

2021

ZEPPELIN SUSTAINABILITY REPORT
UN GLOBAL COMPACT PROGRESS REPORT

zeppelin.com

 **ZEPPELIN**[®]
WE CREATE SOLUTIONS

Table of Contents



Statement of the management
Page 3



Social Responsibility
Page 44



Introduction to the Zeppelin Group
Page 6



Environmental Sustainability
Page 68



Sustainability at Zeppelin
Page 17



Appendix
Page 79



Financial Sustainability
Page 29

PLEASE NOTE:

To access the specific content, please click on the individual buttons.

1 STATEMENT BY THE MANAGEMENT BOARD¹

Dear customers, partners, employees, and readers,²

Despite the ongoing pandemic situation, the sometimes difficult political conditions in some markets, and the globally disrupted supply chains, and the associated challenges in the availability of products and preliminary products, the Zeppelin Group can look back on a very successful 2021 fiscal year.

Providing all the usual services for our customers and ensuring the health and safety of our employees' workplaces continued and continues to be a top priority during the ongoing pandemic. In doing so, we continuously optimized existing business and work processes in order to continue to respond flexibly, quickly and reliably to the needs of our customers and business partners. Strict occupational health and safety and hygiene concepts, remote working and virtual dialog are the basis for ensuring our employees can work safely and efficiently.

Sustainability is a matter of course for Zeppelin as a foundation-owned company, as it corresponds to our deepest internal conviction. We see sustainable action as a basic requirement for the long-term safeguarding of our corporate success and the preservation and expansion of our competitiveness, an authentic contribution to climate action and environmental protection, as well as for the assumption of social responsibility as a reliable and attractive employer.

Zeppelin has been a member of the UN Global Compact since 2016, underlining our commitment to human rights, labor standards, and environmental and climate protection. We are actively committed to implementing and promoting the ten principles of the UN Global Compact.³ All Zeppelin managers and employees strongly believe that the three pillars of sustainability, i.e. economic, environmental and social aspects, must be given equal priority in order to ensure sustainable development and future business success.⁴

Zeppelin made sustainability a focus of its strategy again in 2021. With the intention of becoming a company which is carbon-neutral in ongoing business operations by 2030, and to support significantly reduced waste volumes and water consumption, a EUR 120 million program of comprehensive investment has been approved to modernize the owned real estate over the next ten years. The company has additionally invested in a number of sustainability projects in 2021, installed photovoltaic (PV) systems at several sites, initiated the switch to electromobility, and required building renovations to undergo an environmental conversion assessment.

This report on sustainability at Zeppelin, which we will also present as our UN Global Compact Progress Report (COP) for 2021, offers detailed information on our sustainability strategy and developments since our previous report. The focus here is on the progress we have made in achieving the goals we defined in the material action areas. We will continue to consistently pursue and drive forward these goals in the years to come. A brief overview of the development can be found in the tables on the following pages.

On behalf of the Group Management Board



Peter Gerstmann
Chairman of the Management Board



 **Christian Dummler**
Managing Director/CFO

¹ GRI 102-14

² For the sake of readability, we avoid the combined use of male and female pronouns. All personal pronouns should be understood as gender-neutral.

³ The paragraph below is compliant with the requirements of a Communication on Progress (COP) and reflects the Management Board's ongoing support of the [UN Global Compact](#).

