Group companies on the basis of fixed sustainability criteria that take their cue from the SDGs. In the process, we also undertook a structured assessment of the impact of the projects on the SDGs. Each innovation project was reviewed within the innovation process to determine the extent to which the innovation is contributing to the sustainable development of the economy, society and the environment. For this purpose, the competent innovation managers record both the SDG indicators to which an innovation is contributing and the extent to which it is doing so, including how it is contributing to the implementation of the Group's CR Roadmap. (see also the infographics on P. 18, 30, 46.)

In the current reporting year, we created the essential organisational and methodological prerequisites for the structured evaluation of our service portfolio in the German part of the TÜV NORD GROUP and began determining the impact of our services on the SDGs in two business units (Industrial Services and Mobility). In the future, we aim to ensure that we will contribute to the achievement of the Sustainable Development Goals not only with our innovations and the resulting new services but with our business activities as a whole. We will then use the insights we gain to manage our sustainable impact as a company in a more strategically and operationally targeted manner.

Since August 2021, the TÜV NORD GROUP has also been a member of the United Nations Global Compact, the world's largest initiative for sustainable and responsible corporate governance. By joining the Global Compact, we have underlined and strengthened our commitment to sustainability. We are committed to integrating the Compact and its principles into our corporate strategy, corporate culture and day-to-day business. We also pledge to participate in cooperation projects that promote the general goals of the United Nations, in particular the SDGs.

## CREATING TRANSPARENCY: ANNUAL REPORTING

It is important to us to share our CR Strategy in a readily understandable way. This is why we report annually on the current progress of our sustainability endeavours. In doing so, we are also fulfilling our duty of accountability within the framework of the UN Global Compact. In terms of content, our reports adhere to the following principles: involvement of stakeholders, sustainability context, materiality and completeness. We report on the basis of clearly defined and implemented data sources which are retrievable and verifiable at all times.

GRI 102-18

# Managing Corporate Responsibility

In the TÜV NORD GROUP, Corporate Responsibility (CR) is enshrined at the highest level of corporate governance: the overall responsibility for CR lies with the Group Executive Committee and, within this body, with the Chairman of the Board of Management. At the level of the business units or functional divisions, it is the respective division managers who are responsible for CR; at company level, it is the relevant management boards.

As before, the CR manager staff function will continue to be responsible for the further development of the CR Strategy, the coordination of overarching CR activities and CR communication. He or she also organises and manages the CR Steering Committee and advises the business units, functional divisions and Group companies on the implementation of the CR Strategy. He or she is supported by the CR coordinators from the divisions. In addition, he or she regularly exchanges views on CR topics and activities with the management officers' group.

The CR Steering Committee is made up of the CR coordinators who represent the respective business units and functional divisions. They are assigned competencies with strategic CR relevance and exchange information on all overarching CR topics and activities in the Steering Committee. This also includes the development and implementation of the CR Strategy 2025 and the CR Roadmaps for 2023 and 2025. The CR Steering Committee met every two months in 2021, a total of six times.

As a rule, the CR activities of the Group companies are managed by the relevant company's management officer. He or she consults closely with the CR coordinator of the higher-level business unit and is essentially responsible for monitoring the implementation of the CR requirements within the Group company.

# Values and Responsibility

Responsibility and sustainability – which are brought together under the term Corporate Responsibility – are essential pillars of the TÜV NORD GROUP's corporate activities. They define our actions and are the founding principles of our business. **Our corporate success is thus intimately linked with the contribution we make to the sustainable development of the economy, society and the environment** (> see also our [Corporate Responsibility Guidelines](#)). Since the beginning of 2020, sustainability has been part of the Mission Statement of the TÜV NORD GROUP. In this way, we give the issue the same weight in our company as it has among the general public and our stakeholders. We see the management of Corporate Responsibility as a long-term project. This path is based on the following six corporate values, which apply to all our employees as a mandatory guideline for their personal actions in the company.

## THE FOCUS IS ON OUR CUSTOMERS

We consider it our responsibility to contribute to the success of our customers – we always have and always will. We offer them services of the highest quality and efficiency in the context of a sustainable portfolio of services and new ideas to help them on their future path.

## OUR EMPLOYEES ARE THE KEY TO OUR SUCCESS

As an employer, we are responsible for creating an attractive work environment which is a clear statement of the appreciation we have for our employees. We offer our employees the space they need to design a working life which is characterised by individual responsibility; we also set great store by teamwork, promote the reconciliation of work and private life and offer individual training opportunities. The employees in turn have a responsibility to contribute to the success of the company.

## OUR INTEGRITY IS THE BASIS OF EVERYTHING WE DO

We see it as our responsibility towards our stakeholders, the environment and society to act transparently, in compliance with the law and sustainably at all times. Integrity is therefore explicitly related to the effects of our actions on the environment and wider society.

## OUR SUSTAINABILITY OPENS UP NEW PATHS TO A SHARED FUTURE

We pay particular attention to the economic, environmental and societal impact of our decisions and actions. Sustainability is an elemental part of our brand – in the service portfolio and in all innovation-related matters. We are constantly working to reduce our environmental footprint.

## OUR DIVERSITY OPENS UP NEW OPPORTUNITIES

We see it as our responsibility towards all employees to respect the individuality of each and every member of staff and to promote equal opportunities. By emphasising mixed teams and interdisciplinary work in and between all areas of the company, we are putting in place key conditions to allow us to offer our customers tailor-made solutions in all markets.

## OUR CULTURE OF INNOVATION IS TREND-SETTING

We consider it our responsibility for the future viability of our company to continuously improve our products and processes, to develop cutting edge and sustainable business models and services and to align ourselves with the Sustainable Development Goals of the United Nations. We encourage our employees to be creative and offer an environment that promotes this kind of innovation.

Corporate Responsibility is also a key value driver. It is opening up new business models and services with which we can increase our contribution to a more sustainable world. At the same time, Corporate Responsibility will secure the future of our company by allowing us at all times to recognise the economic, ecological and social effects of our decisions and actions, to manage their impact in a targeted manner and to create added value for the economy, society and the environment.

GRI 102-13, 102-40, 102-42, 102-43, 102-46

# Shaping Relations With Our Stakeholders

In the fulfilment of our Corporate Responsibility, the TÜV NORD-GROUP sets great store by intensive regular dialogue with those internal and external stakeholders who are relevant to our corporate direction both within and outside the value chain.

Different groups of stakeholders are involved. The groups we identify as relevant are:

Internal stakeholders	External
Supervisory Board (internal)	Supervisory Board (external)
Board of Management	Customers
Group Executive Committee (GEC)	Subcontractors, suppliers, service providers
Heads of the business units and functional divisions	Cooperation partners
Companies in Germany (management and experts)	Financial partners
Regions and companies abroad (management and experts)	Shareholders (TÜV associations)
Group representatives	Committees*
Group of management representatives	Accreditation and certification organisations*
Employee representatives (staff councils, other representative bodies)	Authorities* with the power to grant permissions
Employees	Legislators and regulators*
	Competition*
	Associations and NGOs*

\*Stakeholders who make a direct or indirect contribution to value creation in the TÜV NORD GROUP

As a way of involving the stakeholders, we recorded and evaluated the relevant economic, social and/or ecological matters of concern to our stakeholders in 2017 and assigned them to the four fields of action of the CR Strategy 2020. We also entered into dialogue with our stakeholders during the development of our CR Strategy 2025: in 2020, we put on a stakeholder event at which we presented our

draft strategy and collected feedback. With the help of target-group-specific surveys, in 2021 we involved our stakeholders in the assessment of the relevance of our matters. We incorporated the results into our materiality analysis ([see chapter on Materiality of Our CR Topics, P. 13](#)).

In principle, we include both those stakeholders with whom we work along the value chain and those who do not contribute directly to our value chain. These groups offer us the opportunity to assess the economic, social and ecological impacts of our actions more effectively and to shape our service portfolio with an even clearer sense of purpose.

## OTHER DIALOGUE FORMATS

We are engaged in a lively internal dialogue with staff councils, for instance. This communication is ensured by the Group Staff Council (GSC), which is also represented in the CR Steering Committee and kept informed separately at GSC meetings. The CR manager reports on and discusses the Group's CR topics at the meeting of senior executives. Representatives of all TÜV NORD divisions are involved in the annual International Quality & Sustainability Conference. Since 2021, regular meetings have also been held with international companies, which will gradually be integrated into the Group-wide CR management structure. ([see chapter Integration of Group Companies into Non-Financial Reporting, P. 27](#)).

We ensure that dialogue on sustainability issues takes place with our market competitors through the sustainability committees of the TIC Council and the TÜV-Verband.

We also use networks to exchange ideas on Corporate Responsibility matters. These include the networks of our stakeholders such as the CSR Network Hamburg (CSR-Netzwerk Hamburg) and the German Network for Business Ethics (Deutsche Netzwerk Wirtschaftsethik – dnwe), out involvement in the latter taking place, for example, within the framework of the dnwe Regional Forum NRW and the CSR Communication Congress. We also use social media such as LinkedIn and Twitter to actively stay in touch with our stakeholders. All these channels help us more effectively to assess the way our actions are perceived and their impacts. They also help us to communicate with the outside world and in the initial and ongoing development of ideas and topics.

GRI 102-46, GRI 102-44, GRI 102-47

# Materiality of Our CR Topics

In the context of a materiality analysis in 2021, we determined which CR topics play a major role for the TÜV NORD GROUP and which of them we should focus on in our CR Strategy. The CR topics identified using this instrument form the basis for our actions and activities in the context of Corporate Responsibility. In the materiality analysis, we considered three dimensions: the evaluation of the business relevance of our CR topics, an evaluation of the economic, ecological and/or social impact of our actions and assessments of relevance delivered by the stakeholders.

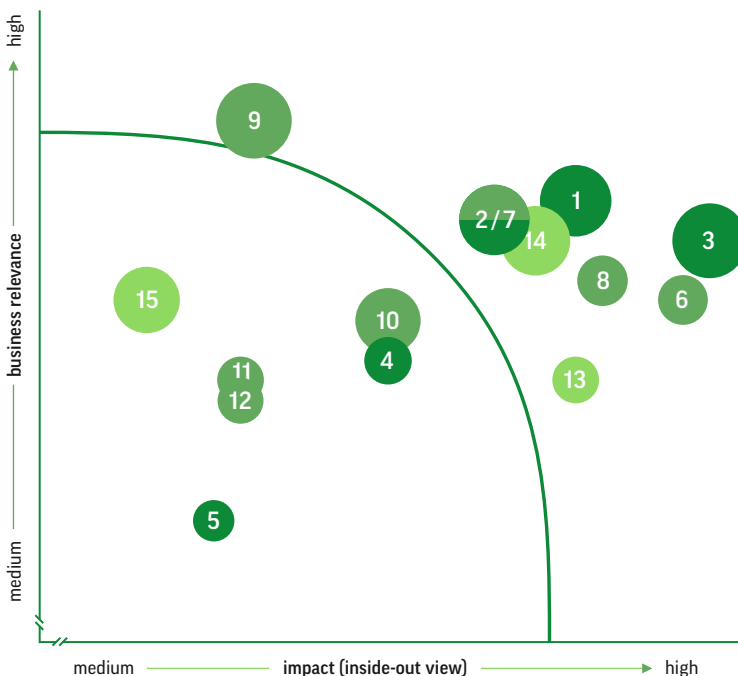
We determined business relevance by conducting a relevance survey of top management (Board of Management and business unit management). The impact was assessed semi-quantitatively, i.e. each CR topic was assigned to a point along a given scale by internal experts (CR Steering Committee, specialists). We define impact as the “degree” of the positive and negative effects of corporate action in respect of a specific CR topic. The impact assessment is in principle derived from a consideration of the intensity and

probability of occurrence of these effects. Furthermore, we surveyed our stakeholders on a target-group-specific basis with regard to the relevance of our CR topics. This created a comprehensive and transparent overall picture for our future CR endeavours.

The following CR topics have been taken from the Materiality Report 2021 – structured by fields of action. The matters in black are material and are therefore given the highest relevance; those shown in grey are important.

In 2021, compared to the previous materiality analysis for 2018 to 2020, the topics of “Energy efficiency in buildings” and “Respect for human rights” were upgraded from important to material topics and will accordingly be prioritised.

## MATERIALITY MATRIX 2021



### COMPANY

- 1 Sustainable innovations and services
- 2 Digital business models, processes and tools
- 3 Integrity and compliance
- 4 Responsibility in the value chain
- 5 Integration of Group companies into non-financial reporting



### PEOPLE

- 6 Value-oriented corporate and Human Resource management
- 7 Individual development and advancement of employees
- 8 Societal role in accordance with our vision and mission
- 9 Respect for human rights
- 10 Appropriate working environment, health and safety
- 11 Diversity and inclusion
- 12 Targeted commitment consistent with our value creation



### ENVIRONMENT

- 13 Environmentally friendly travel behaviour
- 14 Energy efficiency in buildings
- 15 Resource economy and efficiency

GRI 102-11, 102-12, 102-16, 102-44

# Our CR Roadmap 2023

The Roadmap 2023 offers us guidance on our journey towards the systematic integration of Corporate Responsibility into all the business units of the TÜV NORD GROUP. It forms the basis of all our actions and activities relating to Corporate Responsibility. It includes an overarching goal and at least one specific self-determined goal for each of the fields of action which, unless a longer term deadline has been set for its achievement, we aim to achieve by the end of 2025. Moreover, in combination with our overarching CR Strategy 2025, the Roadmap 2023 (for the years 2021 to 2023) and the Roadmap 2025 (for the years 2024 to 2025, not yet developed), provide the framework and metrics for the management of non-financial indicators in the Group until 2025.

The CR Steering Committee began developing the current CR Roadmap 2023 in May 2020. It was put into effect along with the new CR Strategy 2025 by the Group Executive Committee (GEC) in the first quarter of 2021. A second CR Roadmap will cover the period from 2024 to 2025. This will be developed in 2023, based on any change in requirements which takes place in the meantime and the experience garnered from the current roadmap.

The objectives and measures of our CR Roadmap 2023 will provide specific guidance to all the employees of the Group for

three years in respect of Corporate Responsibility questions. We are already successfully managing their implementation in Germany through the Group's central CR management system and with the aid of the CR coordinators from the business units and the functional divisions of the holding company.

The TÜV NORD GROUP is also perceived from the outside as a values-oriented and sustainable company: we were awarded EcoVadis Gold status back in December 2020. This places us in the top five percent of companies rated by EcoVadis with regard to sustainability. We will continue to hold this award after the assessment which was successfully initiated at the end of 2021.

Below we will provide information about the first intermediate status of the implementation of our key objectives by the end of 2021 and also about the subordinate objectives set in the three fields of action according to our CR Roadmap 2023. Details on the design and implementation status of our strategic CR topics by the end of the year 2021 are provided within the chapters "Company", "People" and "Environment".

## ROADMAP 2023 - OUR KEY-OBJECTIVES

Field of action	Key message	Key objective	Status
<b>Company</b>	The TÜV NORD GROUP is strategically positioning itself as a leading company in the TIC sector in terms of the ecologically, economically and socially sustainable design of its product and service portfolio; its positioning strategy includes identifying and moving into sustainable growth areas and applying sustainability criteria to innovations and services.	We are enhancing the positive character of our actions along the value chain in terms of their ecological, economic and social impacts. To this end, we are using innovative developments and digital technologies that support and accelerate sustainable development. At the same time, integrity and compliance are non-negotiable foundational elements of our Corporate Responsibility, which must be maintained and expanded.	in progress
<b>People</b>	The TÜV NORD GROUP is strategically positioning itself as a leading company in the TIC industry with regard to: <ul style="list-style-type: none"> <li>the authentic communication of the meaningfulness and positive influence of their own business activities on people and their livelihoods</li> <li>acting responsibly towards internal and external stakeholders at all times, and</li> <li>our establishment as a values-oriented company with a positive influence as a social actor</li> </ul>	Through sustainable, mutually appreciative, motivating and responsible action, we are creating a working environment that puts people at the heart of what we do. Based on a culture that is the byword for diversity, sustainability and innovation, we are an attractive employer which is committed to the further development of its employees and aware of its social responsibility.	in progress
<b>Environment</b>	The TÜV NORD GROUP is explicitly committed to the 1.5-degree target, has committed itself to decarbonisation by 2030 and is strategically positioning itself as a leading company in the TIC industry with regard to environmental and climate protection.	The CO <sub>2</sub> emissions from business-related travel and the use of real estate and of resources by the entire TÜV NORD GROUP are to become carbon-neutral by 2030 through the use of targeted avoidance, reduction and mitigation measures.	in progress

## ROADMAP 2023 – TOPICS AND GOALS PER FIELD OF ACTION



### “COMPANY” FIELD OF ACTION

Topic	Goals
<b>Sustainable innovations and services</b>	<ul style="list-style-type: none"> <li>Corporate Responsibility is established as a parameter for the evaluation of our innovations and services. In particular, our innovation and portfolio management promotes ideas and concepts that contribute to sustainable development in economic, ecological and social terms.</li> </ul>
<b>Digital business models, processes and tools</b>	<ul style="list-style-type: none"> <li>The development and expansion of digital business models is promoted.</li> <li>In the context of the TÜV NORD GROUP's process landscape, the meaningful digitalisation of business processes is underway/ an active aspiration.</li> </ul>
<b>Integrity and compliance</b>	<ul style="list-style-type: none"> <li>With its structure, processes and measures, the Compliance Management System (CMS) is ensuring compliance with the rules. The CMS is reinforcing integrity as the basis of all our actions, for each individual employee and for the TÜV NORD GROUP as a whole.</li> <li>A training programme for integrity and compliance has been introduced throughout the Group.</li> </ul>
<b>Responsibility in the value chain</b>	<ul style="list-style-type: none"> <li>Awareness of sustainability matters has been generated at management level.</li> <li>Sustainability criteria have been integrated into procurement processes.</li> <li>Participation in CR ratings, rankings and assessments is being maintained and meaningfully expanded.</li> </ul>
<b>Integration of Group companies into non-financial reporting</b>	<ul style="list-style-type: none"> <li>Through joint strategies and their implementation, the integration, success and sense of togetherness of all Group companies, both domestic and international, are increasing. The CR Strategy is making an important contribution to the creation of meaning and value orientation.</li> </ul>



### “PEOPLE” FIELD OF ACTION

Topic	Goals
<b>Values-oriented corporate and Human Resource management</b>	<ul style="list-style-type: none"> <li>The TÜV NORD GROUP is perceived by its employees as acting sustainably in accordance with values. The established management guidelines of the TÜV NORD GROUP are being put into practice, management development programmes are serving to communicate them, and employees perceive the leadership to be adequate when measured according to the guidelines.</li> </ul>
<b>Individual development and advancement of employees</b>	<ul style="list-style-type: none"> <li>Flexible opportunities for the professional development of our employees are being systematically and continuously expanded and adapted to requirements.</li> <li>The development of our employees is taking place based on dialogue, transparently and in a way which acknowledges staff needs. When it comes to appointments, internal candidates can primarily be called on.</li> <li>The open culture of feedback is being systematically promoted and expanded.</li> </ul>
<b>Societal role in accordance with our vision and mission</b>	<ul style="list-style-type: none"> <li>CR topics are becoming ever more visible.</li> </ul>
<b>Respect for human rights</b>	<ul style="list-style-type: none"> <li>Processes for assessing and respecting human rights in accordance with the National Action Plan for Business and Human Rights (NAP) of the Federal Government have been implemented.</li> </ul>
<b>Appropriate working environment, health and safety</b>	<ul style="list-style-type: none"> <li>The TÜV NORD GROUP's occupational health management programme is promoting the health and increasing the satisfaction of our employees.</li> <li>The infrastructure provided and the working environment support innovative, creative and healthy work.</li> </ul>
<b>Diversity and inclusion</b>	<ul style="list-style-type: none"> <li>Equality of opportunity is guaranteed for all employees.</li> </ul>
<b>Targeted social commitment consistent with our value creation</b>	<ul style="list-style-type: none"> <li>Donations and sponsorship projects in the Group are being systematically recorded. The associated commitment is in accordance with value creation or linked with local or regional projects.</li> <li>Opportunities for ecological and social commitment on the part of employees are being promoted.</li> </ul>



### “ENVIRONMENT” FIELD OF ACTION

Topic	Goals
<b>Environmentally friendly travel behaviour</b>	<ul style="list-style-type: none"> <li>CO<sub>2</sub>e emissions from business-related travel will be avoided, reduced or offset to make them carbon neutral by 2030.</li> </ul>
<b>Energy efficiency in buildings</b>	<ul style="list-style-type: none"> <li>The energy efficiency of the buildings we use is constantly increasing and CO<sub>2</sub>e emissions from the use of buildings are being avoided, reduced or offset to bring about their carbon-neutrality by 2030.</li> </ul>
<b>Resource efficiency and economy</b>	<ul style="list-style-type: none"> <li>Resources are used in a purposeful and efficient manner within the Group and recycled after use.</li> </ul>



# Company

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“Our corporate success is linked with the positive contribution we make to the sustainable development of the economy, society and the environment.”

The TÜV NORD GROUP is strategically positioning itself as a leading company in the TIC industry with regard to the ecologically, economically and socially sustainable design of its product and service portfolio; its positioning strategy includes identifying and moving into sustainable growth areas and applying sustainability criteria to innovations and services.

# Sustainability is a Goal Worth Pursuing!

In conversation with  
Carsten Becker,  
Director of Innovation  
Management in  
the Industrial Services  
business unit

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**What role is sustainability playing in the innovation and digitalisation process of the TÜV NORD GROUP?** Every innovation we launch today has sustainability as an important evaluation criterion. This means that the sustainability assessment is a key factor in any decision to continue to pursue an idea. Of course, we also look at opportunities and risks, for example with regard to profitability and reputation, but none of these factors enjoys the same detailed and thorough consideration as the sustainability issue.

**How do you determine exactly whether an idea or a project is sustainable?** We use our catalogue of criteria for sustainability as a benchmark; this has over 70 points and is based on the Sustainability Goals of the United Nations: will the service have an impact on water quality, will it improve food supply, will it reduce emissions ... We assess the extent of the positive or, potentially, negative impact of our innovation in the light of these points.

**And what happens if the project has a negative impact?** In the case of slightly negative effects, we determine whether the negative impact can be significantly reduced or even eliminated; in the case of strongly negative effects, the idea is shelved.

**Which of our current innovation projects are particularly sustainable?** With remote inspections, we can massively reduce our emissions. In this way, we carry out inspections or audits, in whole or in part, by video link. Our experts don't have to fly to the location, and other specialists provided by our customers can also easily be brought in; on site, a local expert controls the camera and works with the team on the ground.

This is now possible in many different areas, for example in monitoring wind

turbine production, carrying out damage assessments on cars or inspecting lightning conductors.

Another very important subject is hydrogen, which is one of the key technologies available to us to make our society more sustainable. In the HydroHub, we have pooled our knowledge and skills from all the business units so that we can work with our customers on driving this technology with all the energy at our disposal.

**How important is the sustainability of a service to our customers?** Awareness of sustainable services has grown very sharply, albeit of course with individual differences. The big advantage – one that gets forgotten by many people – is that sustainability is often associated with a reduction in consumption of resources, which in turn reduces costs. This is also viewed positively by those for whom sustainability is less of a burning issue. Sustainability is a goal worth pursuing!

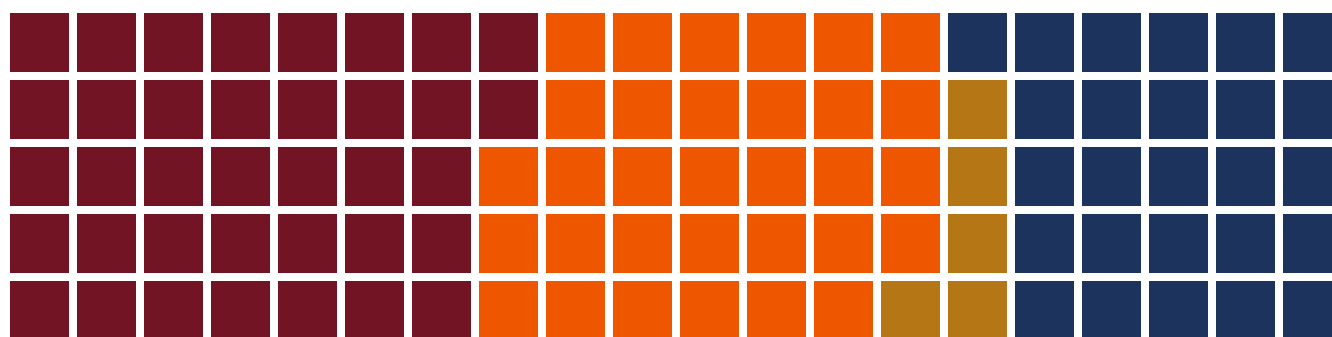
**And how are you supporting companies in their efforts to act more sustainably themselves?** By helping them measure their ecological footprint, for instance. To help them with this, we draw up an evaluation catalogue and make specific suggestions as to how the individual points can be improved. With the CSR Performance Ladder, which is based on the ISO 26000 standard entitled "Guidance on Social Responsibility", an organisation can continuously develop in this area, and, with the Sustainability Rating, companies can see how sustainable they are compared to the rest of the industry. In some cases, all this requires a very deep technical understanding of the various industries – and as a knowledge company, we're well positioned for this.

## GRI 203-2

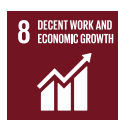
Through our innovation management, we are promoting ideas and concepts that will contribute to sustainable development. Since 2020, we have been carrying out sustainability assessments for the entire portfolio of innovation projects in the German companies of the TÜV NORD GROUP. We use in-house assessment criteria to carry out a qualitative assessment of the impact of our innovation projects on the United Nations Sustainable Development Goals. The Sustainability Index that is determined in this way is included in the overall assessment of our innovation projects and helps us to exploit growth opportunities for our company in sustainable areas.

The infographic shows the SDGs which all our innovation projects in the "Company" field of action are having an impact on. According to the Sustainability Assessment, SDGs 8, 9, 12 and 17 are the crucial ones.

For each SDG, we describe a selected innovation project and its impact.



37%



#### Information Centred Evaluation (Code Quality Matrix)

Analytical method to ensure quality in the source code of software products – **impact of the project:** ensuring software quality is an important component for sustainable economic growth in our digitalised world. As well as reducing the burdens on employees and the environment by avoiding the need to travel, this fully digitalised and accelerated test procedure is resulting in faster development cycles. In this way, we are also driving our customers' digitalisation processes.

32%



#### HydroHub

Strategic and holistic further development of hydrogen-related technologies by pooling available technical information and data – **impact of the project:** climate-friendly hydrogen has a key role to play in improving resource efficiency in industry, sustainable economic growth and the development of technology. With new products and collaborations within the framework of the Hydrogen Alliance, we are contributing to the development of a resilient and sustainable hydrogen infrastructure.

5%



#### CERA4in1

First universal certification system for minerals; evaluation of sustainability criteria along the entire value chain – **impact of the project:** with this certification, we are creating transparency, clarifying sustainability questions in the mineral value chain and playing our part in encouraging users to opt for sustainable solutions. Moreover, we can use the standard to have an influence, for instance, on ecological issues such as reducing the volume of waste.

26%



#### Next-level autonomous driving

Development of guidelines for type approvals and test procedures for automated driving – **impact of the project:** we are making our results available to partner organisations, exchanging ideas with other actors from business and science and working in global partnerships on industry-wide solutions for environmentally friendly autonomous driving. In this way, we are jointly promoting the further development of environmentally friendly technologies and thus contributing to a long-term transition toward sustainable mobility.

GRI 102-44, 103-1, 103-2, 103-3

# Management Approach, Topics and Control

## “COMPANY” FIELD OF ACTION

As a company, we have a responsibility to position our business model with integrity and viability for the future and to increase the positive effects of our ecological, economic and social impacts. We want to achieve this primarily through the sustainable design of our products and services. At the same time, we want to accelerate the promotion of innovative digital technologies that will contribute to sustainable development. In doing so, we always follow our corporate vision with its three elements: “Technical. Digital. Connected.”

In 2020, we adopted our “Strategy2025”, which defines sustainability as a central pillar alongside innovation and digitalisation. The commitment to sustainability-oriented and innovative value creation anchored in the strategy is also reflected in the sub-strategies of our six business units. ([> see chapter The Profile of the TÜV NORD GROUP, P. 6](#)) Each sub-strategy includes its own sustainability and innovation goals to the year 2025.

We have set out our innovation and digitalisation goals in the sub-strategy entitled “Innovation and Digitalisation”. This serves as a framework for implementation in our operational business and defines the path we are taking to becoming a data-driven company. In the Group policy on innovation management, which is based on the ISO 56000 family, we define the holistic process by which our innovations are evaluated. Among other things, our innovations must undergo an assessment with defined sustainability criteria. The “Digitalisation and Innovation” functional division is responsible for the Group-wide management of sustainability in the area of innovation and for digitalisation.

In addition, from 2022 onwards, we will also evaluate our existing products in terms of sustainability to allow us to review and manage the impact of our product and service portfolio on sustainable development in a structured manner. The responsibility for implementation lies with the product managers of the operating units.

Integrity and compliance form the basis of our business activities. At the TÜV NORD GROUP, we thrive on the confidence of our stakeholders in the safety, reliability and quality of our products and services. We reinforce this confidence by ensuring that the conduct of every employee in every business unit is legally compliant, responsible and trustworthy.

We use a compliance management system (CMS) to guarantee integrity and compliance within the TÜV NORD GROUP. In addition to specifications for structures, processes and controls, the CMS also includes preventive measures to identify compliance risks in the Group and, where possible, to rule them out. Since 2021, overall responsibility for compliance has rested with the Human Resources management. The central point of contact for all compliance issues is the Compliance contact person, who reports directly to the Board of Management. The individual business units are responsible for the local implementation of compliance requirements. Our Mission Statement, including the management guidelines, and our Code of Conduct also provide the employees of the TÜV NORD GROUP with important rules for action.

The audit and inspection business areas show how digitalisation, innovation and compliance can be combined in a single project. Through digitalisation in the form of remote audits and remote inspections, we can provide these services regardless of location and save greenhouse gas emissions by eliminating the need for business travel. We use unmanned aerial vehicles and smart glasses, for example. The Industrial Services business unit is currently reviewing more than 40 possible use cases as part of an innovation programme.

As an international organisation, we also take responsibility for our subsidiaries in all regions of the world and, as of this reporting year, are going to integrate them into our CR reporting in line with a step-by-step plan.

So that we can live up to our responsibility along the value chain, our high sustainability standards are also binding on our key business partners. The framework for sustainable procurement is provided by our Group “Purchasing” and “Subcontractors” policies.

GRI 102-11, 102-16, 103-1, 103-2, 103-3, 203-2

# Sustainable Innovations and Services

“Our products and services promote safety and quality of life in society. They therefore protect people, the environment and resources. Through this contribution to society, we will also ensure the future viability of our company. Sustainability and alignment with values are important aspects in the provision of our services. Both are emphasised even more strongly in the core brand of the TÜV NORD GROUP. The ‘Safety’ core brand and the associated security and protection mandate also extend to the digital world and likewise address the issues of sustainability and value orientation.”

## Objectives

- Corporate Responsibility is established as a parameter for the evaluation of our innovations and services.
- In particular, our innovation and portfolio management promotes ideas and concepts that contribute to sustainable development in economic, ecological and societal terms.

A structured sustainability assessment is enshrined in the innovation process in 2021 and carried out for all active innovation projects. The results are incorporated into strategic and operational decision-making processes.

Targets for the sustainability aspects of innovations are defined in 2021 for the period 2022–2025 and will be tracked from 2022.

From 2022, services (either individual or, where it makes sense to do so, grouped) will be subject to a structured and standardised sustainability assessment and the results incorporated into strategic and operational decision-making processes.

In 2022, targets will be set for sustainable transactions and business fields.

Responsible action to the benefit of people and the environment is the principle at the heart of the TÜV NORD GROUP's business model. This includes being active on the market with sustainable products, services and innovations. We see the development and promotion of these as a central task for the future of the Group. The sustainability of our own portfolio is the decisive lever by which our actions will generate positive ecological, economic and social effects.

The sustainability issue and the implementation of the CR Roadmap are integral parts of our Group Strategy 2025 and of the strategies of the business units and central functions. The Roadmap stipulates that they should design their product and service portfolios sustainably and align them with the Sustainable Development Goals (SDGs). Our goal is to position the TÜV NORD GROUP as a pioneer in terms of Corporate Responsibility. We have defined the most important measures required to achieve this in an action plan. In addition to assessing the degree of sustainability of innovations and services, these include focusing our portfolio on more sustainable solutions and adapting to future sustainability requirements and customer expectations. Moreover, the business units and central functions are called upon to fully and openly disclose the sustainability risks and their impact on the reputation and finances of the TÜV NORD GROUP. The consequences for society and the environment must also be taken into account.

In accordance with the specifications of our CR Roadmap 2023, we have so far focused on assessing our innovations in terms of sustainability. From 2022, we will systematically extend our focus to include our existing services and products. We have divided the responsibility for our sustainable portfolio over several bearers: The central division for Digitalisation and Innovation is responsible for the sustainability of our innovations; the innovation managers of the business units are responsible for assessing the sustainability impact in this area. Responsibility for the sustainability of our existing products and services lies with the business units; here, the product managers are responsible for assessing the sustainability impact.

In the Group policy on innovation management, we have defined the holistic process by which our innovations are evaluated. In this process we are guided, we are guided by the requirements of the ISO 56000 family. Our policy stipulates that all innovations must undergo a structured sustainability assessment before they are implemented. This means that, in addition to conventional aspects such as technical feasibility, customer benefit and cost-benefit ratio, the aspect of an innovation which relates to Corporate Responsibility is also evaluated. Since we carry out these assessments before the innovation projects are implemented, we ensure that possible sustainability risks can also be identified and addressed in addition to the opportunities.

The first stage of the sustainability assessment involves the use of a catalogue of criteria. This was defined by the central CR management of the TÜV NORD GROUP with the involvement of the CR coordinators in 2020 and then coordinated with the Innovation Council of the TÜV NORD GROUP. The criteria are based on relevant SDG indicators and the requirements of the CR Roadmap. After the evaluation based on the criteria catalogue, the next step is validation. For this purpose, the evaluation results, including the justification for each value, must be validated by a person or entity that was not involved in the evaluation process. A sustainability impact score – the arithmetic sum of the individual assessments of the criteria – is then determined for each innovation project. This forms the basis of the determination of the final sustainability index of a project on a scale from 0 (unacceptable) to 8 (outstanding).

In principle, a minimum value of 5 (excellent) is necessary for an innovation to qualify as a “sustainable innovation” in accordance with the standard we set for ourselves. We also report on the relevant proportion internally in the context of the annual strategy reviews. Of a total of 58 innovation projects evaluated so far, 37 have a sustainability index of 5 and higher – this corresponds to 64 percent. The target values to be achieved for the share of “sustainable innovations” in the case of innovations and for products and services have not yet been defined. We have set ourselves the goal of defining these by the end of 2022, which will allow the target values to be applied from 2023 onwards.

From 2022, we also aim to subject those of our products and services which are already established on the market to a sustainability assessment to promote solutions that will make a strongly positive contribution in ecological, economic and social terms. To this end, we began updating the criteria in 2021. We intend to complete this task in the first quarter of 2022. We are also planning to create a corresponding calculation basis in 2022 for the future sustainability index for products and services. Initial pilot evaluations in the Mobility business unit last year will provide us with some important impetus for the further development of the criteria and the application methodology.

#### DRIVING SUSTAINABLE INNOVATION: THE HYDROHUB OF THE TÜV NORD GROUP

Hydrogen technology is regarded as the key to the success of the energy transition. Hydrogen can be used for energy storage and transported over long distances. It can also be imported as green energy. For sustainable technology to prevail, however, the appropriate infrastructure will need to be set up. We are making an important contribution to this as part of our hydrogen initiative H2@TNG: with the HydroHub project, which was launched in 2021, experts from specialised units of the TÜV NORD GROUP are supporting energy and industrial companies alongside local authorities along the hydrogen value chain. They are analysing needs, identifying economic and technical potentials and developing concrete projects, e.g. for storage systems or intelligent sector coupling. The HydroHub is thus the best example of the forward-looking and sustainability-oriented expansion of our product portfolio.

GRI 103-1, 103-2, 103-3, 203-2

# Digital Business Models, Processes and Tools

“We are striving for technological excellence and using state-of-the-art digital means and methods of value creation that are consistent with our corporate vision (technical, digital, networked). To this end, we are focusing specifically on the promotion of digital business models and the meaningful digitalisation of processes in the TÜV NORD GROUP’s process landscape.”

## Objectives

- **The development and expansion of digital business models is promoted.**

The TÜV NORD GROUP’s understanding of digital business models has been set out.

Target values for the implementation of digital business models and their annual revenue shares will be set in 2022.

- **In the context of the TÜV NORD GROUP’s process landscape, the meaningful digitalisation of business processes is underway/is aspired to.**

The TÜV NORD GROUP’s understanding of meaningfully digitisable (business) processes has been set out.

The digital transformation is fundamentally changing our living environment and, with it, the spectrum of tasks of the TÜV NORD GROUP. Digital business models require us to come up with new approaches and solutions to carry out our task, which is and will remain, to ensure the safety of people, goods and the environment. However, the new “phygital” world – the merging of the physical and digital worlds – requires us to redefine the concept of security. We are no longer concerned merely with the security of individual products but with the security of connected and intelligent systems. As a neutral third party, we therefore also have the role of ensuring comprehensive protection for digital technologies.

The Group Executive Committee bears overall responsibility for digitalisation in the Group. The central division for Digitalisation and Innovation is responsible for the specific forms which digitalisation will take, and its role is thus to secure the future viability and international competitiveness of our Group by means including an innovation strategy. This includes the development of digital business models, in

particular through the use of data and artificial intelligence, as well as the strengthening of digital competencies in the Group. The Group’s business units and central divisions are responsible for digitalising their own business processes.

In the Innovation and Digitalisation strategic direction of STRATEGY2025 and our Group policy on Innovation Management, we have defined important guidelines for the implementation of our digitalisation goals. In addition, we are guided by the ISO 56000 family in respect of organisational and regulatory requirements.

The development and expansion of digital business models as part of our innovation management is of central importance for the TÜV NORD GROUP. This includes, on the one hand, the creation of location-independent services such as remote audits and remote inspections, which have seen a sharp increase in demand, especially due to the coronavirus pandemic, and, on the other, new digital platform solutions. This is the umbrella term for services which our customers can use to access various types of data analysis via an online platform. These are based on the data strategy we set out in 2021 which is helping us to further develop the TÜV NORD GROUP into a data-driven company. We determine which specific needs our customers have in this regard by means of regular customer benefit analyses. With the Balance Scorecard Innovation, we have also introduced a key figure system for measuring our innovation management. This is enabling us to record key figures relevant to digitalisation every year and to track the implementation of our digitalisation projects.

Two important institutions support and coordinate the goals of our innovation management: as a governance body at Group level, these include the Innovation Council with representatives from all business units and from Digitalisation and Innovation, Group Strategy and Organisational Development and Group Controlling divisions. The purpose of the Innovation Council is to create and continuously develop our innovation portfolio. To this end, it is responsible for the exchange of ideas on suitable methods and procedures, the selection of Group-wide reference projects and the joint development of supporting documentation for innovation management. In the Innovation Council, the business units can exchange ideas and cooperate in the development of new, digital business models. Another important tool in the Group’s innovation controlling and innovation portfolio management system is our innovation cockpit. Here, innovation activities are seen through from the original idea to implementation. The digital cockpit thus provides an overview of the innovation activities in the TÜV NORD GROUP.

In addition to the development of digital business models, there is a need for the continuous development of digital competencies within the Group. In particular, the aim is to raise awareness in the workforce of the digital transformation and to enable employees to think digitally and use digital tools. We use the Digital Academy, which was launched as a Group-wide institution back in 2017, to communicate to our staff the expertise required. The modules in whose design the Digital Academy plays an influential part are an integral part of management training.

Moreover, the Digital Academy of the TÜV NORD GROUP continuously trains employees up as Digital Experts. The programme includes nine weeks of training, independent project work and e-learning formats. The content includes design thinking, UX design, Corporate Digital Responsibility and cybersecurity. The training is rounded off by the pitching of innovation projects and an online exam. So far, we have trained 87 Digital Experts, 27 of them in 2021.

In addition, under the auspices of the Digital Academy, we have so far set up 48 digitalisation projects, 14 of which have been successfully completed and seven handed over to other projects or programmes. The "Masterplan" e-learning platform, with which employees can continue their education, is an example of a pilot project that has been transferred from the Digital Academy to the TÜV NORD GROUP.

There are also employee training courses in agile project management – a working method that is particularly suitable for digital projects. The Group-wide introduction of Microsoft Teams in the years 2020 to 2021 also served to simplify digital work. The roll-out was accompanied by "champions", primarily Digital Experts who made themselves available as points of contact to all the employees in the business units.

In order to further digitalise our internal processes, we set great store by Business Process Management (BPM). We use this approach to analyse meaningful digitalisation opportunities and control their implementation. A separate BPM Council promotes and is responsible for cooperation and coordination between the business units. We have already succeeded in implementing an array of practical optimisations at the Essen site, employees can store their vehicle registration number in a digital system, which automatically raises the barrier to

the car parks. Using a certificate generator, employees can request and create legally compliant job references for themselves, as can executives for their employees. We have also digitalised our time recording system, so that time sheets can be entered into the system and approved and archived there without any need for documentation on paper. Since 2019, employees have also been able to submit certificates of incapacity for work from home using a work flow; managers receive a digital overview of all the employees assigned to them who are unable to work.

#### ONLINE AND DATA-DRIVEN: NEW, DIGITAL BUSINESS MODELS OF THE TÜV NORD GROUP

With a whole array of new platforms, we are offering our customers modern digital services that are also serving to expand the business portfolio of the TÜV NORD GROUP at the same time: "DoEEEt", for example, gives users access to aggregated information on so-called EEE components (electrical, electronic and electro-mechanical components) of various manufacturers in the aviation and aerospace industry. We have thus created a central point of contact through which all the information necessary for the fulfilment of a aerospace project can be retrieved. We offer data-based monitoring solutions via "DMT Safeguard". This platform enables, for example, the online monitoring of the condition and integrity of plants or plant components, bridges, tunnels, wind turbines and many other installations. The "Virtual Lab", on the other hand, is the virtual presence of our ALTER TECHNOLOGY laboratories in Spain. This allows our customers to monitor and manage their tests without having to be present for the test itself.

GRI 102-13, 102-16, 102-44, 103-1, 103-2, 103-3, 205-2, 406-1

# Integrity and Compliance

“Integrity and compliance are the fundamental principles that underpin our corporate responsibility and an essential condition for ensuring that we gain, keep and strengthen the trust of our customers and all our other stakeholders, both in us and in our services.”

## Objectives

- **With its structure, processes and measures, the Compliance Management System (CMS) ensures compliance with the rules. The CMS reinforces integrity as the basis of all our actions, for each individual employee and for the TÜV NORD GROUP as a whole.**  
Further development of the organisational structure for the CMS in the TÜV NORD GROUP.
- **A training programme on integration and compliance is introduced throughout the Group.**  
An e-learning-based, target-group-oriented training programme on integrity and compliance was introduced. Use and roll-out in the organisational units will continue from 2021.

The TÜV NORD brand enjoys high levels of trust – it is the byword for safety, reliability and quality. This can only be ensured by a very high level of compliance and integrity. These in turn rely on legally compliant, responsible and trustworthy behaviour.

We understand compliance to be the observance of all laws, regulations, policies, standards and contractual obligations relevant to us, alongside voluntary commitments. This also includes regulations that have been put in place by the Group itself. We respect the laws in force in the countries in which we are active and expect the same from our employees and business partners. Violations of the law and of ethics are not acceptable.

To prevent possible risks and avert damage to the TÜV NORD GROUP, the Board of Management has set up a central compliance management system (CMS) in TÜV NORD AG: this covers organisational structures, processes, reporting requirements and the associated

controls and offers a comprehensive range of options to prevent the emergence of compliance risks (e.g. in the form of criminal acts) or to identify them at the earliest possible stage.