⁴ GRI 102-16

Objective	Development	Status
Maintaining a corporate culture in which the Group naturally complies with legal and ethical obligations	Reducing reported compliance violations in 2021	
High training rate in the area of compliance (> 80%)	High training rate of more than 80% in the area of compliance training in 2021	
Avoiding data protection breaches through information and training	Reducing reported data breaches and achieving a 100% remediation rate	
Sustainable corporate development	In 2021, Creditreform Rating AG, one of the leading rating agencies in Europe, once again certified that Zeppelin GmbH had an above-average creditworthiness (overall rating "A").	
Using the knowledge and innovativeness of employees for ongoing improvement and optimization	Implementing two Z IDEA campaigns on "Zeppelin's environmental footprint" and "Diversity"	
Training employees and managers in the Integrated Management System and CSR	Successful completion of a worldwide e-learning program on "Sustainability at Zeppelin"	
Collaborating with qualified suppliers	Annual assessment of the degree to which the criteria set have been met	
Creating and implementing a Supplier Code of Conduct	Supplier Code of Conduct published in summer 2021	
Identifying possible risks, in particular in relation to human rights abuses	Introducing a revenue-independent relevance assessment and preparing the requirements of the German Supply Chain Due Diligence Act	
Increasing the proportion of women to at least 20% by 2025	Increasing the proportion of women compared with the previous year (2020: 16%; 2021:17%).	
Increasing the employee health rate to at least 97% by 2025	Despite the COVID-19 pandemic, the employee health rate was maintained at a very good level in 2021 (2021: 96.5%).	

Objective	Development	Status
Maintaining the average length of service at a level of at least 9.3 years	Length of service remained stable in 2021 (2021: 9.4 years).	
Maintaining the voluntary resignation rate at a maximum of 5% by 2025	The labor market gained momentum in 2021, increasingly becoming an employees' market. As a result, the voluntary resignation rate increased slightly.	
Reducing work-related injuries by 10% per year by 2025	The reduction in work-related injuries was not achieved due to the increased number of accidents at work.	
Reducing the days lost as a result of injuries by 10% per year by 2025	The reduction in lost days was not achieved due to the increased number of work-related accidents and the associated higher number of lost days.	
Allocating donations in accordance with the foundation's ethos and vision on the company's economic earning power	With a donation total of around EUR 1.2 million in the 2021 fiscal year, Zeppelin achieved the goal of a donation total of 0.5 – 1.0% in relation to Group net income (earnings before taxes).	
Presenting Zeppelin's social commitment to donations by donation-specific communications and reporting	In 2021, donations were queried across the Group and selected donation actions can be found in this report.	
CO ₂ neutrality in ongoing business operations by 2030	Call for Strategy on the topic of "carbon neutrality, waste and water management" with definition of SBU-specific targets and measures to ensure carbon neutrality.	
Reducing electricity and heat consumption by 1% annually between 2021 and 2025	Due to the strong economic growth and the acquisition of additional sales and service territories by the Construction Equipment Nordics SBU since 2020, the energy savings target of 1% in 2021 was not achieved despite a wide range of measures to reduce energy consumption.	
Increasing the number of ISO 50001-certified companies	Successful initial certification of the national companies in Denmark and Sweden	
Reducing fresh water consumption by 30% by 2030	New target setting as part of the Call for Strategy 2021	NEW
Greatest possible resource efficiency through prevention and reduction of waste	New target setting as part of the Call for Strategy 2021	NEW

2 PRESENTATION OF THE ZEPPELIN GROUP

The Group Management Board and the Supervisory Board

Peter Gerstmann has been Chairman of the Management Board ⁵ of Zeppelin GmbH⁶ since 2010 and is responsible for Group Development, Strategic Management Center (SMC) for IT, Digitalization and Innovation, Auditing and Corporate Communications, as well as the Plant Engineering and Construction Equipment Eurasia SBUs. Michael Heide- mann has been Deputy Chairman of the Management Board since 2010 and is responsible for Sales, Marketing, Service and the Construction Equipment Central Europe, Construction Equipment Nordics and Rental strategic business units.

The CFO's responsibilities include the areas of Finance, Controlling, Real Estate Management, Legal, and CSR. Christian Dummmler has held this position since 2011.⁷ Alexandra Mebus is responsible for Compli- ance and Data Protection, Human Resources, and HR Development, and Diversity.⁸



⁵ GRI 102-18, GRI 102-22

⁶ GRI 102-1

⁷ GRI 102-20

⁸ GRI 102-10



Zeppelin GmbH Management Board

PETER GERSTMANN

Chairman of the Management Board

- ▶ Group Development, SMC IT & Innovation, Auditing, and Communication
- ▶ Plant Engineering SBU, Construction Equipment Eurasia SBU
- ▶ Member of the Management Board since 2007 and Chair since 2010