In principle, we manage compliance by means of a number of policies and frameworks: the Group's Mission Statement with our values and management guidelines and the Code of Conduct represent the central guiding principle for the activities of all the employees of the TÜV NORD GROUP. The Code stipulates that compliance with the applicable laws and the relevant internal regulations is mandatory for all activities.

We have laid down the essential organisational structures and processes for compliance in the Group's compliance policy. This also forms the basis for our CMS. The policy makes important Group-wide determinations on the roles and tasks in the CMS and is intended to ensure uniformity of understanding of compliance management in the Group.

As part of the realignment of our compliance system, we subjected the CMS to an intensive review in 2021 and identified potential for improvement. As a result, we have revised our Code of Conduct and individual Group policies, including the Compliance policy. We have also adapted the documentation of the CMS to the requirements of the TIC (Testing, Inspection, Certification) Council, of which the TÜV NORD GROUP has been a founder member since 2020.

By joining the TIC Council, we committed ourselves to introducing the TIC Council Compliance Programme and the TIC Code of Conduct and making their observance mandatory for our staff. These are “good practice” standards, the successful implementation of which we have to prove in an annual external review. This was successfully carried out for the first time in 2021. Over the next few years, we will successively review and implement the identified fields of action and potential for improvement.

Since 2021, overall organisational responsibility for compliance has rested with the Human Resources division of the Board of Management. The coordination office for compliance matters in the TÜV NORD GROUP lies with the central point of contact for compliance. This individual reports directly to the CHRO. The task of local compliance coordination lies with the individual business units.

In order to ensure reliable coordination between the various units in the Group on compliance issues, we restructured the cooperation between the Compliance, Corporate Audit and Legal entities in 2021. We have also introduced a Compliance Committee under the leadership of the CHRO. Involved in this are the CHRO, the HR, Compliance and Auditing, Legal directors and the compliance officers of the business units.

When it comes to reporting compliance violations, we provide various channels within the Group that can be used both internally and externally. These include a whistleblower system on the intranet, a reporting form on the company website and a separate compliance e-mail address. Employees can also contact their line managers. In addition, for more than ten years we have employed an ombudsperson to whom information on violations can be passed on – anonymously, if so desired. The ombudsperson is subject to a legal confidentiality obligation.

An important element in demonstrating the authenticity of our services is the exclusive use of approved conformity marks. For this purpose, TÜV NORD CERT as a certification body uses a database in which all approved conformity marks are registered. The database helps us in the event of complaints or suspected cases to understand whether there has been an impermissible use of conformity marks.

In the context of compliance case management, we have introduced a standardised procedure to systematically process suspected cases or violations and, if necessary, to sanction them. Once it has been received, each report of a violation is classified with regard to its relevance for the TÜV NORD GROUP. In addition to the impermissible use of conformity marks, violations classified as relevant include violations of antitrust or competition law, corruption (e.g. active or passive bribery), theft or fraud. In 2021, a total of 15 compliance cases were recorded. Of these, two were brought to our attention by the ombudsperson, five through internal channels and eight through external channels. Three of the cases had labour law backgrounds, each of which led to dismissal.

Our compliance system naturally also includes compliance with the German General Equal Treatment Act (AGG). We have defined the responsibilities and procedure for matters covered by the Act

in a separate Group policy. Complaints are investigated by the AGG representative of the TÜV NORD GROUP ([-> see chapter on Values-oriented corporate and HR management, P. 32f](#)).

In order to meet the increased requirements for the auditing of risky business partners, we introduced compliance checks in the mergers and acquisitions, risk management, export control, HR and sales divisions in 2021. According to this new system, suppliers, partners in joint ventures or sales agents, for instance, must undergo a compliance check before entering into a business relationship with the TÜV NORD GROUP.

To guarantee that compliant behaviour is enshrined within our company, we ensure that our employees are properly trained and informed. In 2021, we expanded the training programme designed in 2020 and tailored it to different target groups. The training content consists of various mandatory modules: our Code of Conduct is one of the documents that all new employees receive before starting work. Among other things, the Code contains clear statements on the fight against corruption. The awareness of compliance issues on the part of the new employees is raised at onboarding events. Since 2021, all employees have also been required to complete a newly developed basic training programme in the form of an e-training module. In 2022, we will determine the awareness of compliance of our employees with a questionnaire on the basic training. We also offer compliance training for specific business units or special issues (e.g. compliance in purchasing and sales). We began rolling out our revised training programme at the end of 2021 and intend to implement it across the Group, both in Germany and abroad, in 2022.

It is our aim to ensure that all levels of the TÜV NORD GROUP are fully informed about both the adapted and the new strategies and measures in the compliance field. Under the direction of the CHRO and the central point of contact for compliance, the corresponding information on the compliance responsibilities of the business units will be provided to the managing directors of the TÜV NORD companies, with the aim of ensuring that the managing directors pass them on to their employees.

GRI 102-9, 102-16, 308-1

# Responsibility in the Value Chain

“We are committed to responsible, sustainable action along our value chain. Our responsibility starts with our own procurement of products and services and includes our own processes, the provision and acceptance of our services and the disposal of our products, right through to the impacts on society of our business practices. Responsibility in the value chain also includes the adequate protection of personal data and the careful handling of information worthy of protection.”

## Objectives

- Awareness of sustainability matters has been generated at management level.
- Sustainability criteria are integrated into procurement processes.
- Participation in CR ratings, rankings and assessments is being maintained and meaningfully expanded.

No company can do without work equipment. For the business of the TÜV NORD GROUP, this includes everything from IT requirements to testing equipment and paper. We are not indifferent to the provenance of these products and how they were made. On the contrary, we apply sustainability criteria to the selection of our suppliers and goods.

In practice, this means that, where possible, we only work with suppliers and only buy goods that meet central sustainability criteria. These include environmental, governance and social criteria such as the environmental compatibility of products, fair competition, respect for human rights and occupational health and safety. We have defined the details in our Compliance Code for Suppliers and Business Partners and in the Group Purchasing Policy. The purchasing department of TÜV NORD Service is responsible for central procurement. Procurement processes which do not involve the purchasing department are the responsibility of the relevant departments.

In order to determine whether our relevant suppliers are acting sustainably, we use a systematic evaluation process. In accordance with our supplier management procedure instructions, this begins with supplier self-disclosure. Potential suppliers have to answer questions about their environmental and energy management as well as compliance and ethics. We also oblige our existing relevant suppliers to carry out this self-disclosure procedure at least every three years. On the basis of the information provided, we then carry out a CSR risk assessment. As a result, we may include additional social or environmental clauses in the framework agreements. In 2021, we reviewed 31 new suppliers on the basis of environmental criteria.

If they wish to receive commissions from us, suppliers which are relevant to the provision of our services must commit themselves in writing to adherence to our Compliance Code for Suppliers and Business Partners. In the event of violations, the TÜV NORD GROUP may impose sanctions up to and including extraordinary termination.

Since 2021, we have also been carrying out supplier audits according to an in-house evaluation procedure, including a questionnaire and evaluation scheme. In this way, we are reinforcing our responsibility with regard to the value chain. We conducted a total of three supplier audits in 2021.

Sustainability is needed not only in the upstream value chain, but also in our own processes. It is for this reason that, as well as training those of our employees with purchasing responsibility (using, for instance, the purchasing manual and conference presentations), we also train our managers in sustainability issues (e.g. in CR workshops and information events). We also review our own business practices with regard to sustainability and responsibility in the context of internal Group audits. CR topics and questions are firmly integrated into the checklists and audit questionnaires.

At the same time, we undergo external ratings, rankings and assessments in order to have our CR activities evaluated by independent third parties. For example, in 2021, as before, we participated in the EcoVadis Sustainability Rating and achieved Gold status for the second year in a row. On this occasion, the TÜV NORD GROUP ranked among the top 3 percent of the more than 90,000 companies worldwide whose sustainability performance was evaluated by EcoVadis.

# Integration of Group Companies into Non-Financial Reporting

“We are driving forward the Group-wide implementation of the CR strategy through the ever-increasing integration of the TÜV NORD GROUP companies in Germany and abroad into non-financial reporting.”

## Objectives

- Through joint strategies and their implementation, the integration, success and sense of cohesion of all Group companies, both domestic and international, are increasing. The CR strategy is making an important contribution to creating meaning and value orientation.

In 2022, integration into CR reporting is ensured for major international companies (> 100 employees or > €10 million revenue).

By the end of 2023, 50 percent of the international companies in existence at the end of 2020 will be included in CR reporting.

By 2025, all national and international subsidiaries in existence at the end of 2020 will have appropriately implemented and reported on the CR strategy and the CR Roadmap as part of the Group's CR reporting.

At home in 50 countries and active in over 100, the TÜV NORD GROUP supports companies in the realisation of their responsibility for people, technology and the environment. Our long-term goal is to implement our CR strategy, including in the foreign subsidiaries. This means that we aim to act in accordance with uniform sustainability criteria within the Group throughout the world and to create and use the corresponding synergies.

Our CR policy, CR Strategy 2025 and CR Roadmap 2023 therefore apply throughout the Group, including in our foreign subsidiaries. We used various channels (e.g. website, intranet) to inform the employees of all the companies of the TÜV NORD GROUP about their entry into force in March 2021. In addition, the management officers of the Group companies were informed by the CR coordinators of the business units.

In 2021, particular attention was paid to the foreign companies. In the year under review, we began gradually to integrate the CR strategy, the CR Roadmap and CR reporting into all of the Group's international units. To this end, the business units drew up an integration plan, which was adopted by the Group's CR Steering Committee.

As a first step, we integrated the operating units of the Industrial Services business unit in India, China, Taiwan, Hong Kong, Korea, Indonesia, Greece, the Netherlands, and the Czech Republic and the parent company of the Aerospace business unit (ALTER TECHNOLOGY) in Spain. We communicated our CR approach and roadmap to all eight countries at individual introductory and launch events. In follow-up meetings, initial progress in CR implementation in the companies was presented and content and key figures for reporting were discussed. As a result, contributions from the companies in India, China, Spain and the Netherlands are already part of this report. Starting this reporting year, we have been combining the key figures of the companies to be integrated in the “People” field of action in the CR Report with the key figures of the German companies. For the “Environment” field of action, this is expected to take place as of the reporting year 2022.

The integration process in train in our foreign companies is being managed with the aid of the globally harmonised Integrated Management System (IMS), which covers the activities of all Group companies and is increasingly also addressing Corporate Responsibility issues. The IMS enables structured internationalisation and is intended to simplify cooperation across all business units by translating the Group requirements into practical action steps, including for the internationally active divisions.

Group requirements are implemented via regional units, so-called hubs. Their task is to coordinate regional and local activities alongside best practices and to bring them into line with the Group's goals. CR has been a fixed agenda item in all meetings with the international hubs held since 2019. This is allowing us to keep our foreign companies appropriately informed and to raise awareness of the sustainability issue.



# People

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“To be truly meaningful, individual human development must take place in the context of society.”

The TÜV NORD GROUP is strategically positioning itself as a leading company in the TIC industry with regard to the authentic communication of the meaningfulness and positive influence of its business activities on people and their basis of existence, acting responsibly at all times towards internal and external stakeholders and establishing itself as a values-oriented company with a positive influence as a social actor.

# Contributing to Innovation Increases Satisfaction

**With the "Strategy2025", the Group is continuing to intensify its focus on innovation and sustainability. What do these issues have to do with employer attractiveness?**

Sustainability is a major competitive factor. In business, but also in the competition for talent. More and more applicants are paying attention to whether companies are operating and positioning themselves sustainably. And we will only be able to keep many of our colleagues in the TÜV NORD GROUP in the long term if we promote and develop the sustainability agenda.

For me, making the link between innovation and employer attractiveness means creating the space for creative work. If I can contribute to creating something new and making sure our Group stays relevant in the future, then that's a very satisfying feeling. It's important for us to continue to offer this space in the future, coupled with a good culture of learning from mistakes.

**The TÜV NORD GROUP is the birthplace of numerous innovations. To what extent do these affect employee satisfaction?** Employee satisfaction certainly doesn't depend on how many innovations reach market maturity. What matters much more is that I can make a personal contribution. If my input leads to the creation of something new that moves the company forward, then I think that provides satisfaction.

**Health protection and work-life balance are becoming increasingly important. To what extent can innovations help to promote these areas in the TÜV NORD GROUP?** Health is and will remain a highly relevant issue when it comes to employer attractiveness. We know this and have been offering a wide range of health measures for many years. We've also seen an increase in the desire for location-flexible work, which has a positive impact on both health and work-life balance. This is another area where we're offering

solutions. There are now numerous tools to conduct meetings and workshops remotely. But, of course, those who can't work from home don't have to miss out on health services. Here the topic of the working environment is important.

**The individual development of employees is one of the goals of the CR Roadmap 2023. How can this be guaranteed if people hardly ever meet face to face anymore?** Development always goes in tandem with feedback. This is why it's important to have a lively and vibrant feedback culture, not only between managers and their staff, but also between employees. This dialogue works both digitally and in personal conversations. Our HR development department regularly informs managers about the programmes available for further staff development, and employees are of course also encouraged to consider which area of development they're interested in pursuing.

**Which themes does the TÜV NORD GROUP need to engage with if it's going to continue to be able to position itself as an attractive employer?** The primary issue is job security. We're constantly being reminded how volatile the economy is. This is also having an impact on jobs. We're well placed to score highly in this area. But to do that, we're going to have to face up to the issues I cited above. What are we doing to keep our employees healthy? How are we dealing with sustainability? Are we giving our employees the scope they need to innovate? Another cornerstone of our strategy is internationality. Young people in particular want to be part of an international team. In general, a policy of diversity that is put into practice in real life is a marker for a good corporate culture.

In conversation with  
**Dr. Roland Bursy,**  
Director of HR Strategy  
and Talent Management

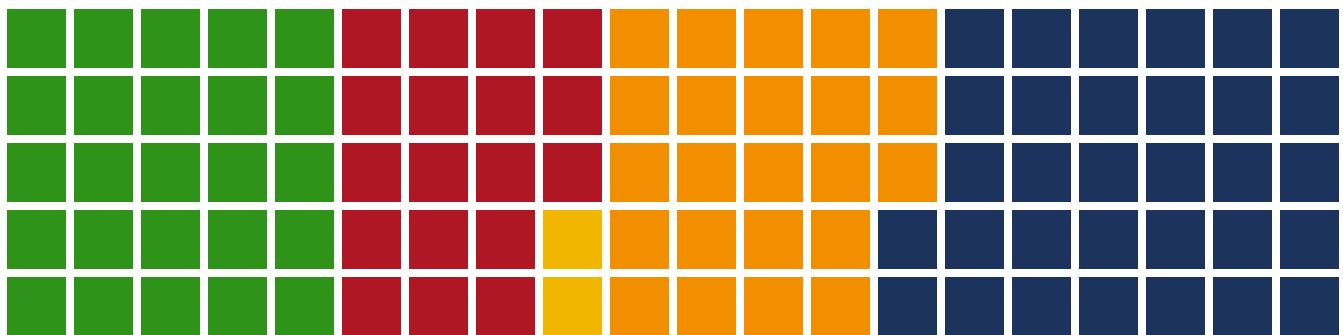


## GRI 203-2

Through our innovation management, we are promoting ideas and concepts that will contribute to sustainable development. Since 2020, we have been carrying out sustainability assessments for the entire portfolio of innovation projects in the German companies of the TÜV NORD GROUP. We use in-house assessment criteria to carry out a qualitative assessment of the impact of our innovation projects on the United Nations' Sustainable Development Goals. The Sustainability Index determined in this way is included in the overall assessment of our innovation projects and helps us to exploit growth opportunities for our company in sustainable fields.

The infographic shows the SDGs which all our innovation projects in the "People" field of action are having an impact on. According to the Sustainability Assessment, SDGs 3, 4, 7, 11 and 17 are the crucial ones.

For each SDG, we describe a selected innovation project and its impact.



#### Product Testing Lab in Bangalore

Expansion of capacity for product testing and development of new, innovative services in a new laboratory in Bangalore – **impact of the project:** with these tests we can detect pollutants and safety issues in products and vehicles at an early stage. This is allowing us to reduce the potential risks to people and the environment and thus to promote human health and the ecological foundations of our existence.



#### Online Campus

Trialling new digital learning formats and developing them to the point of readiness for large-scale rollout – **impact of the project:** with the help of our new, digital learning formats, we are further expanding access to high-quality professional and vocational education. We are thus also offering barrier-free, location-independent and low-threshold training services. This is enabling us to make an even greater contribution to the development of expertise and qualifying people to improve their prospects on the labour market and promote lifelong learning.



#### Remote Inspection

Investigation of the areas of application in which remote inspections could be carried out – **impact of the project:** remote inspections are used, among other things, to evaluate operations and production processes for wind turbines. This programme is giving us the opportunity to contribute to maintaining the infrastructure of renewable energies and securing access to clean energy.



#### PTI 2025+

Adaptation of the hardware and software necessary for the technical examination of vehicles to ongoing developments in vehicle and traffic technology – **impact of the project:** the tests we carry out on vehicles and traffic installations make it possible to avoid technical errors. In this way, we are contributing to road safety, the reduction of environmental pollution and the setting of limit values, thereby promoting sustainable development and the attractiveness of cities.



#### Digital Assistant Auditor

Development of a tool to support different testing activities both on the ground and remotely – **impact of the project:** if we are to achieve sustainable development, we need partnerships and knowledge transfers in the field of environmentally friendly technologies. Knowledge from different areas is being incorporated into the development of the tool. We are working closely with our cooperation partners, using our shared expertise and, at the same time, promoting the development and exchange of knowledge.

GRI 102-12, 102-13, 102-16, 103-1, 103-2, 103-3, 406-1

# Management Approach, Topics and Control

## “PEOPLE” FIELD OF ACTION

At the TÜV NORD GROUP, people are at the heart of everything we do: after all, our employees are the key to long-term success. Without their expertise, creativity, motivation and performance, we would not be able to provide our products and services in the first place. They are the human face of our company for our customers. Their work is playing a key role in shaping the future of the Group.

With our corporate culture, we are promoting and reinforcing sustainable and responsible action within the Group. Essential factors here are our values-oriented Human Resource management with its emphasis on appreciation, comprehensive opportunities for personal and professional development and respect for human rights along the entire value chain. For us, it is a matter of course to guarantee diversity, inclusion and equal opportunities and to create a healthy working environment which also promotes creativity. We are also demonstrating social commitment by supporting the voluntary activities of our employees. With this holistic approach, we aspire to live up to our company's social responsibility and remain an attractive employer for skilled workers in the future.

We have defined the principles of our corporate and HR management in the TÜV NORD GROUP's Mission Statement. This contains a summary of our vision, mission and values. Our Code of Conduct fleshes out the Mission Statement and provides guidance for its implementation. The Code of Conduct is binding on all employees of the TÜV NORD GROUP. Moreover, our management guidelines, which were adopted at the beginning of 2020, provide managers and employees with clearly formulated guidelines for collaboration. The Change and Transformation manager is responsible for sustainable corporate and Human Resource management.

We accompany and support our employees in their professional and personal development through the Talent Development Competence Centre and our HR Strategy. We use our integrated management system and Group policies and staff agreements to manage the numerous training offers available to our workforce. In 2021, for example, we developed a new trainee programme, expanded our succession management scheme and improved our e-learning portfolio. To allow us to continue with our sustainable staff devel-

opment work, we transferred the corresponding organisational unit to the TÜV NORD Akademie last year. This is a way of ensuring that our internal qualification scheme is closely dovetailed with staff development.

Alongside the professional development of our staff, we also promote diversity and equal opportunities in our workforce. To this end, we developed the “Diversity, Inclusion & Equity” strategy in 2021. This defines a number of target values that we aim to achieve using a variety of measures, including recruiting. We are also working to improve staff health, for example with an ISO 45001-certified management system for health and safety at work. We are developing numerous offers and creating a Group policy for its implementation.

We are expressly committed to the protection of human rights and thus to the principles of the UN Charter of Human Rights, the OECD Guidelines for Multinational Enterprises and the labour and social standards of the International Labour Organisation (ILO). In 2021, we also drew up a declaration of principles on respect for human rights. Further significant requirements are also enshrined in the National Action Plan for Business and Human Rights and the Supply Chain Due Diligence Act. The central CR management team at the TÜV NORD AG has taken interim responsibility for coordinating their implementation in various company processes.

As a sign of how seriously we take our social responsibility, we joined the UN Global Compact and the Alliance for Development and Climate in 2021. As a result, we have also committed ourselves at the international level to meeting important requirements for sustainable action. Responsibility for our social commitment lies with the Corporate Communications division.

GRI 102-16, 103-1, 103-2, 103-3, 406-1

# Values-Oriented Corporate and HR Management

“We consider the ethical conduct of our executives to be of crucial significance. Our values-oriented HR management attracts people for the long term who fit in with our corporate culture. We promote a culture of values, act responsibly at all times and take into account the economic, environmental and social impact of our actions.”

## Objective

- The TÜV NORD GROUP is perceived by its employees as acting sustainably in accordance with values. The established management guidelines of the TÜV NORD GROUP are being put into practice, management development programmes are serving to communicate them, and employees perceive the leadership to be adequate when measured according to the guidelines.

The way executives conduct themselves is meeting with ever higher approval in the employee surveys.

We embody a corporate and management culture which is characterised by values, trust and responsibility. Our culture of appreciation and collaboration within the Group is making an important contribution to ensuring that we remain attractive as an employer and retain our employees in the long term. In this way, we are contributing to the sustainable success of the company.

The responsibility for values-oriented, sustainable corporate management lies with the Change and Transformation Manager. In our Mission Statement and Code of Conduct, we have laid down the most important guidelines for values-oriented cooperation in our day-to-day work (> see chapter on Management Approach, Topics and Control, P. 31). In January 2020, the TÜV NORD GROUP also adopted Group-wide management policies that give managers and employees a common understanding of, and clearly formulated principles for, personnel management. They illustrate our claim to values-oriented leadership and show that we are striving for leadership “from a single source” across the hierarchical levels and see it as a strategic pillar of our Group. Managers are invited to communicate the new guidelines openly and proactively and to work creatively with them.

In order to build a contemporary leadership culture, we have also developed specific development programmes with a focus on leadership and values for all management levels: in addition to the existing seminars, trainings and videos, the LEAD digital learning path has been available since 2021. This is helping to establish a common understanding of leadership and thereby to strengthen the leadership culture in the Group. The virtual learning offer consists of several multimedia modules and should therefore be easy to integrate into day-to-day operations. In 2022, the pilot will start in German and English. From July 2022, LEAD will be offered to middle management throughout the Group.

If employees feel that they are being placed at a disadvantage by colleagues or their managers with regard to the general principle of equal treatment, they can reach out to a central point of contact, who will investigate all complaints. Throughout Germany, this process is based on the General Equal Treatment Act (AGG). The responsibility lies with the AGG representative, who is based in the Human Resources division of the Group holding company and reports on AGG-related issues directly to the CHRO, who then collects and reviews complaints and suggests possible remedies. All employees have the right to refer complaints as set out in the AGG to the central AGG complaints office. In 2021, a total of three cases were investigated, one of which was not covered by the AGG, and remediation plans were implemented in response to the other two.

In addition to a management culture in keeping with the times, good communication with each other and cohesiveness among our employees are of key importance in our pursuit of stable and appreciation-based cooperation. In order to strengthen both, we have worked on the Group-wide networking of employees. For example, the PEOPLE project group entitled “Collaborate Network (in Workstyle)” has developed a digital network tool that gets colleagues into dialogue with each other. Employees can communicate informally in a relaxed atmosphere, e.g. in virtual meetings.

The tool, which was specifically programmed for this purpose, is currently in the test phase. On the one hand, the employees are developing their personal networks within the Group across hierarchical levels and sites. On the other, they can now find contacts to help them with the most diverse questions. Especially in times of increased working from home, this is an important factor for team building and employee motivation.

Our understanding of sustainable and values-oriented leadership also includes the critical aspects of creative space for innovative thinking and a palpable culture of knowledge. For example, the #Go NORD initiative was launched in 2021. Under the slogan of “Innovation by Everyone”, we want to promote ideas for new products and business models throughout the Group. The initiative is creating the necessary structures to allow employees to expand their horizons, exchange ideas with their colleagues and launch joint experiments. The work is done in non-hierarchical, virtual workgroups. On the “Masterplan” digital learning platform, which is already established in the Group, employees can deal individually with new topics and technologies. With the “Kickbox” tool at their disposal, they can then use their ideas to develop processes, products and services that are ready for implementation. This is based on a physical box that contains various frameworks, methods and tools. Moreover, users are granted access to e-learning offers as well as personal support and coaching. The “Kickbox” method guides the participants step by step through the innovation process and helps them transform their ideas into innovative solutions which are then validated with real customers. TÜV NORD has been testing the Kickbox since November 2021 in a three-month virtual programme. An internal jury will then evaluate and select the submitted ideas.

With a number of mentoring approaches, the TÜV NORD GROUP is also underpinning the transfer of knowledge between the generations in the company. For instance, we are currently running a pilot project entitled NEXT (> see chapter on Individual development and Support of Employees, P. 35) in which members of staff are being initiated into a responsible task by experienced mentors in a structured process. In this way, we are ensuring that vital experience is not lost as well as showing appreciation for older employees and facilitating their transition into retirement; mentors can also return to action from retirement if the appropriate circumstances arise. In our reverse mentoring programme entitled “Generational Exchange Mentoring” (GEM), older members of staff learn from their juniors. Here, the junior staff are the mentors, whereas the mentees are taken from the ranks of the established managers. In this way, digital skills in particular can be taught in a safe context to older employees who have thus far had little contact with the whole issue.

For us, good leadership also includes an honest and open culture of feedback and mistakes. This means learning from each other, accepting feedback and making allowances for mistakes. For example,

every three years we survey the employees of the TÜV NORD GROUP on various topics, ranging from working conditions and management culture to the strategic orientation of the Group. In the context of the most recent survey in November and December 2021, we invited around 12,000 employees to complete the extensive questionnaire. For ad-hoc mood snapshots on individual issues, we also carry out a “pulse check”. We use short questionnaires to take our company’s “pulse” at any given moment on matters such as “dealing with the coronavirus pandemic”, “social engagement” and “innovation & digitalisation”. As a rule, a representative number of employees and managers are surveyed for this purpose.

Also in the context of our culture of learning from mistakes, in 2019 we launched a series of events under the banner of “failLEARN – Worst Case meets Best Practice”. At these events, the speakers openly report on their experience with mistakes and discuss the best way to deal with them with the participants. Various failLEARN events were also held in 2021, and more are planned for 2022.

#### EMPOWER PROJECT: FINDING NEW SOLUTIONS IN SOCIAL LEARNING GROUPS

The EMPOWER project was all about looking for new solutions together. In the eponymous PEOPLE project group, motivated employees from various areas of the TÜV NORD GROUP came together to work in small learning groups on issues such as virtual teamwork and online collaboration. The aim was to find solutions to make everyday work easier. The self-led teams proceeded according to an agile learning concept and the principle of learning by doing. Experts accompanied and supported them as they built up their skills. Alongside kick-off and kick-out, there were also intermediate phases in which the teams devoted themselves independently to different learning tasks, which they were free to choose. This ensured that the issues dealt with were relevant to their everyday work. EMPOWER is thus a contemporary example of practical learning, a challenge to compartmentalised thinking for a cultural change from “I” to “we”.

GRI 103-1, 103-2, 103-3

# Individual Development and Support of Employees

“We’re convinced that knowledge and skills are the foundation on which the success of the TÜV NORD GROUP is built. It’s for this reason that we are both promoting and calling for the disciplinary and interdisciplinary development of our employees and dialogue on knowledge issues. Further qualifications are geared to changing requirements.”

## Objectives

- **Flexible opportunities for the professional development of our employees are being systematically and continuously expanded and adapted to requirements.**  
Offers for flexible learning formats are being developed further.
- **The development of our employees is taking place in dialogue, transparently and in a way which acknowledges staff needs. When it comes to appointments, we can primarily call on internal candidates.**
- **The open culture of feedback is being systematically promoted and expanded.**  
A concept for annual guidance interviews which is in keeping with the times serves as a systematic basis.

Our long-term, sustainable corporate success is closely linked to the fortunes of our employees. Above all, the further development of the TÜV NORD GROUP into a knowledge group with a great many contemporary professional services requires excellent know-how. Well-trained, skilled and motivated employees are an essential basis for this. The continuous promotion of the professional and personal development of the workforce is therefore particularly important to us.

We are managing this through the Talent Development and HR Strategy Competence Centres. As of 1 July 2021, we also redesigned the HR development path for the TÜV NORD GROUP. The

organisational unit was transferred with all employees from TÜV NORD AG to the TÜV NORD Akademie by way of a transfer of operations. Our aim is to continue to carry out sustainable HR development work in the coming year in a manner which closely reflects the needs of the workforce and serves the economic success of the Group. We have also ensured that our internal qualification scheme is closely dovetailed with staff development.

We have laid down the framework for the development and qualification of our employees in our Group guidelines for HR development and initial vocational training. Important instruments such as annual guidance meetings, development centres for employees and succession management are regulated in Group staff agreements. Moreover, 36 companies of the TÜV NORD GROUP are already certified in accordance with DIN EN ISO 9001. Through the Group’s integrated management system, all Group companies are obliged to systematically determine the training needs of their employees and carry out the necessary training and further education measures. With all internal training and further education programmes, we collect feedback from the participants in order to tailor our qualification offers even better to their needs.

So that we can offer our employees products which are consistent with the demands of the modern age, we offer a range of flexible and, above all, digital formats. Coordinated development programmes are available for all employee and management levels and can also be carried out virtually. This has proven to be especially effective during the COVID-19 pandemic. In our reverse mentoring programme, older employees learn from younger ones, e.g. on the subject of digitalisation (> see chapter on Values-Oriented Corporate and HR Management, PP. 32–33).

At the same time, we are improving our Group-wide e-learning offering by expanding it to appeal to specific target groups. Middle management will start with the new “LEAD” virtual learning format, which was piloted in December 2021. The format complements the content taught in the development programmes and promotes location-independent learning on various management topics (> see chapter on Values-Oriented Corporate and HR Management, PP. 32–33). We have also further expanded our “Masterplan” digital learning platform, which employees can use to receive further training in numerous topic areas. Across the Group, more than 2,100 users have already completed a total of 205,000 lessons.

A key priority for the TÜV NORD GROUP is the further development of its managers. Using classic Assessment Centre methods, we determine the potential of employees to take on responsibility at the next management level.

In 2021, we redesigned the Assessment Centre for the next generation of middle management and aligned it more stringently with the “Managing the Managers” topic. We will evaluate and realign the Assessment Centre for the next generation of junior management in 2022. We also created a digital solution for both processes in 2021. This means that the instruments can also be used regardless of the pandemic, while also allowing us to make a contribution to reducing our CO<sub>2</sub>e emissions by eliminating the need for travel. In 2021, we also revised and successfully restructured the management audit, the method by which we determine potential candidates for our top management tier.

Alongside the classic development path for executives, we also promote alternative career paths. To this end, we successfully carried out a pilot project for the introduction of a specialist career path in the IT business unit. The aim of the project is to offer employees a professional development opportunity in addition to the classic management career path, thereby also enhancing our attractiveness as an employer. The first specialist positions in the business unit are currently being filled. In the future, we aim to implement specialist career paths throughout the entire TÜV NORD GROUP. The prerequisite for this is a systematic Group-wide job evaluation, which we are rolling out step by step.

In 2021, we developed a new trainee programme to promote young talent in line with our needs. In this way, we aim to make it easier for young academics and experienced professionals alike to join the TÜV NORD GROUP and to introduce them to the variety of job opportunities in the Group from the outset. The programme will be tested at TÜV NORD Systems starting in the first quarter of 2022. At the start, up to five engineering trainee positions and one management trainee vacancy are available to be filled.

Digitalisation and the development of new business models are central to the success of the TÜV NORD GROUP. If we are to make progress in these areas, a Group-wide culture of innovation is required. Innovation, on the other hand, can only succeed if an organisation's culture of feedback and learning from mistakes is geared towards constructive cooperation. We have therefore focused particularly on instruments such as the annual guidance

meeting: in 2021, a project group consisting of HR officers, the staff council and the HR Strategy and Talent Management division began to develop a new Group-wide format for the existing annual guidance discussions.

One of the particular challenges facing the TÜV NORD GROUP is the demographic structure of the workforce. In the next ten years, almost 50% of our employees will leave the company for age-related reasons. We will take a strategic approach to managing this generational change. As part of the “Globent” project, we are introducing Group-wide software for succession planning. This will allow “talent conferences” to be held to enable possible successor candidates to be identified. Following on from positive experiences in three pilot projects, the software will be introduced across the Group at the first and second management levels in 2022, followed by all other management levels in 2023, and then for all employees of the companies with SAP infrastructure. To support our succession management programme, we developed two further building blocks in 2021: the intention behind “Top Talentscoping” is to reveal the top talents at all management levels in a business unit, to ensure their systematic further development and secure their loyalty to the company. With “NEXT”, we aim to ensure that the knowledge of older specialists and managers is passed on before they leave the company.

#### NEXT PROGRAMME: INTER-GENERATIONAL KNOWLEDGE TRANSFER

To ensure that the knowledge of retiring specialists and managers is not lost, the TÜV NORD GROUP has developed the “NEXT” programme. In a facilitated dialogue and with targeted techniques, we are ensuring that relevant knowledge is passed on to younger people in good time. “Knowledge givers” and “knowledge takers” are not only provided with working time for this purpose, but also benefit from systematic guidelines for the targeted transfer of knowledge. These might include the drafting of a knowledge map, a mind map to represent the most important reference persons or a structured dialogue on ideas and visions that have not yet been realised. In the end, the departing employees will be able to leave the company with the feeling of a job well done, and the colleagues who are moving up will profit from a solid overview as they start their new jobs.

GRI 102-13, 102-16, 103-1, 103-2, 103-3

# Societal Role in Accordance with Our Vision and Mission

“We take responsibility for the impact of our decisions and activities on society while also considering the requirements for transparent and ethical conduct. We see safety as a key condition for the sustainable development and welfare of society, the economy and the environment. We see ourselves as a partner for the safety of our customers and society and take social responsibility in harmony with our vision and mission and our corporate values.”

## Objectives

### ■ CR topics become ever more visible.

The Group's CR Strategy and CR Roadmap have been adopted, are regularly reviewed and updated as necessary.

The CR Strategy and CR Roadmap 2020 have been widely communicated and are influencing the setting of targets in the management systems at operational level.

CR topics have their place in all communication channels of the TÜV NORD GROUP.

Internal networks on CR topics are initiated.

Guaranteeing the safety of processes and products is the hallmark of the TÜV NORD GROUP. With a broad service and product portfolio around testing, inspection, certification, consulting, engineering and training, we make an important contribution to the protection of life, goods and natural resources and to the future security of our customers.

Society, the economy and the environment all benefit equally from a secure overall context. It is for this reason that we actively contribute our wide-ranging expertise to scientific, public and political discourse. We are involved in numerous committees and have a decisive role to play in the development of safety-relevant technologies and standards. At the same time, we are clearly aligning our portfolio with the need for independent, objective and neutral testing and certification in all areas of private and commercial life. In doing so, we are calling on relevant actors. In addition, we are also closely aligning our products and services with the

United Nations Sustainable Development Goals (SDGs) and our own internal sustainability goals (> see chapter on Sustainable Innovations and Services, PP. 20–21).

The general responsibility for this topic rests with the central CR management team and the Group's CR Steering Committee. Implementation is supported by the central functions of the holding company, in particular Corporate Communications and the Group's business units. We have also enshrined the alignment of our activities with Corporate Responsibility in our Mission Statement. Not only that, but our Corporate Governance policies and our Compliance Management System with its Code of Conduct and ombudsperson provide vital support to ensuring responsible action within the Group.

Two important initiatives provide us with a regulatory framework for our Corporate Responsibility: by joining the UN Global Compact (UNGC) in 2021, we committed ourselves to acting responsibly and sustainably in the future and aligning our actions with the ten universal principles of the UNGC. Moreover, from 2022 onwards, we will report regularly on the progress of the implementation of the ten principles. The German Global Compact Network (DGCN) now includes more than 800 signatories, consisting of companies, civil society actors, scientists, associations and the public sector.

We also joined the Development and Climate Alliance last year. This underlines our commitment to climate protection. Alongside companies, the alliance also includes private individuals, associations and institutions that are committed to sustainable development and climate protection. This means that they are avoiding and reducing greenhouse gas emissions and offsetting those that cannot be avoided or reduced. As a supporter of the alliance, we are also striving for carbon neutrality by 2030.

Both initiatives offer us the opportunity to participate and build up networks in events and other exchange formats and to strengthen the position of the TÜV NORD GROUP as an actor in society.

We are additionally striving to communicate sustainability and Corporate Responsibility internally and to anchor them even more firmly in the company. In the context of our ideas management, we are using, for example, the expertise and ideas of our employees in the sustainable design of our working methods and in products and services. For example, in the #OptimizeWorkspaces4 TNG campaign we sought suggestions for new room and workplace concepts to allow us to adapt our working environments to the

current and future requirements of the world of work. Alongside cost-effectiveness and international application, sustainability was a key criterion in this campaign. As part of the “Sustainable Services” innovation campaign, employees were able to contribute their ideas on how the Group might position itself even more sustainably and which sustainable services would be desirable. For 2022, we are planning a cooperation campaign for decarbonisation and carbon neutrality within the Group.

In addition, we are making extensive use of internal and external communication on the subject of sustainability. The channels we use to inform our employees are internal CR messages and our own intranet page for the Integrated Management System, the fundamental revision of which we began in 2021. The means of communication to the outside world include our own page on the subject of sustainability, which we redesigned in 2021. Both external and internal communication are to be further expanded in the coming year. The regular exchange of knowledge and professional dialogue are also of central importance to us. We actively promote these by organising or participating in interdisciplinary dialogue and discussion formats on socially relevant topics related to CR. In 2021, for example, during the TÜV NORD Dialog event, we discussed the topic of “New legislature to provide good infrastructure – and not before time” with members of various parties from Germany's lower house of parliament and invited international experts to the 9th symposium on the subject of “Decommissioning and dismantling nuclear installations”. During the 2021 GreenTech Festival, the management of TÜV NORD Systems was involved in conversations on the topics of hydrogen, alternative fuels and new energy infrastructure. In August 2021, we also set out a special offer on knowledge transfer to non-profit organisations: NGOs can register for free webinar places at the TÜV NORD Akademie. In addition to our CR Roadmap, the TÜV NORD Akademie has thus now also assumed responsibility on behalf of the company for our charitable commitments.

#### TÜV NEDERLAND: TOP SUSTAINABILITY PERFORMER

TÜV Nederland is the leading testing, inspection and certification body on the Dutch market. The promotion of sustainable action for a better environment has long played a central role in the Netherlands. The company has been actively involved in two important Dutch certification procedures for sustainability since as long ago as 2010: CSR Performance Ladder and CO<sub>2</sub> Performance Ladder.

The former is supporting companies in the continuous development of 31 CSR topics with the aid of a management system, while also taking stakeholders into account.

The CO<sub>2</sub> Performance Ladder is helping organisations to reduce their carbon emissions. In both programmes, TÜV Nederland is one of the top 3 certifiers on the Dutch market.

In order to further promote the cause of sustainability and develop new solutions, TÜV Nederland is currently also involved in the international “Operation Clean Sweep<sup>®</sup>” programme. The aim is to help companies combat resin pellet, flake and powder loss, while preventing such resin products from entering the seas and oceans, by establishing a TÜV certification system with continuous review of the associated management system.

TÜV Nederland is also active in the field of sustainable construction, in particular with regard to sustainable demolition work: to make it possible to recycle and reuse waste generated during the demolition of buildings, TÜV Nederland is working on a new system to generate an overall inventory of all building materials contained in construction waste and to ensure an overall balance between reusable substances and waste. TÜV Nederland has already set its sights on the next major goal: to develop a certification scheme for a sustainable, circular construction method in collaboration with interested stakeholders.

GRI 102-9, 102-12, 102-13, 102-16, 103-1, 103-2, 103-3, 406-1

# Respect for Human Rights

“We respect and promote human rights in all of our business activities.”

## Objectives

- Processes for assessing and respecting human rights in accordance with the National Action Plan for Business and Human Rights (NAP) of the Federal Government have been implemented.

Definition of a procedure for integrating the requirements of the NAP.

The requirements of the NAP will be implemented by the end of 2021.

Everyone has the right to freedom, security, respect, equality, dignity and participation. The TÜV NORD GROUP is convinced that compliance with and protection of these human rights should be the basis of all sustainable business practices.

As an internationally active Group, we therefore assume responsibility for our employees and society and support the ten principles of the UN Global Compact and the United Nations Sustainable Development Goals (SDGs). This responsibility includes both our own business activities and our business relationships along our entire value chain. In our efforts, we are guided by human rights standards and guidelines such as the United Nations Universal Declaration of Human Rights (UN) and the OECD Guidelines for Multinational Enterprises. In particular, we oppose all forms of discrimination and forced labour and work to eliminate them and prevent them from being tolerated in the first place.

In 2021, the central CR management team of TÜV NORD AG was once again responsible for coordinating human rights. Both in the guideline values and the Code of Conduct of our Group as well as our CR policy and CR Strategy, we have set out our clear stance on respect for human rights in the context of our entire portfolio of business activities. In 2021 the Group Executive Committee additionally adopted a Declaration of Principles on Respect for Human Rights. This is the basis for the performance of our due diligence

duties and our commitment to human rights in our company and business relationships. The Declaration of Principles is publicly available and has been actively communicated on the intranet to all employees.

In order to firmly anchor the human rights due diligence process in our existing risk processes, we analysed those of our processes which are affected and the associated Group policies in 2021 and, where necessary, revised them: for example, our risk and opportunity management (RCM) – a platform with which risks and opportunities are identified and managed in good time – now also takes human rights violations into account. The same applies to the risk evaluation of major orders by our Risk Commission – an instrument with which potential economic and legal risks can be identified and avoided. We have also included reviews of human rights risks in the processing and management of bids and orders. When awarding supply and service contracts to third parties, i.e. in purchasing, the Compliance Code for Suppliers and Business Partners is an essential part of the supplier evaluation ([see chapter on Responsibility in the Value Chain, P. 26](#)). All suppliers and subcontractors must sign the Code and thus commit themselves to the protection of human rights. In addition, all Group companies which are seeking to award contracts must carry out a risk assessment using a previously defined risk matrix. This also includes human rights aspects, such as the assessment of working conditions. To help with the implementation, we provide those responsible for the respective processes with a link to a broadly recognized CSR risk check tool.

Further significant requirements by which we are bound are also enshrined in the National Action Plan for Business and Human Rights enacted by the German government in 2016 and the Supply Chain Due Diligence Act (LkSG) of 2021. In order to ensure adequate implementation of the requirements, the Sustainability Task Force of the TÜV Verband, in which we actively participate, closely monitors the development of legal requirements at national and European level. The matter is also being pursued in the Group's central purchasing department, where corresponding adjustments have been initiated. In 2021, for example, the human rights requirements for procurement processes were strengthened and laid down in a revised version of the Compliance Code for Suppliers and Business Partners ([see chapter on Responsibility in the Value Chain, P. 26](#)). For 2022, we have planned to publish a new, legally compliant version of the aforementioned document.

In addition, we are taking a number of measures to raise awareness among our employees on the subject of human rights. In a kick-off meeting at the end of 2020, we shared information on the issue with representatives of the relevant business and functional units of our Group and worked with them to determine how understanding of the issue in the workforce might be improved. At the beginning of 2021, we carried out further coordination activities with relevant bodies. In addition, we have included the topic of human rights in our compliance training, which we introduced for all employees in 2021.

Important intra-Group communication measures also took place in respect of the Supply Chain Due Diligence Act. The 2021 annual meeting of the central purchasing division dealt comprehensively with the topic of Corporate Responsibility and focused in particular on the requirements and effects of the Act. Due to the positive experience taken from the remote event, additional, virtual meetings will increasingly take place in the future to support our sustainability goals in this area.