CHRISTIAN DUMMLER

Managing Director/CFO

- ▶ CSR, Finance, Controlling, Real Estate Management, Legal
- ▶ Power Systems SBU
- ▶ Member of the Management Board since 2011

MICHAEL HEIDEMANN

Vice Chairman of the Management Board

- ▶ Distribution, Marketing, and Service
- ▶ Construction Equipment Central Europe SBU, Construction Equipment Nordics SBU, Rental SBU
- ▶ Member of the Management Board since 2000 and Vice Chair of the Management Board since 2010

ALEXANDRA MEBUS

Managing Director/Labor Director

- ▶ Compliance and Data Protection, Diversity, HR, and HR development
- ▶ Member of the Management Board since 2018

In accordance with German legislation,⁹ the Management Board is controlled by a Supervisory Board composed of equal numbers of shareholder and employee representatives.¹⁰ Since June 2009, the Chairman has been Andreas Brand, who is also Mayor of the City of Friedrichshafen.¹¹ In the 2021 fiscal year, the Group Supervisory Board

consisted of eight male and four female members.¹² The Supervisory Board submits its own report for each fiscal year, which is integrated into the corresponding Annual Report and is published on the Zeppelin Group's [home page](#).¹³



Overview of Zeppelin GmbH strategic business units²²



Construction Equipment Central Europe

Distribution & service of construction machines

Construction Equipment Nordics

Distribution & service of construction machines

Construction Equipment Eurasia

Distribution & service of construction & agricultural machines

Rental

Rental and project solutions for construction and industry

Power Systems

Drive, propulsion, traction and energy systems

Plant Engineering

Engineering and plant engineering

Zeppelin Digit

Strategic Management Center (SMC) for IT, Innovation, and Digitalization

Company profile

The Zeppelin Group offers solutions for the construction industry, drive systems and energy sectors, as well as engineering and plant engineering.¹⁴ With sales of EUR 3.7 billion and earnings before taxes of EUR 160 million in the 2021 fiscal year, the company achieved its most successful year ever despite the COVID-19 pandemic.¹⁵ Details about the Group's business performance are given in the Annual Report 2021.¹⁶ Over 10,000 employees (FTE)¹⁷ contributed to this performance in 2021 on average.

The Zeppelin Group is operationally and strategically managed in six strategic business units (SBUs). This organizational structure ensures its ability to focus on individual markets, customer groups, and prod-

uct segments while managing activities across multiple countries and companies. Specifically, these are the Construction Equipment Central Europe,¹⁸ Construction Equipment Eurasia,¹⁹ Construction Equipment Nordics,²⁰ Rental, Power Systems, and Plant Engineering SBUs. The structure supports the bundling of operations and the targeted orientation of the business models towards various markets and customers. The Group's management holding company is Zeppelin GmbH. The Strategic Management Center (SMC) bundles all resources from the IT and digitalization divisions and supports the individual SBUs in a cross-functional manner. In terms of organization, it is integrated into Zeppelin GmbH as a holding company. The company is legally domiciled in Friedrichshafen, with its headquarters located in Garching near München.²¹

⁹ Section 7 Co-Determination Act

¹⁰ Based on GRI 102-24. The individual members of the Supervisory Board and the disclosure of their other significant positions and obligations are listed in the respective Annual Report and can be consulted on the Zeppelin Group's website; changes during the year will also be announced there.

¹¹ GRI 120-23, GRI 102-26

¹² GRI 405-1-a-i, Annual Report 2021: p. 15

¹³ Annual Report 2021: 17 ff., 2020: p. 16 ff., 2019: p. 17 ff.

¹⁴ GRI 102-7, GRI 102-2

¹⁵ GRI 102-7, GRI 201-1

¹⁶ Annual Report 2021 from page 23 ff.

¹⁷ FTE = Full-time equivalent

¹⁸ Zeppelin's operations in Austria, the Czech Republic, Germany, Poland, and the Slovak Republic

¹⁹ Zeppelin's operations in Armenia, Belarus, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

²⁰ Distribution and service of Caterpillar products in Denmark, Greenland and Sweden, as well as distribution and service of MaK brand engines in the Baltic States (Estonia, Latvia, and Lithuania), Finland, Iceland and the Faroe Islands

²¹ GRI 102-3

²² GRI 102-2: No products or services are offered that are the subject of public debate or have been challenged by stakeholders.