If, despite all these efforts, human rights violations should occur in the course of our business activities, we have established effective complaint mechanisms: affected persons and other whistleblowers have the opportunity to report violations of human rights, for example via the existing Compliance Management System. In addition, there are numerous other complaint channels, for example via direct line managers, the Board of Management or the Executive Board of the company concerned, the Compliance Officer, the legal division or the Group Audit division, the AGG commissioner or representative, the ombudsperson or the employee representatives. All channels are actively communicated internally and externally via the Code of Conduct and via our intranet and Internet pages. In addition, the progress of all complaints is tracked internally. The evaluation of cases of human rights violations will be carried out annually by the Compliance Officer from 2022 onwards.

Of course, we also guarantee the freedom of association of employees and their right to collective bargaining. The TÜV NORD GROUP companies attach great importance to finding solutions that are directly relevant to the individual lives of our employees. For this, close and collegial collaboration between the employee representatives and the TÜV NORD GROUP companies is decisive – even, or perhaps especially, in challenging times.

In the German part of the TÜV NORD GROUP, there are 68 staff council committees: one group staff council, nine central staff councils and 58 local and company staff councils.

The work of our staff councils has been dominated by the coronavirus pandemic since 2020. Staff council meetings took place largely online in 2021, as did negotiations on company agreements. This applied also to collective bargaining with the trade unions. The principle of co-determination also proved its worth in these times: due to the crisis, we also reached short-time working agreements in the affected companies in 2021.

GRI 102-13, 102-16, 103-1, 103-2, 103-3, 405-1, 406-1

# Diversity and Inclusion

“We promote diversity as a key element of our corporate culture and values. The TÜV NORD GROUP recognises the diversity of its employees as a resource for all business models and corporate management and promotes this resource.”

## Objective

### ■ Equality of opportunity is guaranteed for all employees.

Target values will be derived from the existing diversity indicators by the end of 2021.

The TÜV NORD GROUP draws its life force from the diversity of its workforce. Especially as a knowledge group, we are dependent on employees who can develop their potential and contribute their expertise and experience to the full. The prerequisite for this is an inclusive culture of trust in which the people who work for us feel included, safe and appreciated. This is all the more true in the light of megatrends such as internationalisation or individualisation, which we are also affected by as a company. That is why we are focusing specifically on diversity and inclusion in the Group and pursuing a holistic approach. This takes into account the core dimensions of diversity such as age, ethnic origin and nationality, gender and gender identity, sexual orientation, physical and mental abilities, religion and belief, and social origin.

With our “Diversity, Inclusion & Equity” strategy, which we developed in 2021, we are helping to promote diversity in our company in a targeted manner and to create an inclusive working environment for our employees. The draft strategy contains, among other things, important targets for a number of strategic indicators. These particularly include the proportion of women in management positions, operational functions and corporate management. This new sub-strategy of the HR strategy will help us to meet the different requirements for diversity: In addition to the wishes of the employees themselves, these are the expectations of our customers, legal requirements and the liabilities arising from the Diversity Charter, which we signed as a voluntary commitment in 2018. At the same time, the strategy is intended to make an important contribution to the acquisition of new talents and securing the loyalty of our specialists.

We have created the function of a diversity, inclusion and equity manager for the implementation of these core values in our day-to-day business. This is a cross-sectional task which involves all strategic HR topics.

In practice, our commitment to diversity can be seen, for example, in the field of recruitment and development. In 2021, in cooperation with the Human Resources department, we expanded our coaching pool, which has been in existence for about 20 years, to include coaches with a focus on female specialists and managers. In this way, we explicitly want to promote women who are already in, or are preparing for, a management position.

We are also working on gender-sensitive job advertisements. This is helping us to attract more women to apply for our vacancies, especially in the technical professions and management positions. When filling management positions, at least one man and one woman are also obliged to participate as observers in the selection procedure; if this requirement is not met, the procedure does not take place.

Our goal is to recruit women to fill half of all vacancies and management positions at the top three management levels by the end of 2024. To this end, the Board of Management has resolved on appropriate long-term financial incentives for managers at the first two levels. We want to increase the proportion of women in operational functions by 10 percentage points by 31 December 2024 compared to the end of 2015. 33 percent of the Board of Management is already made up of women. The Supervisory Board is to be composed of at least 30 percent women by 30 June 2025.

In addition to the “male” and “female” gender categories, we have also added the “diverse” category to our application forms. Our HR Controlling Standard Report will also include this additional category from January 2022. We have also added gender-neutral terms to our corporate glossary.

In order to attract more skilled workers from migrant backgrounds and foreigners educated abroad to the TÜV NORD GROUP, we have also aligned our trainee programme, which was redesigned in 2021, with this target group. With an individual language programme, trainees with insufficient language skills are prepared for direct employment in the company. Moreover, as early as the recruitment phase, we support both applicants and managers and employees in the HR division in matters of recognition of qualifications gained abroad.

We support students by awarding one-year scholarships with a focus on STEM subjects. Here, too, we pay attention to diversity: of the 43 scholarship holders in the 2020/2021 scholarship year, almost half were women, and more than a third were people with a migrant background. 56 percent of the recipients were “educational climbers”, and two of the scholarships were awarded to people with disabilities.

Because diversity and inclusion are particularly important to young people, we took part in the Diversity Charter’s “Diversity Challenge” in 2021. The aim is to get employees between the ages of 16 and 27 enthusiastic about diversity and to strengthen their commitment to an unprejudiced world with equal opportunities for all. With the support of a mentor, the TÜV NORD GROUP’s “Diversity Lounge” podcast series was launched, in which employees and guests discussed all facets of diversity in the workplace. In a total of eight episodes, the listeners heard some persuasive arguments as to why employees benefit from more openness, along with some helpful suggestions on how diversity can be actively practised in the workplace. Of the projects submitted from a total of 82 organisations, the podcast made it onto the shortlist of the 30 most creative ideas in the challenge.

With several days of action in 2021, we also celebrated the diversity in our own Group. On the European Day of Languages, for example, we paid tribute to the different languages and cultures in the company – the TÜV NORD GROUP in Germany alone employs people from almost 60 nations. On Pride Day Germany, we sent a clear signal in support of equal opportunities for lesbians, gays, bisexuals, trans, intersex and queer people in the workplace. And with our participation in the #PurpleLightUp campaign, we marked the International Day for People with Disabilities by drawing attention to their strengths and rights in the world of work.

Through our corporate network, aptly named “the network”, we also encourage our employees to get involved outside of working hours in increasing diversity at the TÜV NORD GROUP. The network sees itself as a driver of cultural change and enables Group-wide dialogue. In 2021, various working groups got to grips with different diversity themes, including old & young, unconscious bias, job sharing and internationalisation.

Internationalisation in particular is also a strategic task for the future of the Group and is set out in the TÜV NORD GROUP’s “Strategy2025”. This will require work on improving the intercultural skills of the executives and closer international networking between the business units. To guarantee this, we developed the concept for our International Leadership Exchange Program (ILEP) in 2021. The intention is for all executives at the first and second management levels to have completed the programme in two years.

#### THE TÜV NORD GROUP IS COMMITTED TO HAVING MORE WOMEN IN THE AVIATION AND AEROSPACE INDUSTRY

Our subsidiary ALTER TECHNOLOGY offers high-quality services for the procurement, modification, testing and certification of electronic components for the aerospace industry. In order to strengthen the career opportunities of women in the company, a gender balance partnership was founded in 2019 to implement measures for more diversity with the help of a “Diversity, Inclusion & Equity” plan. Last year, these also included close cooperation with the non-profit organisation “Women in Aerospace Europe” (WIA-E): ALTER TECHNOLOGY, which is one of the founding members of the association, actively participated in the successful establishment of a local WIA-E group in Madrid in 2021. This means that WIA-E now has another representation of women’s interests at an important location for the aerospace industry. The aim of the association is to make women more visible in the industry and to facilitate their access to management positions. To this end, the organisation is actively working to connect women with each other through networking and mentoring programmes. It is also visiting to schools and universities to educate students in the importance of space travel for everyday life and to inspire girls and young women to embark on STEM educational paths and careers in aerospace.

# Appropriate Working Environment, Health and Safety

“We’re both promoting and pushing for an environment which allows for creative and innovative work, offers good conditions for effective and efficient communication and collaboration and generates positive impetus for an increase in value added. Health and safety themes at the workplace are being promoted above and beyond the statutory minimum level to make the company attractive on the labour market and offer employees the greatest possible freedom to participate and shape their own careers at the workplace.”

## Objectives

- **The TÜV NORD GROUP’s occupational health management programme promotes the health and increases the satisfaction of our employees.**

As part of the integrated management system (IMS), the TÜV NORD GROUP has introduced a occupational health management scheme as a continuous health-promoting design process that focuses on work, organisation and behaviour in the workplace.

A review of the practical implementation of these requirements will take place in 2023 in the context of an internal management system audit.

- **The infrastructure provided and the working environment support innovative, creative and healthy work.**

Concept for the design of different work areas by optimising the current use of space in existing properties.

Health and safety play an important role not only in our products and services, but also in the question of how we work ourselves. This is especially true in the age of the pandemic, in which the protection of our employees has been our top priority. A healthy and safe working environment is also an indispensable basis to allow our employees to develop their creative potential and work together in the best possible way.

That is why we are focusing on the systematic and sustainable design of health-promoting structures and processes within the Group – under the umbrella of a company health management system (CHM) in accordance with DIN EN ISO 45001. This covers occupational health and safety, company integration management and promoting health in the workplace. The CHM Steering Committee is ensuring step-by-step Group-wide implementation and also developing the corresponding measures. For 2022, these include stress and time management for experts and auditors, age-appropriate leadership and how managers deal with mental illness. At the same time, we have adapted existing offers, e.g. for healthy screen work, to the requirements of the pandemic. The next step is the development of a Group policy on CHM.

The success of our corporate health management depends on the support of our employees and managers. Since 2021, a separate intranet page has provided clear information about our offers and measures and the associated goals. A separate working group manages corporate communication on the topic. In the two largest companies of the TÜV NORD GROUP, new managers also have access to the “Healthy Leadership” service. In this way, they can learn to actively encourage their employees to conduct themselves in a way which will promote good health.

We are also supporting healthy, creative and sustainable work with over 70 employee benefits from which employees can choose freely, including health, mobility and qualification offers. With a new, central platform, we will further simplify access to these benefits from 2022. The platform will explain the services more clearly and package them in an attractive visual form.

To improve collaborative work, a PEOPLE working group turned its attention to the topic of interior design in 2021, developing proposals for modern office space. At the end of 2021, these were presented to the Group Executive Committee as a recommendation for action. The experience of the pandemic shows that our employees are highly productive and satisfied, even when and if they work from home. For this reason, we will continue to make it possible to work from home even after the pandemic and, in addition to the existing Group staff agreement on location-flexible work, we will launch a Group staff agreement on working from home. In 2021, we were certified as particularly family-friendly with recertification by the audit berufundfamilie.

# Targeted Social Commitment Consistent with Our Value Creation

“Our vision and mission open up direct and indirect values that must be made visible to third parties. We’re specifically promoting the kind of social engagement which is consistent with our fields of activity within the value chain. In addition, we’re supporting communities and initiatives at our sites and encouraging voluntary commitment on the part of our employees.”

## Objectives

- Donations and sponsorship projects in the Group are systematically recorded. The corresponding commitment takes place in accordance with value creation or in association with local or regional projects.
- Offers for the commitment of employees to ecological and social projects are promoted.

An important concern for the TÜV NORD GROUP is the promotion of ecological and sustainable projects, initiatives and organisations that are closely related to our activities and our added value. For example, we provide financial support in the form of donations or sponsorships, especially for local or regional projects at our sites. In addition, we encourage our employees to engage in voluntary work by giving preference to initiatives and organisations in which our employees are active in a non-profit capacity.

In doing so we act on the binding specifications laid down in our corporate policy for donations and sponsoring. According to these, donations can be made in the form of monetary or in-kind donations or in the form of services, with the provision that these are provided by one of our companies. All donations and sponsorships are coordinated by our donation commission, which decides on the allocation of centrally provided funds in compliance with the award criteria. In addition, the commission documents all donations and sponsoring expenses in the Group and advises the Board of Management on the choice of beneficiaries.

In 2021, the TÜV NORD GROUP made donations totalling more than 400,000 euro, of which around 315,000 euro were given in Germany. The donations and sponsorships we provide are subject to strict controls, which we have further optimised. These controls require our SAP-managed companies to allocate their donation and sponsorship expenses by internal order; those of our companies that are not affiliated to the SAP system are subject to a reporting obligation.

We are committed to a wide range of projects: Last year, for example, we supported cultural events as part of the “TÜV NORD – Zukunft im Revier” initiative, including the Ruhr Piano Festival. In the field of nature conservation, three years ago we began to convert lawns into wild bee meadows at selected sites, for example on the TÜV NORD campus in Essen and at the TÜV STATIONS in Hannover-Anderten and Norderstedt. With the “pace4plants” initiative, we have encouraged our employees to accumulate steps for reforestation projects in India, Nicaragua, Togo, Essen and on the Kaiserstuhl. A total of 382 employees from Germany and abroad took part, with the effect that 3,298 trees were donated to regional and international reforestation projects.

## ALTER SOLIDARY: EMPLOYEES TAKE FUNDRAISING CAMPAIGNS INTO THEIR OWN HANDS

Employees of our Spanish subsidiary ALTER TECHNOLOGY launched the “ALTER Solidary (Social & Environmental)” initiative in 2019, with the aim of collaborating with non-profit organisations as well as in environmental projects. The initiative is generating donations in cash and in kind for people in need. For example, it supplied a children’s hospital in Seville with furniture. Packages of school supplies went to Cambodia and Madagascar to support families struggling with diseases such as multiple sclerosis. In another initiative, clothing, books and toys are being recycled and made available to families in economic hardship. With these exemplary commitments, the company and its employees are showing how corporate responsibility can actually be put into practice.



# Environment

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“Climate protection and the preservation of the basic support systems for our way of life are among the greatest challenges of our time, and we will either rise to them together or not at all.”

The TÜV NORD GROUP is explicitly committed to the 1.5-degree target, has undertaken to decarbonise its operations by 2030 and is strategically positioning itself as a leading company in the TIC industry with regard to environmental and climate protection.

# Climate Protection is the Key Challenge of Our Age

**What role do environmental issues currently play in the TÜV NORD GROUP?** The responsible and environmentally conscious use of resources is a fundamental part of our self-view. We never lose sight of the goal of ensuring that our corporate success also makes a contribution to the sustainable development of society and, in particular, to the preservation of our environment. In terms of the issues of environmental and climate protection, awareness of the problem among the general population has increased significantly in recent years and also imposed more stringent requirements on us.

**Why should the companies of the TÜV NORD GROUP use innovations in particular to contribute to sustainable development in the environmental field?**

We see the protection of the climate and the environment as an essential challenge of our age. Here, we can send a clear signal. We're steering a course of environmental protection in our Group and aligning the way we provide our services, our internal processes and our consumption patterns even more strongly with sustainability and environmental protection. We've also expanded our service portfolio and are now offering our customers services which promote sustainable thinking and action, including in the field of renewable energies, the use of hydrogen and sustainable mobility applications.

**How is the Mobility business unit implementing this in practice?** Since we provide a large part of our services on site at customers' premises – for example in car dealerships and workshops or at vehicle manufacturers – our travel patterns are a relevant lever for reducing air pollution. We're making the identification of CO<sub>2</sub> savings potential in our daily journeys and on business trips a top priority. We avoid journeys where possible and are switching to carbon-neutral or low-emission alternatives.

The point of our initiatives is to rethink our existing services. For example, we're investing a lot of energy in developing processes that will allow us to offer remote services in a way that will bring clear benefits, and we're implementing a concept that will allow us to reduce the emissions of our fleet in the near future and make our entire fleet carbon-neutral by 2030.

**Please give us an example of an innovation project and describe its specific effects on environmental/climate protection.** We've set up a targeted innovation project to research into alternative drives, with the aim of consistently aligning our tests of safety- and environmentally-relevant components in vehicles and their batteries with the ever more stringent requirements of our customers. As an independent inspection company, it's our responsibility to have the best test procedures at our disposal so that new technologies can be used safely, responsibly and sustainably. We can already offer our customers all the testing procedures which are relevant to the approval of electric vehicles.

**Which issues are you addressing with regard to the increasingly connected nature of the mobility of the future and the resulting challenges for technology and society?** New forms of propulsion, electric motors, the phasing out of the combustion engine, fully automated driving, sensor technology, cloud-based navigation, digitalised traffic control systems ... These are all matters that are setting the pace for us in the further development of our services and the realignment of our portfolio as well as themselves being subject to constant change. That's why we also see sustainability as a process. We won't stint on our commitment to improving what we do.

In conversation with  
Marija Steinmeier,  
Head of Strategy and Innovation  
Management in the Mobility  
business unit.

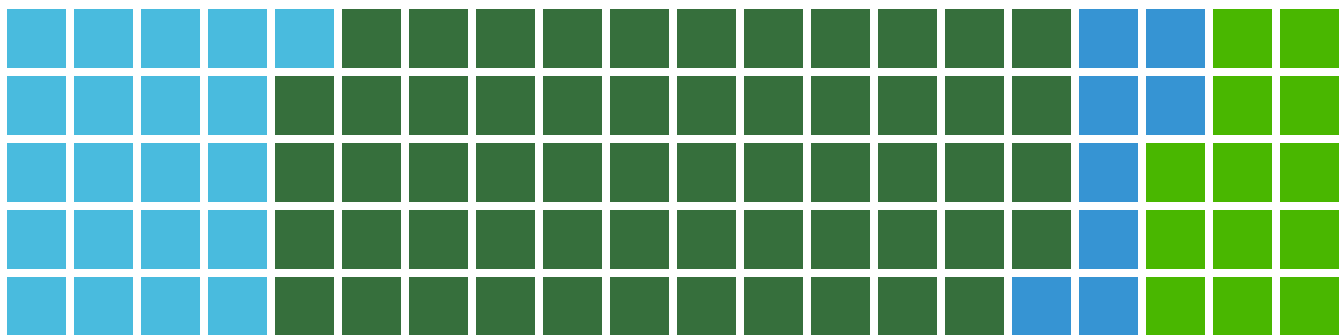


## GRI 203-2

Through our innovation management, we are promoting ideas and concepts that will contribute to sustainable development. Since 2020, we have been carrying out sustainability assessments for the entire portfolio of innovation projects in the German companies of the TÜV NORD GROUP. We use in-house assessment criteria to carry out qualitative assessments of the impact of our innovation projects on the United Nations' Sustainable Development Goals. The Sustainability Index determined in this way is included in the overall assessment of our innovation projects and helps us to exploit growth opportunities for our company in sustainable areas.

The infographic shows the SDGs which all our Innovation projects in the "environment" field of action are having an impact on. According to the Sustainability Assessment, SDGs 6, 13, 14 and 15 are the crucial ones.

For each SDG, we describe a selected innovation project and its impact.



21%



## EPC projects DMT/Encos

Merger of the plant construction portfolios of two operative units for use in the chemical and petrochemical sectors and for the purpose of shared internationalisation – **impact of the project:** by optimising wastewater treatment and retreating contaminated wastewater in plant engineering, we can reduce water pollution and improve wastewater quality. With the help of in-plant wastewater reuse, it will in principle be possible to optimise water consumption, thereby contributing to resource efficiency.

58%



## eMobility

Expansion of the Mobility business unit with the aim of developing new offers for e-mobility along the value chain, e.g. in the battery field – **impact of the project:** by expanding our services in the field of alternative drives, we are actively integrating climate protection measures into our company portfolio. By expanding resources in the field of e-mobility, we are also promoting awareness of climate protection.

8%



## FoodLab in Indonesia and Thailand

The establishment and expansion of laboratory capacities for innovative audits and tests in the food sector in south-east Asia – **impact of the project:** with the controls carried out in these labs, we are contributing to environmental and food safety, e.g. by checking for pesticide residues and pollutants and examining drinking water and wastewater. The results are providing information about the state of water bodies, seas and oceans.

13%



## Green Button

Co-development of the criteria for the "Grüner Knopf" ("Green Button") state seal for sustainable textiles and, as one of the first qualified auditing and certification bodies, support in its practical implementation – **impact of the project:** the Green Button takes into account both human rights and social and ecological criteria in the production of textiles. As part of the audit, we verify, for example, the biodegradability of chemical substances or whether hazardous chemicals or pesticides have been used. In this way, we are contributing to the protection of ecosystems and the preservation of biological diversity.

GRI 103-1, 103-2, 103-3

# Management Approach, Topics and Control

## “ENVIRONMENT” FIELD OF ACTION

Since 2020, sustainability has been a guiding principle of our Group and one of the four pillars of our “Strategy2025”.

With the aim of sending an even clearer signal of our intentions in environmental and climate protection, we committed in 2020 to becoming carbon-neutral by 2030. Our declared and ambitious goal is to reduce CO<sub>2</sub>e emissions to zero by then for business trips, the use of real estate and the consumption of resources. As an intermediate step, we have set ourselves the target by 2025 of reducing CO<sub>2</sub>e emissions by 55% in comparison to the 2019 figure. In our implementation of this target, we will follow the triad of “avoid, reduce, offset”:

- We are avoiding generating emissions within the company, for example, by developing new, digital ways of providing services and dispensing with unnecessary business travel and trips.
- We are reducing the company's own emissions, for example by increasing the energy efficiency of our buildings, creating incentives to use low-emission means of transport such as rail and providing our employees with a climate-friendly vehicle fleet.
- In principle, we use a certified climate protection project to compensate for the emissions that we cannot avoid or reduce to the planned extent.

We have defined our goals and the specific measures and responsibilities for the “Environment” field of action in the Group's CR Roadmap. We will also integrate this information into our environmental management system (EMS). In this way, we will manage and monitor the implementation in a targeted manner and thus ensure that the emissions targets are achieved. Our EMS is certified according to ISO 14001 and binding on all companies of the TÜV NORD GROUP.

We envisage managing this process on two levels: at Group level, Group-wide reduction targets are set and their achievement is reviewed annually as part of CR reporting. The individual business units set their own reduction targets and work with the operating companies to establish a process control system for the implementation of the set reduction targets. At Group level, TÜV NORD AG ensures that the division-specific objectives are harmonised throughout the Group. The processes mentioned above are under development and have reached different levels of maturity. Overall,

they are expected to take effect in 2022. To this end, reduction targets as long-term incentives are already part of the target agreements with decision-makers at business unit level.

The implementation of the emission targets requires the right key figures and data. To calculate the emissions, both central and decentralised data sources are used. The centrally available data include travel-relevant data, such as kilometres travelled by train, car or plane, and the emissions data of the properties managed by the TÜV NORD GROUP. On the other hand, the energy data for rented properties and the travel data of the companies which are not yet connected to SAP or integrated into the central recording processes are available from the operating companies themselves rather than centrally.

In order to support the recording, controlling and reporting processes, we have developed a Group-wide database which is currently in its pilot phase. All organisational units that contribute to the collection of emissions-relevant data will add their data to this database from 2022 onwards.

With our many measures, we are striving to avoid and reduce greenhouse gas emissions as far as we possibly can. As a result, we managed to achieve our reduction targets for the second time in a row in 2021, the second year of our climate protection and carbon neutrality programme. This was further facilitated by the extraordinary coronavirus situation. In the event that we do not achieve our savings targets in the future, we have identified a solar energy project in India in cooperation with First Climate with which we can offset our emissions. We have selected this project according to previously defined criteria. Among other things, it should contribute to the Sustainable Development Goals which are also being pursued by the Group. It was also important for us to choose a certified project in a country where we operate ourselves.

The photovoltaic solar park in the state of Rajasthan has a total installed capacity of 400 megawatts and thus avoids the emission of around 780,000 tons of CO<sub>2</sub>e annually. This corresponds to the annual electricity needs of more than one million people in India. This “Gold Standard” project currently meets the highest requirements for CO<sub>2</sub>e mitigation. These include factors such as long-term emissions reductions, clear verification and transparency and positive effects for the local environment and the social concerns of the local population.

GRI 103-1, 103-2, 103-3

# Environmentally Friendly Travel Behaviour

“We are aware that a large proportion of our environmental impact is caused by the business journeys made by our employees. We are currently providing many of our services on site, at our customers' premises. This is another reason why we are striving to reduce the amount of our business travel through digitalisation, to adapt our travel behaviour and to take proactive steps to ensure that our business travel is environmentally and climate-friendly.

## Objective

- CO<sub>2</sub>e emissions from business trips are avoided, reduced or offset to make them carbon neutral by 2030.

## KPI

- CO<sub>2</sub>e emissions from trips for business purposes are recorded and evaluated. Appropriate reduction targets per business unit are set and monitored.
- By 2025, the CO<sub>2</sub>e emissions of the entire TÜV NORD GROUP from business-related trips will be reduced by 45% compared to the base year 2019 (if not achieved by the corresponding offset of emissions in Germany and worldwide).

In order to implement our CR Roadmap and reduce CO<sub>2</sub>e emissions, we are cutting back on unnecessary travel and making greater use of sustainable means of transport. In Germany, for example, we were able to reduce our travel-related emissions, both Scope 1 and 3, by 32.7% in 2021 compared to 2019. Due to the coronavirus-related restrictions and as a health precaution, we have largely switched to online meetings, eliminating the need in many instances for commuting, business travel and business trips. This applies almost across the board to intra-Group communication and, where possible, also to customer contacts. The avoidance of air travel abroad is having a particularly marked impact. Overall, with 7,154 tonnes of saved in 2021, we are way ahead of our reduction target of 3,279 tonnes compared to 2019.

The individual business units are responsible for the management and implementation of environmentally friendly travel behaviour at the TÜV NORD GROUP. They are likewise responsible for the management of the related emission targets and their implementation. Various policies and agreements provide the framework for this.

Our environmental management system (EMS), for example, which is mandatory for all the companies of the TÜV NORD GROUP, includes the essential elements of energy and resource savings. In addition, in August 2020 we clarified our Group policy on operational environmental protection in a revision with regard to business travel and the evaluation of the CO<sub>2</sub>e emissions it generates. In 2021, we revised the Group staff council agreement on travel regulations referred to therein with regard to its sustainability elements. It now stipulates that, for business-related outbound activities, the principle of profitability and sustainability must be observed right from the arrangement and planning stage; the planning of any inspection should include the possibility of digital conferences, e.g. video meetings. The travel regulations also contain an obligation to check that trains are taken instead of short-haul flights. In Germany, the costs of a BahnCard Business (German business railcard) can be covered. Furthermore, preference should be given to hotels that pay particular attention to their environmental footprint and, where car rental is necessary, to low-consumption or emission-free vehicle types. For sustainability reasons, the use of ships is only permitted in justified exceptional cases.

In 2021, we extended the Group staff agreement on flexible working concluded in 2020 to other companies – this is also reducing travel. The agreement thus applies to more than 80% of our employees at the German sites. Excluded are those employees for whom flexible work arrangements are not possible, e.g. those who work in periodic vehicle and exhaust emissions testing at TÜV NORD Mobility.

The remote execution of inspections, audits, damage assessments and seminars also contributed to geographically flexible work and thus to reducing emissions. In this area we have intensified the trend of 2020, with the result that the need for many business trips was eliminated. We are currently examining the possibilities of introducing media reality technologies into our service portfolio. This is a mixture of virtual and augmented reality, in which our

natural perception process is supplemented by artificially generated perception. We are using this possibility, for instance, in ENCOS plant planning: With the help of HoloLens goggles, our engineers can see a to-scale 3D model of a planned plant on site in the space in front of them. At the same time, meetings can be held regardless of location; customers can be digitally integrated in the context of the 3D review. In this way, we are also reducing travel in this area, both for us and for our customers.

Furthermore, we are focusing on pooling unavoidable business trips, e.g. in the Training business unit. Employees are required to reduce the number of trips, e.g. by merging several appointments or organising multi-person trips.

Since business trips are not yet completely replaceable, we are working on a concept with which our company vehicle fleet can be designed to emit as little CO<sub>2</sub> as possible. Around 61% of CO<sub>2</sub>e emissions in the TÜV NORD GROUP in 2019 were attributable to the use of vehicles for business purposes, compared with around 69% in the coronavirus year 2020. Business trips are therefore the main cause of our CO<sub>2</sub>e emissions. The achievement of our sustainability goals – the reduction of CO<sub>2</sub>e emissions by 45% by 2025 and the commitment to carbon neutrality by 2030 – will therefore largely depend on the use of our vehicle fleet. The concept is currently in the internal consultation phase. We expect to provide information on the final measures in the 2022 reporting year. Since fleet management is responsibility of the Mobility business unit, it is playing a leading role in the development and implementation of the concept.

When selecting a new service or pool vehicle, our employees can already choose between a large number of mild hybrid vehicles and vehicles with alternative drives. At the same time, we have expanded the infrastructure required for this and created flexible charging options for electric vehicles. These include, for example, 40 charging points at each of our main sites in Hanover, Hamburg and Essen, the option of charging on the go with an EnBW card and charging at home using intelligent domestic chargers.

In addition to electric vehicles, the promotion of alternative means of transport is also playing an important role at the TÜV NORD GROUP. For example, a Jobrad (company bicycle) concept was considered as part of the benefit strategy for employees. Since company bikes cannot currently be offered to employees as part of the deferred compensation scheme, other options are being examined. The Engi-

neering & Natural Resources business unit is also raising the awareness of its employees regarding the need to use environmentally friendly means of transport, such as bicycles, as well as local public transport.

In addition, we are planning to survey the commuting behaviour of our employees, including an estimation of the associated CO<sub>2</sub>e emissions. The survey was originally planned for 2021. However, this was postponed to 2022 due to the coronavirus pandemic, as the number of trips to and from work locations had decreased significantly due to the obligation to work flexibly.

#### DIGITAL REPLACEMENT SOLUTIONS FOR THE TESTING, INSPECTION AND CERTIFICATION BUSINESS IN CHINA

The coronavirus pandemic posed a major challenge, especially for the TÜV NORD GROUP's on-site services. Due to hygiene regulations and reductions in personal contact, we were forced to significantly restrict the testing, inspection and certification business, which is usually conducted on site. The management of TÜV NORD China used the crisis as an opportunity and worked out a location-independent replacement solution involving the use of digital and remote-controlled tools for its inspections. In a very short time, TÜV NORD China established the new remote processes in accordance with the auditing regulations of the International Accreditation Forum (IAF) and procured the necessary hardware in the form of special helmet cameras with a length-measuring function. These have already been used independently by customers on-site. The information obtained in the process is available to our employees for testing and inspection purposes without their having to travel themselves. This is contributing to the reduction of our CO<sub>2</sub>e emissions. Additional benefits have been a reduction in travel costs and travel time, protection of the health of employees, and improvements in work efficiency and customer satisfaction. This has ultimately also resulted in a new, more efficient and environmentally friendly way of providing services.

GRI 103-1, 103-2, 103-3

# Energy Efficiency in Buildings

“We’re systematically enhancing the energy efficiency of the buildings we use to save our planet’s resources and protect the environment and our climate.”

## Objective

- The energy efficiency of the buildings we use is constantly increasing and CO<sub>2</sub>e emissions from the use of buildings are being avoided, reduced or offset to make them carbon neutral by 2030.

## KPI

- By 2025, the CO<sub>2</sub>e emissions of the entire TÜV NORD GROUP from the use of buildings will be reduced by 45% compared to the base year 2019 (if not achieved by the corresponding offset of emissions).

Resource-saving energy management is an important part of the TÜV NORD GROUP’s sustainability efforts. The responsibility for promoting and ensuring the energy efficiency of our buildings and systems – both our own property and rented premises – lies with TÜV NORD Immobilien or the companies that rent space or premises.

We have laid down decisive requirements for energy management in the building sector in our Group policy on operational environmental protection. Since the most recent revision of the directive in August 2020, we have committed ourselves to increasing the energy efficiency of our properties and thereby permanently reducing greenhouse gas emissions. This can be achieved through building renovation measures or other energy-saving projects. In respect of specific implementation, our environmental protection policy contains clear energy and life cycle guidelines. According to these, environmentally relevant requirements must be defined in specifications for investment projects, e.g. buildings and plant. Here we pay particular attention to energy efficiency, the minimisation of soil sealing and the correct handling of environ-

mentally relevant auxiliary and operating materials. In addition, we evaluate and take into account the entire life cycle of our buildings and facilities with regard to their environmental impact.

In order to determine existing optimisation potentials concerning the energy efficiency of our properties, we carried out an energy audit in 2019. As a result, also taking into account cost efficiency, a series of measures were created which we are gradually implementing as part of our maintenance planning for existing buildings. At the same time, we have opted for a number of new construction projects, as this is where we can have the greatest influence on energy efficiency, cost-effectiveness and meeting customer requirements.

As early as 2019, we decided to build a new building complex at the Essen site that would meet current energy requirements and be consistently structured according to the circular economy template (> see chapter on Resource Economy and Efficiency, P. 52). For the new site, we retired some old existing properties, e.g. the Lange-marckstraße site in Essen. We also planned and implemented the new building in a way which would take New Work perspectives into account (> see chapter on Appropriate Working Environment, P. 42). This should have a positive impact on the working environment and staff cohesion and on the quality of our work. By virtue of a modern office concept with open-plan office space and desk sharing – in other words the multiple use of an office workplace that is made possible by different working hours – we are also reducing the need for space and thereby making an important contribution to sustainability.

We will also construct a new building at the Dortmund site. The move to the new site in the Business Park Phönix West is planned for the end of 2024. All new buildings, e.g. office buildings or testing stations, adhere to the standards for sustainable construction. Energy efficiency plays a major role here, as does the use of regional utilities.

For our existing buildings, we are relying on sustainable maintenance measures, which we record in our ongoing maintenance planning in cooperation with Corporate Real Estate Management (CREM). These include, in particular, optimised thermal insulation. At our sites in Hanover, Hamburg and Essen, for example, we have installed a building management system that enables the control and history tracking of the heating, ventilation and air conditioning components.

In addition, where to do so makes economic sense, we are increasingly using low-emission energy, e.g. in our heat supply. For example, the new building at the Essen site uses district heating instead of gas. This is saving us 36 tonnes of CO<sub>2</sub>e annually in heating. A district heating supply is also planned for the new building in Dortmund. The Hagen property, which has to date been operated with gas, and the old Dortmund site, which is heated with oil, will be combined when the new building is erected in Dortmund. Here, too, continuous maintenance planning is being coordinated with CREM. For our existing properties, moreover, we began in 2021 to replace existing old contracts with energy suppliers with new regional contracts for low-emission energy types. The project is the responsibility of central purchasing. We are currently examining the extent to which we can also use self-generated electricity via photovoltaic systems (PV systems) on our properties. In principle, we design all new buildings in such a way that the installation of PV systems is possible. In a pilot project at the beginning of 2022, we will implement the first PV system on a suitable existing building in Essen.

We are making a further contribution to energy efficiency in our data centre in Hanover: in a break with conventional practice, our servers are cooled using free air. This is saving us 320 tonnes of CO<sub>2</sub>e annually in heating. The outside air is used for cooling at temperatures of up to 18 °C. At higher temperatures, fans switch on. From about 27 °C, adiabatic cooling is also used – this is a cooling system that uses evaporative cooling. Only when this cooling method is no longer sufficient are the compressors of the chillers finally used, which will ensure a sufficiently low water temperature for the circulating air cooling units in the server rooms. The enclosures inside the IT security room also make a contribution to efficient air conditioning with the help of intelligent air conditioning.

We are achieving additional energy savings at our sites by reducing the power consumption of our company computers. Since 2019, the client management of the internal IT division has been installing software for all computers to save energy. This software learns from the behaviour of its users. For example, notebooks which are in their docking stations every day and thus connected to mains power are no longer permanently on charge. In addition, users can choose their own energy settings.

In order to optimise this even further, Client Management plans to collate and provide information to employees on how to configure their end devices correctly to save energy.

#### ROOFTOP SOLAR PROJECT AT TÜV INDIA

Solar energy is a clean and extremely efficient renewable energy source. It can be used to significantly reduce greenhouse gas emissions and thus make an important contribution to curbing global warming. TÜV India's in-house solar energy project is living proof of how growth and development can be reconciled with sustainability. The background to this project is the rapid business growth of TÜV India and the associated increase in shift work. Electricity consumption has increased significantly, resulting in higher energy costs and, at the same time, an increase in CO<sub>2</sub>e emissions.

In response, TÜV India launched a solar energy project at its own location in the western Indian city of Pune: a total of 378 photovoltaic modules were installed on the roof of the building, with a maximum peak generation output of approx. 125 kilowatts. The photovoltaic (PV) system has been producing electricity since February 2021. This is used in the running of the food testing laboratory and the offices of all business units operating from the Pune site. A built-in automated control unit also provides important information about the power generated. The first results are extremely encouraging: thanks to the PV system, a reduction of just under 25% of total energy costs has been recorded to date. The project is thus a critical marker on the course to sustainability: it is reducing the demand for energy generated from fossil fuels and producing electricity from renewable energy sources for the company's own needs, thereby supporting the cause of a clean environment and a culture of energy efficiency in business operations.

GRI 103-1, 103-2, 103-3

# Resource Economy and Efficiency

“We’re always mindful of the need to use resources sparingly and efficiently along the entire value chain and think in terms of cycles.”

## Objective

- Resources are used in a purposeful and efficient manner within the Group and consigned to recycling cycles after use.

## KPI

- Paper consumption (printing and copying paper) is reduced by 10% each year (base year 2019).
- The recycling rate of the total waste volume is higher than in 2019 at all German sites.
- The amount of municipal waste at all German sites is lower than it was in 2019.

The economical use of resources and the avoidance of waste are important pillars of our sustainability strategy. The reduction of commercial waste at our locations has a decisive role to play. This is why we have committed ourselves to reducing the residual waste generated by our employees. In order to achieve this aim, we are in the first instance striving to increase the recycling quota of commercial municipal waste. This means that we are not only recycling recyclable materials such as paper, cardboard, lightweight packaging, glass, wood, metal, etc., as provided for in German commercial waste legislation, but also other commercial waste such as toner cartridges, electrical and electronic scrap, waste batteries and waste metal from testing activities. To monitor our success, we have introduced two key figures: we determine the residual waste generated per employee in “kg per person per week”. We measure our recycling rate on the basis of the percentage of recycling of separately collected and delivered recyclables. Both key figures are recorded separately for each site and are therefore comparable.

For the larger sites of the TÜV NORD GROUP in Germany (sites with their own properties and more than 100 employees each), we have been developing a corresponding key figure system since 2020. This project was established by the waste officer. Its implementation is receiving significant support from the waste managers and caretakers on site. In the process, we have also determined which recyclable materials at the various sites have not yet been collected separately or, if some separate collection is taking place, the extent to which collection and recycling are not yet sufficient. This has mainly concerned lightweight packaging within the framework of the German Dual System. In order to make it easier for our employees to collect recyclable materials, we have therefore set up separate collection containers in the tea bars and in meeting and seminar rooms. To make it easier to deal with the increased volume of recyclable materials, additional recycling containers were made available to us by the public service providers; at the same time we have reduced the total volume of our general waste bins. We have also provided information on the separation of recyclable materials by displaying notices, sending e-mails and posting on the intranet, and have instructed the cleaning staff accordingly. We have introduced on-site inspections to monitor the use of the recycling containers. We are currently updating our waste and recycling quotas with the aid of inspections at the larger sites, as the data in the 2019 and 2020 calendar years were partly collected only on the basis of fee notices and by asking the caretakers.

In the next step, we will also implement the waste separation and avoidance concept at those of our sites with more than 50 employees. The premises at the smaller locations are usually rented from third parties, meaning that waste disposal is handled jointly for all tenants by the landlord. However, our standards for the handling of commercial municipal waste will also apply at our smaller sites. From the 2022 calendar year, we will therefore carry out on-site inspections, train those responsible, identify optimisation needs, initiate appropriate measures and collect the relevant key figures.

Another important area of waste prevention is the environmentally friendly handling of IT and communications equipment. For this reason, we at the TÜV NORD GROUP are developing processes for the further use or sustainable disposal of IT equipment. It should be possible to feed equipment that is in very good condition back into the circular economy without a great deal of effort, e.g. for

purchase by private individuals or as a donation for social purposes (the reselling process). Other devices are either refurbished within the IT-ServiceLine or used as a source of spare parts so that ready-to-use devices can be made out of them (refurbishment process). Discarded devices that are not suitable for refurbishment should be recycled. For the implementation in particular of reselling and recycling, we are currently identifying recognised providers with sustainability expertise.

The issue of resource efficiency through the circular economy is also a key consideration in our buildings. For example, we consistently applied the current energy requirements and the model of the circular economy throughout the construction of our site in Essen (> see chapter on [Energy Efficiency in Buildings, PP. 50 to 51](#)). Materials made of steel, wood and aluminium were recycled from old buildings wherever possible. Around 80 percent of the concrete and masonry from the demolished buildings was reinstalled.

Last but not least, lower paper consumption is also contributing to waste reduction in the TÜV NORD GROUP. We have singled out the administrative area for the implementation of a number of measures for this purpose: our documents are now stored electronically; we use a digital workflow to implement business travel applications and accounting; offers, order confirmations and invoices are transmitted digitally; and, in some companies (e.g. TÜV NORD Umweltschutz) expert opinions are mainly sent online. In the context of the introduction of electronic vehicle files on 1 July 2022, we are also preparing for the conversion to digital test reports for periodic vehicle inspections and safety tests. Moreover, the TÜV NORD Akademie is publishing its 400-page seminar catalogue online in 2022 and is converting face-to-face seminars to webinars to eliminate the need for printed seminar documents.

#### REUSING INSTEAD OF THROWING AWAY IN OUR COMPANY CANTEENS

The restrictions imposed by the coronavirus pandemic also affected our company canteens. In addition to short-term closures, there were at times only a limited number of seats. The consequence was that meals were increasingly served as take-aways – with the associated build-up of refuse. For the TÜV NORD GROUP, this was an opportunity to get to grips even more fully with the sustainability issue in the company canteens. This resulted in an action plan with the aim of taking a closer look at the nutritional effects of canteen products on people, the environment and the company. Supporting occupational health management in the sense of ensuring that employees were being offered a balanced diet was an important aspect of the action plan. A further critical point was to reduce the volume of disposable packaging and reverse the trend of wasting resources.

Since 1 July 2021, our canteens in Essen, Hamburg and Hanover have therefore been taking part in VYTAL, a digitally organised system of resource reuse. This means that disposable packaging no longer has to be issued; employees can instead easily borrow reusable tableware. All they have to do is register via the app and take out membership. The containers used are made of BPA-free, easily recyclable polypropylene. After only ten uses, they work out cheaper over their life cycle than single-use tableware. They can be refilled at least 200 times. This results in savings of up to 30 kilogrammes of CO<sub>2</sub>e compared to disposable packaging over the entire service life of a container. In this way, the TÜV NORD GROUP is also making a contribution to reducing greenhouse gases in this area.