Zeppelin is a distribution partner of Caterpillar Inc., Peoria (IL/USA) in Germany and in various countries in northern, central and eastern Europe, as well as central Asia.²³ The business activities of the Construction Equipment Central Europe, Eurasia, and Nordics SBUs comprise the dis-

tribution and service of Caterpillar construction machines, mining equipment, components, and agricultural and forestry machines of the AGCO/Fendt and Ponsse brands in some regions.

Sustainable products & services



Corporate Social Responsibility at Zeppelin is comparable to the many different pieces of a mosaic. Among other things, Zeppelin's mission is to enable its customers to achieve long-term and sustainable economic profit. In terms of its own products and services, the Group offers its customers a growing, sustainable service portfolio in order to support them in achieving their own sustainability goals and shaping their value creation processes.

Zeppelin's products ensure sustainable profitability through increased efficiency, reduced fuel consumption, and lower maintenance costs. The range of products includes low-emission or zero-emission solutions

with hybrid and electric drives. Extensive services such as regular maintenance, warranties, and the reconditioning of machines, as well as spare and add-on parts extend the service life and ensure resources have a longer useful life. Zeppelin products meet high safety standards and protect customers and employees.

²³ GRI 102-2-b, GRI 102-6

The **Construction Equipment Central Europe, Nordics, and Eurasia SBUs** provide customers with high-performance equipment for earthmoving, excavation, demolition, recycling, and road construction. Products also include gardening and landscaping, agricultural, and industrial machinery, machine control systems, and construction surveying equipment. Special machines for surface and underground mining, heavy and special equipment for mines, quarries, the oil and gas industry, as well as fleet management and machine control systems complete the product range. The general overhaul of used construction equipment also presents a cost-effective and resource-conserving alternative to buying new. In this respect, particular emphasis was placed on all-round care for customers in the construction sector and the building materials industry. Here, holistic solutions such as an all-inclusive contract are offered.²⁴

Zeppelin's sales and service organizations for new and used Caterpillar construction machines and accessories in Central Europe, Northern Europe, and Eurasia offer the following services, among others, that contribute to sustainable action and economic activity:

Environmentally friendly alternatives

Zeppelin offers its customers construction machines from its business partner Caterpillar Inc. such as wheel loaders, which have been awarded the "Blue Angel" label and are especially quiet. Mini excavators with combined diesel or electric drive via cable and electric material handlers with cable supply are an economic and environmentally friendly solution for special applications.

Construction machines with environmentally friendly engines

Most construction machines from Caterpillar Inc. meet the current emissions level V and are therefore as environmentally friendly as a modern car diesel engine. Today, these products offer exemplary fuel consumption levels thanks to electronic control systems, a variety of operating modes, idling shut-off devices, electrically powered demand fans, smart transmissions, converter bridging, and the inclusion of the entire power train right from the start of construction.

Assistance systems

Thanks to assistance systems, even inexperienced drivers can achieve the desired result more quickly. This saves machine running time, fuel, and wear and tear, and reduces the environmental impact.

Condition monitoring

Constant monitoring of the machine condition not only prevents failures, but also ensures continuously good maintenance and upkeep status of construction equipment. This not only has a positive effect on operational readiness, but also on the environment.

Fleet management

Modern fleet management enables optimization of processes in construction, and also records fuel consumption and unproductive idling phases. This allows objective decisions to be made on the basis of numbers and the performance of the driver and machine to be improved systematically.

Extending product life

- ▶ **Preventive maintenance:** Preventive replacement of construction machine components extends machine life and prevents unwanted failures. It can also lead to the postponement of some new purchases, which saves costs and ensures raw materials are used sustainably.
- ▶ A **general overhaul** instead of purchasing new equipment can be worthwhile for a variety of machines. This not only saves costs, but also raw materials and primary energy.
- ▶ **Replacement parts:** Many components such as crankshafts, alternators, starters or transmissions of a construction machine can be given a new lease of life. Instead of a new part, it can be possible to offer a replacement with an overhauled old part if there is a defect. This saves both costs and raw materials.