# Annex

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GRI 102-12, 102-13

# Memberships and Awards

## SELECTED MEMBERSHIPS

Development and Climate Alliance ([> Link](#))  
 Bundesdeutscher Arbeitskreis für Umweltbewusstes Management (B.A.U.M.) e.V. ([> Link](#))  
 Connected Living e.V. ([> Link](#))  
 Deutsche Gesellschaft für Personalführung e.V. ([> Link](#))  
 Deutsches Institut für Normung e. V. (DIN) ([> Link](#))  
 Forum für Zukunftsenergien e.V. ([> Link](#)) (in German only)  
 Innovation Campus Metropolregion Berlin/Stettin e.V. ([> Link](#))  
 Leibniz Universitätsgesellschaft Hannover e.V. ([> Link](#)) (in German only)  
 Stifterverband für die Deutsche Wissenschaft e.V. ([> Link](#)) (in German only)

Studien- und Fördergesellschaft der Schleswig-Holsteinischen Wirtschaft e. V. ([> Link](#)) (in German only)  
 Tarifgemeinschaft Technischer Überwachungs-Vereine e.V. ([> Link](#))  
 TIC Council ([> Link](#)) (in German only)  
 TÜV Markenverbund e.V. ([> Link](#)) (in German only)  
 TÜV-Verband e.V. ([> Link](#))  
 UN Global Compact ([> Link](#))  
 Wissensfabrik Unternehmen für Deutschland e.V. ([> Link](#)) (in German only)  
 Women In Aerospace Europe ([> Link](#))

For further awards see also ([> Link](#))



Existing certifications in 2021:  
 ISO 9001: 2015, ISO 14001:  
 2015, ISO 45001: 2018 ([> Link](#))



EcoVadis Sustainability Rating – again awarded Gold-Status<sup>1</sup> (2022) ([> Link](#)) (in German only)



Recertification in 2021 for entire Group (Germany), since 2012 ([> Link](#)) (in German only)



Awarded the accolade of “LEADING EMPLOYER”<sup>2</sup> ([> Link](#)) (in German only)



Awarded the accolade of “MINT Minded Company” ([> Link](#)) (in German only)



Evaluation in 2021 by employees and applicants ([> Link](#)) (in German only)



Voluntary commitment signed in 2018, valid indefinitely ([> Link](#)) (in German only)



<sup>1</sup> Due to internal delays at EcoVadis, the result was not published until the beginning of 2022, consequently, the assessment refers to the year 2021.

<sup>2</sup> Here, too, the assessment refers to the year 2021.

GRI 102-7, 205-2, 308-1, 402-1

# Table of Key Figures

For the purpose of greater transparency and comparability, the figures for 2019 and 2020 are supplied in addition to the key figures for 2021.

	Unit	2019	2020	2021	GRI disclosure
<b>General key data on the Group<sup>1</sup></b>					
Employees <sup>2</sup> (total number)	Number	14,088	14,182	14,253	102-7
Employees <sup>3</sup> (full-time equivalent)	Number	11,276	11,658	11,959	102-7
Group companies <sup>4</sup> , total	Number	85	82	83	102-7
of which in Germany	Number	42	40	41	102-7
of which abroad	Number	43	42	42	102-7
Net revenue	Million €	1282.4	1,265.6	1,369.3	102-7
Total capitalisation	Million €	1,042.9	1,045.6	1,102.4	102-7
of which Liabilities and Provisions	Million €	918.9	919.4	943.7	102-7
of which Equity	Million €	124.0	126.3	154.7	102-7
Scope of productions and services provided <sup>5</sup> as number of business units	Number	6	6	6	102-7
<b>Key data on Company field of action</b>					
Minimum notice period typically granted to employees and their representatives before significant operational changes that may have a noticeable effect on them are implemented <sup>6</sup>	Weeks	4	4	4	402-1
New suppliers validated on the basis of environmental criteria <sup>7</sup>	Proportion	97%	100%	100%	308-1
Percentage of suppliers <sup>8</sup> validated on the basis of environmental criteria by total purchase volume	Proportion	26%	57%	72%	308-1
Members of the controlling body who have received information about the strategies and measures of the TÜV NORD GROUP to combat corruption <sup>9</sup>	Number	130	130	✓ 150	205-2
	Proportion	100%	100%	✓ 100%	
Employees who have received information about the strategies and measures of the TÜV NORD GROUP to combat corruption <sup>10</sup>	Number	13,958	14,052	✓ 14,103	205-2
	Proportion	100%	100%	✓ 100%	
Business partners who have received information about the strategies and measures of the TÜV NORD GROUP to combat corruption <sup>11</sup>	Number	29	28	✓ 31	205-2
	Proportion	100%	100%	✓ 100%	

<sup>1</sup> The information relates to the entire TÜV NORD GROUP as of the 31.12.2021 reporting date.

<sup>2</sup> This includes all employees of the Group, including the experts appointed by the associations

<sup>3</sup> This includes all employees of the Group, including the experts appointed by the associations, as full-time equivalent

<sup>4</sup> The information relates to all affiliated companies included in the Consolidated Financial Statements. In addition, at the end of 2021 (2020, 2019) there were 85 (87, 78) affiliates not included in the consolidated financial statements, 6 (6, 6) affiliates valued at equity, 8 (8, 8) affiliates and joint ventures not valued at equity and 6 (6, 8) other holdings.

<sup>5</sup> This includes all services provided in the Industrial Services, Mobility, Training, Engineering and Natural Resources, Aerospace and IT business units.

<sup>6</sup> In Germany, individual statutory regulations are in place which are only partially specifically defined in weeks/months. In the event of a change in the company, pursuant to section 111 of the German Works Constitution Act (BetrVG the staff council must be notified "in a timely manner".

<sup>7</sup> The information relates to suppliers with technical and revenue relevance pursuant to supplier management in the Group's central purchase department, currently limited to German companies.

<sup>8</sup> See footnote 7.

<sup>9</sup> This includes the Board of Management and the Supervisory Board, along with the senior executives of the Group.

<sup>10</sup> This includes all other employees of the Group.

<sup>11</sup> This includes all suppliers with technical and sales relevance which were newly registered by the central purchase department. All newly registered key suppliers are informed about the TÜV NORD GROUP's Business Code for suppliers and required to abide by it.

## GRI 102-8

	Unit	2019	2020	2021	GRI disclosure
<b>Key data on People field of action<sup>12</sup></b>					
Permanent employees in the Group, total	Number			9,608	102-8
of which female	Number			2,787	102-8
of which male	Number			6,821	102-8
of which permanently employed in Germany <sup>13</sup> , total	Number	7,894	8,025	8,215	102-8
of which female	Number	2,201	2,272	2,346	102-8
of which male	Number	5,693	5,753	5,869	102-8
Fixed-term employees across the Group, total	Number			1,731	102-8
of which female	Number			424	102-8
of which male	Number			1,307	102-8
of which fixed-term employees in Germany <sup>14</sup> , total	Number	621	551	498	102-8
of which female	Number	315	274	261	102-8
of which male	Number	306	277	237	102-8
in full-time employees across the Group, total	Number			9,767	102-8
of which female	Number			2,207	102-8
of which male	Number			7,560	102-8
of which full-time employees in Germany, total	Number	7,163	7,167	7,253	102-8
of which female	Number	1,605	1,618	1,662	102-8
of which male	Number	5,558	5,549	5,591	102-8
Part-time employees across the Group, total	Number			1,572	102-8
of which female	Number			1,004	102-8
of which male	Number			568	102-8
of which part-time employees in Germany, total	Number	1,352	1,409	1,460	102-8
of which female	Number	911	928	945	102-8
of which male	Number	441	481	515	102-8

<sup>12</sup> Unless otherwise stated, the Group-wide figures under "People" refer to the total workforce of the international companies currently integrated in the CR Report as well as to the active permanent staff in Germany according to employee statistics, excluding non-consolidated companies. The international companies are the following companies from India, China, Hong Kong, Korea, Indonesia, Spain, the Netherlands, Greece and the Czech Republic: TÜV India Private Ltd., TÜV NORD Hangzhou Co., Ltd., Guangzhou TÜV Industrial Technical Services Co., Ltd., TÜV NORD TAIWAN CO., LTD., TÜV NORD HONG KONG Ltd., TÜV NORD Korea Ltd., THE INSPECTION COMPANY OF KOREA (INCOK), PT. TÜV NORD Indonesia, ALTER TECHNOLOGY TÜV NORD S.A.U., TÜV Nederland QA B.V., TÜV HELLAS (TÜV NORD) S.A., TÜV NORD Czech, s.r.o. The number of employees, unless shown otherwise, is specified as a head count (number of persons) (102-48). The Germany-wide data are presented separately in order to ensure comparability for the coming years, in which the step-by-step integration of further international companies into the CR reporting is planned.

<sup>13</sup> For 2020 (2019) a total of 79 (71) employees could not be evaluated in terms of their employment status (permanent or fixed-term). For these employees, an assessment was made based on the fixed-term quota recorded among the remaining employees. For the year 2021, the status of 127 employees could not be evaluated; here too the assessment was based on the quota of the remaining employees.

<sup>14</sup> See footnote 2.

## GRI 102-41, 401-1

	Unit	2019	2020	2021	GRI disclosure
Employees across the Group covered by collective bargaining	Proportion			✔ 73%	102-41
Employees in Germany covered by collective bargaining	Proportion	86%	85%	✔ 85%	102-41
New employees across the Group during the reporting period <sup>15</sup> , total	Proportion			✔ 12.1%	
	Number			✔ 1,355	401-1
of whom female	Number			✔ 439	401-1
of whom male	Number			✔ 916	401-1
of whom aged 30 and below	Number			✔ 540	401-1
of whom female	Number			✔ 163	401-1
of whom male	Number			✔ 377	401-1
of whom aged 31 – 50	Number			✔ 694	401-1
of whom female	Number			✔ 230	401-1
of whom male	Number			✔ 464	401-1
of whom aged 51 and over	Number			✔ 117	401-1
of whom female	Number			✔ 44	401-1
of whom male	Number			✔ 73	401-1
of whom new employees in Germany during the reporting period <sup>16</sup> , total	Proportion	10.9%	8.2%	✔ 8.5%	
	Number	926	706	✔ 737	401-1
of whom female	Number	363	266	✔ 274	401-1
of whom male	Number	563	440	✔ 463	401-1
of whom aged 30 and below	Number	285	229	✔ 246	401-1
of whom female	Number	112	78	✔ 80	401-1
of whom male	Number	173	151	✔ 166	401-1
of whom aged 31 – 50	Number	517	414	✔ 394	401-1
of whom female	Number	202	167	✔ 153	401-1
of whom male	Number	315	247	✔ 241	401-1
of whom aged 51 and over	Number	124	63	✔ 93	401-1
of whom female	Number	49	21	✔ 39	401-1
of whom male	Number	75	42	✔ 54	401-1

<sup>15</sup> This includes newly appointed and rejoined permanent staff presented as a headcount. Appointments and takeovers of trainees and temporary staff are not included.

<sup>16</sup> This includes newly appointed and rejoined permanent staff presented as a headcount. Appointments and absorption of trainees and temporary staff are not included. For 2021, the status of four people could not be clearly evaluated, meaning that these individuals are not included in the breakdown by age.

## GRI 401-1

	Unit	2019	2020	2021	GRI disclosure
Employee turnover during the reporting period <sup>17</sup> , total	Proportion			✔ 6.8%	401-1
	Number			✔ 763	
of whom female	Number			✔ 268	401-1
of whom male	Number			✔ 495	401-1
of whom aged 30 and below	Number			✔ 201	401-1
of whom female	Number			✔ 76	401-1
of whom male	Number			✔ 125	401-1
of whom aged 31 – 50	Number			✔ 467	401-1
of whom female	Number			✔ 160	401-1
of whom male	Number			✔ 307	401-1
of whom aged 51 and over	Number			✔ 94	401-1
of whom female	Number			✔ 31	401-1
of whom male	Number			✔ 63	401-1
Employee turnover during the reporting period in Germany <sup>18</sup> , total	Proportion	3.9%	3.7%	✔ 4.2%	401-1
	Number	325	319	✔ 362	
of whom female	Number	128	134	✔ 150	401-1
of whom male	Number	197	185	✔ 212	401-1
of whom aged 30 and below	Number	68	37	✔ 56	401-1
of whom female	Number	36	14	✔ 26	401-1
of whom male	Number	32	23	✔ 30	401-1
of whom aged 31 – 50	Number	202	251	✔ 230	401-1
of whom female	Number	72	113	✔ 95	401-1
of whom male	Number	130	138	✔ 135	401-1
of whom aged 51 and over	Number	55	31	✔ 75	401-1
of whom female	Number	20	7	✔ 28	401-1
of whom male	Number	35	24	✔ 47	401-1

<sup>17</sup> This includes external departures/turnover (voluntary resignations) of permanent staff presented as a headcount.

<sup>18</sup> This includes external departures/turnover (voluntary resignations) of permanent staff presented as a headcount. For 2021, the status of one person could not be accurately evaluated, meaning that this individual is not included in the breakdown by age.

## GRI 401-3

	Unit	2019	2020	2021	GRI disclosure
Employees entitled to parental leave, total	Number			9,597	401-3
of whom female	Number			2,898	401-3
of whom male	Number			6,699	401-3
of whom employees entitled to parental leave in Germany <sup>19</sup> , total	Number	8,515	8,497	8,654	401-3
of whom female	Number	2,516	2,493	2,594	401-3
of whom male	Number	5,999	6,004	6,060	401-3
Employees who have taken parental leave, total	Number			500	401-3
of whom female	Number			175	401-3
of whom male	Number			325	401-3
of whom employees who have taken parental leave in Germany <sup>20</sup> , total	Number	317	367	444	401-3
of whom female	Number	101	130	152	401-3
of whom male	Number	216	237	292	401-3
Employees who returned to work after the end of parental leave Group wide <sup>21</sup> , total	Number			352	401-3
of whom female	Number			79	401-3
of whom male	Proportion			n/a	401-3
of whom employees who returned to work after the end of parental leave in Germany <sup>22</sup> , total	Number	235	272	313	401-3
of whom female	Number	51	57	66	401-3
of whom male	Proportion	88%	92%	91.7%	401-3
of whom female	Number	184	215	247	401-3
of whom male	Proportion	99%	100%	100%	401-3

<sup>19</sup> For 2021, a total of 59 employees could not be evaluated in terms of their employment status; these individuals were therefore not included in the figures presented.

<sup>20</sup> See footnote 8.

<sup>21</sup> Determination of the Group-wide proportion of female and male employees will not be possible until 2022.

<sup>22</sup> For 2021, a total of 543 employees could not be evaluated in terms of their employment status; these individuals were therefore not included in the figures presented.

## GRI 401-3, 403-8, 403-9, 404-1, 405-1

	Unit	2019	2020	2021	GRI disclosure
Employees who returned to work at the end of the parental leave and were still employed 12 months after their return to work <sup>23</sup> Group-wide, total	Number			298	401-3
of whom female	Proportion			69 n/a	401-3
of whom male	Number Proportion			229 n/a	401-3
of whom employees who returned to work at the end of the parental leave and were still employed 12 months after their return to work <sup>24</sup> in Germany, total	Number	207	218	256	401-3
of whom female <sup>25</sup>	Proportion	46 79%	167 84%	54 87.1%	401-3
of whom male <sup>26</sup>	Number Proportion	161 89%	51 90%	202 93.5%	401-3
Employees who are covered by an internally audited management system for occupational health and safety <sup>27</sup>	Proportion	100%	100%	100%	403-8
Employees who are covered by an externally certified management system for occupational health and safety <sup>28</sup>	Number Proportion	1,912 22%	2,069 28%	2,131 28%	403-8
Number and proportion of documentable work-related injuries <sup>29</sup>	Number Rate	84 7.11%	80 6.86%	88 7.1%	403-9
Average budget for education and training per employee <sup>30</sup>	€			832	404-1
Average budget for education and training per employee in Germany <sup>31</sup>	€	1,034	796	1,002	404-1
Employees by sex Group wide					
female	Proportion			28.4%	405-1
male	Proportion			71.6%	405-1
Employees by sex in Germany					
female	Proportion	30%	30%	30.1%	405-1
male	Proportion	70%	70%	69.9%	405-1

<sup>23</sup> Determination of the Group-wide proportion of female and male employees will not be possible until 2022.

<sup>24</sup> For 2021, a total of 543 employees could not be evaluated in terms of their employment status; these individuals were therefore not included in the figures presented.

<sup>25</sup> In the 2020 report, the number of female and male employees for 2020 was mistakenly reversed. We have corrected this in this report.

<sup>26</sup> See footnote 25.

<sup>27</sup> The Group companies are subject to corresponding Group policies on occupational health and safety protection (K-RL 520 and 510), which are applicable to all companies of the TÜV NORD GROUP under German law or for all domestic and foreign investment companies in which TÜV NORD AG holds a direct or indirect stake of more than 50 percent or in which the decisive influence of persons or committees means that corporate governance is effectively in its hands. The implementation is reviewed by means of audits and management review enquiries. Not all companies are audited within one year, but the samples show the implementation of the requirements.

<sup>28</sup> Number of employees within the scope of the Group certification of the management system for occupational health and safety according to OHSAS 18001, since 2020 ISO 45001, who have thus been validated both internally and by an external party. Does not include individually certified companies (e.g. according to SCC – safety certificate contractors).

<sup>29</sup> Only reportable accidents (i.e. entailing more than 3 calendar days of incapacity for work) involving employees of SAP-managed companies certified according to SCC or ISO 45001 are included.

<sup>30</sup> The figure refers to the full-time equivalent (FTE), the extrapolated number of full-time employees.

<sup>31</sup> See footnote 30.

## GRI 405-1, 305-1, 305-3

	Unit	2019	2020	2021	GRI disclosure
<b>Employees by age group, Group wide</b>					
under 30 years of age	Proportion			12.5%	405-1
30-50 years of age	Proportion			50.4%	405-1
over 50 years of age	Proportion			37.1%	405-1
<b>Employees by age group, in Germany</b>					
under 30 years of age	Proportion	10%	7%	9.8%	405-1
30-50 years of age	Proportion	47%	56%	47.2%	405-1
over 50 years of age	Proportion	43%	38%	43%	405-1
Proportion of employees with a major disability (employees), Group wide	Proportion			3.0%	405-1
Proportion of employees with a major disability (employees), in Germany	Proportion	4%	4%	3.9%	405-1
<b>Individuals on management bodies by sex<sup>32</sup></b>					
female	Proportion			✓ 17%	405-1
male	Proportion			✓ 83%	405-1
<b>Individuals on management bodies by sex in Germany<sup>33</sup></b>					
female	Proportion	15%	15%	✓ 16.8%	405-1
male	Proportion	85%	85%	✓ 83.2%	405-1
<b>Individuals on management bodies by age group, Group wide</b>					
under 30 years of age	Proportion			✓ 0%	405-1
30-50 years of age	Proportion			✓ 27.3%	405-1
over 50 years of age	Proportion			✓ 72.7%	405-1
<b>Individuals on management bodies by age group in Germany</b>					
under 30 years of age	Proportion	0%	0%	✓ 0%	405-1
30-50 years of age	Proportion	36%	27%	✓ 26.7%	405-1
over 50 years of age	Proportion	64%	74%	✓ 73.3%	405-1
Proportion of individuals across the Group with major disabilities (individuals in management bodies)	Proportion			1%	405-1
Proportion of individuals in Germany with major disabilities (individuals in management bodies) <sup>34</sup>	Proportion	1%	1%	1%	405-1
<b>Key data on Environment field of action</b>					
Gross volume of direct GHG emissions (scope 1) from combustion processes of mobile equipment <sup>35</sup>	t CO <sub>2</sub> e	6,162	4,297	✓ 3,919	305-1

<sup>32</sup> This includes directors, general managers and executives with special power of attorney.

<sup>33</sup> See footnote 32.

<sup>34</sup> For 2021, a total of 127 employees could not be evaluated in terms of their employment status; these individuals were therefore not included in the figures presented here.

<sup>35</sup> The GHG emissions (Scope 1) included here result from the use of company vehicles; only for German companies of the TÜV NORD GROUP. Source of emission factors and the consumed

values for global warming potential: Defra Guidelines 2019 (for 2019), Defra Guidelines 2020 (for 2020) and Defra Guidelines 2021 (for 2021); consolidation approach: operational control; using the Greenhouse Gas Protocol. From 2021, reallocation of emissions from Scope 1 to Scope 3 through the use of rental cars and private cars for business trips, as these means of transport do not belong to the company. This scope reallocation will also take place retroactively for 2019 and 2020. This has no impact on the total amount of emissions of the TÜV NORD GROUP.

## GRI 301-1, 302-1, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5

	Unit	2019	2020	2021	GRI disclosure
Gross volume of other indirect GHG emissions (scope 3) for business travel of employees that arise earlier in the chain or in means of transport which do not belong to the company <sup>36</sup>	t CO <sub>2</sub> e	15,698	12,265	✓ 10,788	305-3
Gross volume of direct and indirect GHG emissions (scope 1 and 3) from employee travel	t CO <sub>2</sub> e	21,860	16,563	✓ 14,706	
Intensity of GHG emissions per employee <sup>37</sup>	t CO <sub>2</sub> e/FTE	2.77	2.07	✓ 1.81	305-4
Gross volume of direct GHG emissions (scope 1) from TÜV NORD's own buildings <sup>38</sup>	t CO <sub>2</sub> e	4,322	3,752	✓ 4,318	305-1
Gross volume of direct GHG emissions (scope 2) from TÜV NORD's own buildings which arise from the energy used in their construction <sup>39</sup>	t CO <sub>2</sub> e	348	325	✓ 227	305-2
Gross volume of direct GHG emissions (scope 3) from TÜV NORD's own buildings which arise in the upstream value chain <sup>40</sup>	t CO <sub>2</sub> e	3,018	2,574	✓ 2,712	305-3
Gross volume of direct and indirect GHG emissions (scope 1, 2 and 3) from TÜV NORD's own buildings	t CO <sub>2</sub> e	7,688	6,652	✓ 7,257	
Intensity of GHG emissions per square metre from TÜV NORD's own buildings <sup>41</sup>	t CO <sub>2</sub> e/m <sup>2</sup>	0.033	0.029	✓ 0.033	305-4
Extent of the reduction in GHG emissions a direct consequence of emission reduction initiatives in each year compared to 2019 <sup>42</sup>	t CO <sub>2</sub> e	-	6,334	✓ 7,585	305-5
Total weight of paper consumed <sup>43</sup>	t	767	655	544	301-1
of which printed products	t	632	578	460	301-1
of which copier paper	t	135	77	84	301-1
of which from renewable materials	t	767	655	544	301-1
Total consumption of water from all areas <sup>44</sup>	m <sup>3</sup>	46,180	41,899	37,119	303-5
Total energy consumption within the organisation <sup>45</sup>	MWh	41,183	36,705	✓ 38,691	302-1
of which power consumption, total	MWh	17,355	14,321	✓ 13,973	302-1
of which heating energy consumption, total	MWh	23,828	22,384	✓ 24,719	302-1

<sup>36</sup> The GHG emissions considered here (Scope 3) result from the upstream value chain with regard to the use of company vehicles as well as business travel by private car, rental car, plane and train; only for German TÜV NORD GROUP companies; source of emission factors and global warming potential values used: Defra Guidelines 2019 (for 2019), Defra Guidelines 2020 (for 2020) and Defra Guidelines 2021 (for 2021); for leased vehicles direct calculation via fuel consumption, for private cars and rental cars via mileage accounting, for flights via Defra Guidelines 2019 (for 2019), Defra Guidelines 2020 (for 2020) and Defra Guidelines 2021 (for 2021), for rail via DB Umweltkennzahlen and GEMIS 5. From 2021, reallocation of emissions from use of rental cars and private cars for business travel from Scope 1 to Scope 3, as these means of transport do not belong to the company. This scope reallocation will also take place retroactively for 2019 and 2020. This has no impact on the total amount of emissions of the TÜV NORD GROUP.

<sup>37</sup> Calculation based on the gross volume of direct and indirect GHG emissions (scope 1 and 3) from employee travel; number of employees taken from 2019 financial report: 7,889 FTE, 2020: 7,990 FTE, 2021: 8,108 FTE.

<sup>38</sup> The information refers to German sites which are under the management of TÜV NORD Immobilien (2019 – 2021: 21 sites). Scope 1 emissions consist of the aggregated consumption of gas and heating oil; recording of heating oil consumption started in 2021. Source of conversion factors used: 2019: GEMIS 4.95 (EL-KW-Park-DE-2015), DE-2015); 2020/2021: GEMIS 5 (EL-KW-Park-DE-2015), GEMIS 4.95, Defra + WTT Generation & WTT T&D.

<sup>39</sup> The information refers to German sites which are under the management of TÜV NORD Immobilien (2019 – 2021: 21 sites). Scope 2 emissions consists of the aggregated consumption of electricity and district heating. Source of conversion factors used: 2019: GEMIS 4.95 (EL-KW-Park-DE-2015); 2020/2021: GEMIS 5 (EL-KW-Park-DE-2015), GEMIS 4.95, Defra + WTT Generation & WTT T&D. In TÜV NORD's own buildings, 100% green electricity is used.

<sup>40</sup> The information refers to German sites which are under the management of TÜV NORD Immobilien (2019 – 2021: 21 sites). Scope 3 emissions consist of the consumption in the upstream value chains of all energy sources used as well as the water consumed, including wastewater. Source of conversion factors used: 2019: GEMIS 4.95 (EL-KW-Park-DE-2015); 2020/2021: GEMIS 5 (EL-KW-Park-DE-2015), GEMIS 4.95, Defra + WTT Generation & WTT T&D.

<sup>41</sup> Calculation based on the gross volume of direct and indirect GHG emissions (scope 1, 2 and 3) from TÜV NORD's own buildings; total floor area included: 230,096 m<sup>2</sup> in 2019, 230,671 m<sup>2</sup> in 2020 and 222,601 m<sup>2</sup> in 2021.

<sup>42</sup> The figure refers to the reduction in the total gross volume of direct and indirect GHG emissions (scope 1 and 3) from employee travel and the direct and indirect GHG emissions (Scope 1, 2 and 3) from TÜV NORD's own buildings; basis year for the calculation is 2019. The emission reductions in 2020 and 2021 resulted, among other things, from the elimination of some business trips during the coronavirus pandemic and the increasingly digital provision of services.

<sup>43</sup> Paper consumption data are recorded (in Germany) by the central purchasing division. The amounts that arise as a result of decentralised orders are not included here.


<sup>44</sup> The information refers to German sites which are under the management of TÜV NORD Immobilien (2019 – 2021: 21 sites). The measurement corresponds to fresh water consumption as counted by water meters. We assume that the total amount of waste water will be the same.

<sup>45</sup> The information refers to German sites which are under the management of TÜV NORD Immobilien (2019 – 2021: 21 sites). Cooling energy consumption is included in the electricity consumption. Source of conversion factors used: 2019: GEMIS 4.95 (EL-KW-Park-DE-2015); 2020 and 2021: GEMIS 5 (EL-KW-Park-DE-2015), GEMIS 4.95, Defra + WTT Generation & WTT T&D.

## GRI 102-55

# GRI Content Index

In the following GRI content index, we have included all the GRI Standards and refer to the relevant bodies in the report where the relevant information can be found.

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
<b>GENERAL INFORMATION</b>				
GRI 102: General Information 2016	102-1 Name of the organisation	About this Report cover page 02/ The Profile of the TÜV NORD GROUP, P. 06		
	102-2 Activities, brands, products and services	The Profile of the TÜV NORD GROUP, P. 06		
	102-3 Location of headquarters	The Profile of the TÜV NORD GROUP, P. 06		
	102-4 Location of operations	The Profile of the TÜV NORD GROUP, P. 06/ Annual Report of the TÜV NORD GROUP 2021, PP. 66 – 70		
	102-5 Ownership and legal form	The Profile of the TÜV NORD GROUP, P. 06		
	102-6 Markets served	The Profile of the TÜV NORD GROUP, P. 06		
	102-7 Scale of the organisation	General key figures for the Group, P. 56		
	102-8 Information on employees and other workers	Key data on People field of action, P. 57		
	102-9 Supply chain	Responsibility in the Value Chain, P. 26 / Respect for Human Rights, PP. 38 – 39	The TÜV NORD GROUP is a service company without an extensive supply chain. The main product groups purchased include print products, paper, office supplies, IT needs, servers, client PCs, monitors, printers, printer consumables, copying systems, smartphones, telecommunications components, data security, furniture (general), office chairs, promotional items, outdoor advertising, cleaning of work clothes, hygiene/hygiene paper, travel services and project purchasing.	
	102-10 Significant changes to the organisation and its supply		In the 2021 reporting period, changes took place in the organisation of the Group's sites and shareholding structure. The fully consolidated subsidiaries underwent two deconsolidations due to reductions in importance and sales, one domestically and one abroad. In addition, three previously unconsolidated companies were included in the consolidation group as a result of their increased importance, two in Germany and one abroad. There have been no significant changes in supplier locations, supply chain structure or relationships with suppliers, including their selection and termination.	
	102-11 Precautionary principle or approach	Our CR Roadmap 2023, PP. 14 – 15/ Sustainable Innovations and Services, PP. 20 – 21/ Infographics, PP. 18, 30, 46/ Annual Report 2021 of the TÜV NORD GROUP, PP. 97 – 98 (> Link)	We are establishing responsibility and sustainability as evaluation parameters for our innovations and services and are especially promoting ideas and concepts that will contribute to sustainable development. In the context of continuous sustainability assessments for innovation projects, we ensure that, in addition to the opportunities, possible sustainability risks associated with emerging products and services can also be identified and addressed. Systematic risk and opportunity management is integral to our corporate governance.	

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
GRI 102: General Information 2016	102-12 External initiatives	About this Report, cover page 02/Our Corporate Responsibility Strategy 2025, PP. 08–10/Our CR Roadmap 2023, PP. 14–15/"People": Management Approach, Topics and Control, P. 31/Respect for Human Rights, PP. 38–39/Diversity and Inclusion, P. 41/Memberships and Awards, P. 55/Declaration of Principles on Respect for Human Rights of the TÜV NORD GROUP ( <a href="#">Link</a> )/Annual Report of the TÜV NORD GROUP 2021, P. 101 ( <a href="#">Link</a> )	Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (UN Global Goals), International Labour Organisation (ILO), UN United Nations Global Compact, OECD, National Action Plan for Human Rights (NAP), EcoVadis, Allianz für Entwicklung und Klima (Foundation Development and Climate Alliance)	
	102-13 Membership of associations and interest groups	Preface by the Board of Management, P. 02/Our Corporate Responsibility Strategy 2025, PP. 09–10/Shaping Relations With Our Stakeholders, P. 12/Integrity and Compliance, P. 24/"People": Management Approach, Topics and Control, P. 31/Societal Role in Accordance with Our Vision and Mission, PP. 36–39/Respect for Human Rights, P. 38/Memberships and Awards, P. 55		
	102-14 Statement from senior decision-maker	Preface by the Board of Management, PP. 02–03		
	102-16 Values, principles, standards, and norms of behaviour	Preface by the Board of Management, PP. 02–03/Our Corporate Responsibility Strategy 2025, PP. 08–10/Values and Responsibility, P. 11/Our CR Roadmap 2023, PP. 14–15, Sustainable innovations and services P. 20/Integrity and Compliance, PP. 24–25/Responsibility in the Value Chain, P. 26/Integration of Group Companies into Non-Financial Reporting, P. 27/People, P. 28/"People": Management Approach, Topics and Control, P. 31/Values-Oriented Corporate and HR Management, PP. 32–33/Societal Role in Accordance with Our Vision and Mission, P. 36/Respect for Human Rights, P. 38/Diversity and Inclusion, P. 40/Targeted Commitment in Harmony with Our Value Creation, P. 43/Annual Report of the TÜV NORD GROUP 2021, P. 100 ( <a href="#">Link</a> )		✓
	102-18 Governance structure	Management of Corporate Responsibility, P. 10/Annual Report of the TÜV NORD GROUP 2021, P. 101 ( <a href="#">Link</a> )		✓
	102-40 List of stakeholder groups	Shaping Relations With Our Stakeholders, P. 12		✓
	102-41 Collective bargaining agreements	Key data on the People field of action, P. 58		✓
	102-42 Identification and selection of stakeholders	Shaping Relations With Our Stakeholders, P. 12		✓

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
GRI 102: General Information 2016	102-43 Approach to stakeholder engagement	Preface by the Board of Management, P. 03/ Our Corporate Responsibility Strategy 2025, P. 10/ Shaping Relations With Our Stakeholders, P. 12/ Materiality of Our CR Topics, P. 13		✓
	102-44 Key topics and concerns raised	P. 02/ Our Corporate Responsibility Strategy 2025, PP. 08–10/ Values and Responsibility, P. 11/ Materiality of Our CR Topics, P. 13/ Our CR Roadmap 2023, PP. 14–15/ “Company”: Management Approach, Topics and Control, P. 19/ Integrity and Compliance, PP. 24–25		✓
	102-45 Entities included in the consolidated financial statement	Annual Report of the TÜV NORD GROUP 2021, PP. 66–70 (> <a href="#">Link</a> )	The focus of this Corporate Responsibility Report is on the German consolidated companies plus twelve international companies (see also About this Report, Cover page 02).	
	102-46 Defining report content and topic boundaries	About this Report, cover page 02/ Our Corporate Responsibility Strategy 2025, P. 10/ Shaping Relations With Our Stakeholders, P. 12/ Materiality of Our CR Topics, P. 13		✓
	102-47 List of material topics	Materiality of Our CR Topics, P. 13		✓
	102-48 Restatements of information	Key data on Environment field of action, P. 62	The restatement concerns the gross volume of direct GHG emissions (Scope 1) from combustion processes of mobile plants, see footnote 35.	
	102-49 Changes in reporting	Materiality of Our CR Topics, P. 13		
	102-50 Reporting period	About this Report, cover page 02		
	102-51 Date of the most recent report	About this Report, cover page 02		
	102-52 Reporting cycle	About this Report, cover page 02/ Our Corporate Responsibility Strategy 2025, P. 12		
	102-53 Contact point for questions regarding the report	Legal Notice, P. 73		
	102-54 Claims of reporting in accordance with the GRI Standards	About this Report, cover page 02		
	102-55 GRI content index	GRI Content Index, P. 64		
	102-56 External assurance	Report of the independent auditor on an audit to secure limited certainty concerning sustainability information, PP. 71–72	This report has been subject to external audit for the first time.	✓

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
<b>MATERIAL AND IMPORTANT TOPICS</b>				
<b>Indirect economic impacts</b>				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	"Company": Management Approach, Topics and Control, P. 19/Sustainable Innovations and Services, PP. 20 – 21/Digital Business Models, Processes and Tools, PP. 22 – 23		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 203: Indirect economic impacts	203-2 Significant indirect economic impacts			
Impacts	Impacts	Innovation Projects on the SDGs, P. 18, 30, 46/Sustainable Innovations and Services, PP. 20 – 21/Digital Business Models, Processes and Tools, PP. 22 – 23		
<b>Combating corruption</b>				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	"Company": Management Approach, Topics and Control, P. 19/Integrity and Compliance, PP. 24 – 25		✓
	103-2 The management approach and its components			✓
	103-3 Evaluation of the management approach			✓
GRI 205: Anti-corruption	205-2 Communication of and training on anti-corruption policies and procedures	Integrity and Compliance, P. 25/Key data on Company field of action, P. 56		✓
<b>Materials (assigned to a non-material topic)</b>				
GRI 301: Materials	301-1 Explanation of the material topic and its boundary	Key data on Environment field of action, P. 63		
<b>Energy</b>				
GRI 302: Energy	302-1 Energy consumption within the organisation	Key data on Environment field of action, P. 63	Energy consumption cannot yet be broken down by renewable and non-renewable energy sources. Steam consumption is not recorded. No energy is sold.	✓
<b>Water and wastewater (assigned to a non-material topic)</b>				
GRI 303: Water and Effluents	303-5 Water consumption	Key data on Environment field of action, P. 63		

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
<b>Local communities (assigned to a non-material topic)</b>				
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments, and development programmes		Measures to integrate local communities, impact assessments and funding programmes are implemented nationwide in accordance with our site structure. Corporate donations are made after review or hearing by the donation commission of TÜV NORD AG. For detailed information, see the donation report.	
<b>Political influence (assigned to a non-material topic)</b>				
GRI 415: Political influence	415-1 Political contributions	The TÜV NORD GROUP Code of Conduct stipulates that no monetary or non-monetary donations to political parties are permitted.		
<b>Use of state-of-the-art digital value-creation tools and methods (no issue specific GRI standard available)</b>				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Our Corporate Responsibility Strategy 2025, P. 08/ Our CR Roadmap 2023, PP. 14 – 15/ "Company": Management Approach, Topics and Control, P. 19/ Digital Business Models, Processes and Tools, PP. 22 – 23/ Values-Oriented Corporate and HR Management, PP. 32 – 33/ Individual Development and Support of Employees, PP. 34 – 35/ "Environment": Management Approach, Topics and Control, PP. 47/ Environmentally Friendly Travel Behaviour, PP. 48 – 49/ Resource Economy and Efficiency, PP. 52 – 53		
<b>Societal role in accordance with mission and vision (no topic-specific GRI Standard available)</b>				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	"People": Management Approach, Topics and Control, P. 31/ Societal Role in Accordance with Our Vision and Mission, PP. 36 – 37		

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
Emissions				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	"Environment": Management Approach, Topics and Control, P. 47/Environmentally Friendly Travel Behaviour, PP. 48–49/Energy Efficiency in Buildings, PP. 50–51		✓
	103-2 The management approach of its components			✓
	103-3 Evaluation of the management			✓
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Key data on Environment field of action, PP. 62–63		✓
	305-3 Other indirect (Scope 3) GHG emissions	Key data on Environment field of action, PP. 62–63		✓
	305-4 GHG emissions intensity	Key data on Environment field of action, PP. 63		✓
	305-5 Reduction of GHG emissions	Key data on Environment field of action, PP. 63		✓
Environmental assessment of suppliers (assigned to a non-material topic)				
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	Responsibility in the Value Chain, P. 26 / Key data on Company field of action, P. 56		
Employment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	"People": Management Approach, Topics and Control, P. 31		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 401: Recruitment	401-1 New employee hires and employee turnover	Key data on People field of action, P. 58–59		✓
	401-3 Parental leave	Key data on People field of action, P. 60–61		
Employee-employer relationship				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	"People": Management approach, Topics and Control, P. 31/Values-Oriented Corporate and HR Management, P. 32–33		
	103-2 The management approach and its components			
	103-3 Evaluation of the management approach			
GRI 402: Labour/Management Relations	402-1 Minimum notice period for operational changes	Key data on Company field of action, P. 56	There are no regulations governing such notice periods, rights to a hearing and negotiations in the existing collective bargaining agreements.	

GRI Standard	Disclosure	Reference	Omission/Explanation	validated
Occupational health and safety (assigned to a non-material topic)				
GRI 403: Occupational Health and Safety	403-8 Employees covered by an occupational health and safety management system	Appropriate Working Environment, Health and Safety, P. 42 / Key data on People field of action, P. 61		
	403-9 Work-related injuries	Key data on People field of action, P. 61	Only reportable accidents (i.e. entailing more than 3 calendar days of incapacity for work) involving employees of SAP-managed companies certified according to SCC or ISO 45001 are included.	
Initial and further training				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	"People": Management Approach, Topics and Control, P. 31/ Individual Development and Support of Employees, PP. 34 – 35		✓
	103-2 The management approach of its components			✓
	103-3 Evaluation of the management approach			✓
GRI 404: Training and Education	404-1 Average hours of training per year per employee	The Year 2021, PP. 04 – 05 / Key data on People field of action, P. 61	Since, in our view, expenditure is more in line with perceived employer responsibility than hours, the budget is given here. No distinctions are made between the genders or by employment status for the budget for further training.	✓
Diversity and equal opportunities (assigned to a non-material topic)				
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Diversity and Inclusion, P. 41, PP. 40 – 41 / Key data on People field of action, PP. 61 – 62		✓
	405-2 Ratio of basic salary and remuneration of women and men		For the vast majority of employees in Germany, the remuneration is derived from collective agreements. In these collective agreements, the remuneration is based on the work that should be and actually is carried out by the employees. There is no distinction by gender or other characteristics.	
Equal treatment				
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	Integrity and Compliance, P. 25 / "People": Management Approach, Topics and Control, P. 31 / Values-Oriented Corporate and HR Management, P. 32 / Respect for Human Rights, P. 39 / Diversity and Inclusion, PP. 40 – 41		✓
	103-2 The management approach and its components			✓
	103-3 Evaluation of the management approach			✓
GRI 406: Equal treatment	406-1 Incidents of discrimination and corrective actions taken	Integrity and Compliance, P. 25 / "People": Management Approach, Topics and Control, P. 31 / Values-Oriented Corporate and HR Management, P. 32 / Respect for Human Rights, P. 39 / Diversity and Inclusion, PP. 40 – 41	In 2021, a total of three cases were investigated: one of which was not covered by the AGG, and remediation plans were implemented in response to the other two.	✓

# Report of the Independent Auditor

## An audit to obtain limited assurance on sustainability information<sup>1</sup>

To TÜV NORD AG, Hannover

We have performed a limited assurance engagement on the disclosures marked with a “☑” in the Responsibility and Sustainability Report (hereinafter also referred to as the “CR Report”) of TÜV NORD AG, Hannover, (hereinafter also referred to as the “Company”) for the period from January 1st to December 31st, 2021. Our assurance engagement relates exclusively to the information marked with the symbol “☑”.

### Responsibility of the Executive Directors

The executive directors of the company are responsible for the preparation of the CR Report in accordance with the principles set out in the Sustainability Reporting Standards of the Global Reporting Initiative (hereafter: “GRI criteria”) and for the selection of the disclosures to be assessed.

This responsibility includes the selection and application of appropriate CR reporting methods and the use of assumptions and estimates for individual disclosures that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as executive directors determine to enable the preparation of the CR Report that is free from material misstatement, whether due to fraud or error.

### Independence and Quality Assurance of the Assurance Practitioner's Firm

We are independent of the Company in accordance with German commercial and professional law and we have fulfilled our other professional obligations in accordance with these requirements.

Our auditing firm applies the national legal regulations and professional pronouncements on quality assurance, in particular the professional statutes for auditors and certified public accountants (BS WP/vBP) as well as the IDW quality assurance standard published by the Institute of Public Accountants in Germany (IDW): Requirements for Quality Assurance in the Practice of Auditing (IDW QS 1).

### Practitioner's Responsibility

Our responsibility is to express a conclusion with limited assurance on the information marked with “☑” in the CR Report based on our assurance engagements.


We conducted our audit in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the disclosures marked with an “☑” in the CR Report of the Company for the period from January 1st to December 31st, 2021 have not been prepared, in all material respects, in accordance with the relevant GRI criteria. This does not imply that a separate audit opinion is issued on each of the identified disclosures. 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 procedures selected depend on the practitioner's professional judgment.

<sup>1</sup> We have performed a limited assurance engagement on the German version of the sustainability report and issued an Independent Practitioner's Report in German language, which is authoritative. The following text is a translation of the original German Independent Practitioner's Report.

In the course of our assurance engagement, which was performed during the months of October 2021 to April 2022, we performed the following assurance procedures and other activities, particularly:

- Gain an understanding of the structure of the sustainability organisation and how to engage stakeholders.
- Inquiries of employees involved in the preparation of the CR Report regarding the preparation process, the internal control system related to this process and selected disclosures in the CR Report
- Identification of probable risks of material misstatement in the CR report
- Analytical assessments of selected quantitative data
- Inspection of selected internal and external documents
- Assessment of the presentation of selected disclosures

### Assurance Opinion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the disclosures marked with a “” in the CR Report of TÜV NORD AG, Hannover, for the period from January 1st to December 31st, 2021 have not been prepared, in all material respects, in accordance with the relevant GRI criteria.

### Purpose of the report

We issue this report based on the contract concluded with TÜV NORD AG, Hannover. The assurance engagement was carried out for the purposes of the company and the report is only intended to inform the company about the results of the assurance engagement and not to be used for purposes other than those for which it was intended. The report is not intended for third parties to make (financial) decisions based on it.

Our responsibility is solely towards TÜV NORD AG, Hannover, and is also limited in accordance with the “Special Engagement Terms of BDO AG Wirtschaftsprüfungsgesellschaft” of March 1st, 2021, agreed with the company and the “General Engagement Terms for Auditors and Auditing Firms” of January 1st, 2017, issued by the IDW ([www.bdo.de/auftragsbedingungen](http://www.bdo.de/auftragsbedingungen)). We refer to the liability regulations contained therein. We do not assume any responsibility or liability towards third parties.

Hamburg, 29 April 2022

BDO AG Wirtschaftsprüfungsgesellschaft

ppa. Anja Graff

Nils Borchering  
Wirtschaftsprüfer  
(German Public Auditor)

# Legal Notice

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 **charta der vielfalt**  
For diversity in the world of work

**SIGNED**



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