Protecting the environment with bio-oil

The "HYDO Advanced bio-oil" from Caterpillar Inc. is biodegradable and has been awarded the "Blue Angel" label. In a construction machine, ingress of dirt or contact with external attachments can contaminate the hydraulic oil. A mobile **ultra-fine filter system** cleans cost-effectively and in an environmentally friendly way, saving many liters of oil.

²⁴ GRI 102-6

With customized solutions in the areas of machine and equipment rental, temporary infrastructure and construction logistics, the **Rental SBU** ensures the safe and efficient execution of projects in construction, industry, manual trades, and events. With a rental fleet of more than 75,000 machines and devices from global market leader Caterpillar and other renowned manufacturers, maximum availability, quality, and range are guaranteed. Temporary infrastructure provides needs-based concepts in site and traffic guidance, electrical construction site facilities, and energy supply as well as customized modular room solutions: Planning, installation, and ongoing support from a one-stop shop. Through the overarching planning and coordination of all secondary processes on a construction site, construction logistics ensures the framework conditions for smooth processes as well as adherence to deadlines and budgets. The Rental strategic business unit offers a wide range of solutions for optimizing efficiency and sustainability in construction projects, including:

ecoRent

The introduction of the ecoRent environmental brand in 2011 was trend-setting in the market, and the portfolio has been continuously expanded since then. Today, in addition to state-of-the-art environmentally friendly and energy-efficient rental technologies, a wide range of solutions are also offered to optimize efficiency and sustainability.

Waste management

for fraction-appropriate waste separation, maximizing the recycling rate on construction sites, and invoicing according to the originator.

Zeppelin's **Power Systems SBU** is a leading provider of solutions for drive systems, propulsion, traction, and energy solutions for industrial and marine applications, rail vehicles, the oil and gas industry, and power generation. The portfolio includes Caterpillar engines from the Cat and MaK brands, worldwide service and digital solutions. In addition to drive system solutions based on diesel, gas and dual-fuel engines, Zeppelin also offers generator sets for power generation, combined heat and power plants, ship propellers, complete drive systems and complementary systems. These are used in industry, agriculture, seagoing and inland waterway vessels, in rail transport, and in petroleum and natural gas production. Digital products for all segments as well as system components and complete solutions for treating ballast water complete the portfolio. The following solutions are particularly relevant to sustainability:

Advanced technologies – ballast water treatment systems

As an official partner of Optimarin, Zeppelin Power Systems implements system solutions for ballast water treatment for customers in the maritime sector.

Traffic telematics solutions

with energy-saving, equipped LED displays for smart traffic control and avoidance of traffic jams, which contribute to the reduction of CO₂ emissions by quickly resolving traffic jams.

Energy-efficient room solutions

with impressive environmentally friendly and resource-efficient building life cycle and smart circular economy.

Supply of green electricity

from 100% renewable energies and proof of origin.

Mobile charging solutions,

installation and commissioning of charging stations for electromobility.

Consulting services

for energy management in accordance with ISO 50001 and for photovoltaic systems.

Construction logistics planning and management

for seamless processes (optimized delivery traffic, avoidance of traffic jams), increasing productivity, and improving the entire construction process from an environmental perspective.

Modern technologies – solar panels & microgrids

Photovoltaic products from the business partner Caterpillar Inc. and sustainable hybrid energy systems for optimal use of renewable energy from solar power.

Fleets and machine management

The digital Active Equipment Connect solution allows Zeppelin's customers to operate engines and plant in a way that conserves resources, for example by extending the service life of engines and plant, as well as reducing emissions and fuel consumption.

Extending product life

Zeppelin offers competent execution of all maintenance and repair work that ensures long-term use of resources.

The **Plant Engineering SBU** specializes in constructing systems for the handling of high-quality bulk materials. From system planning to implementation, Plant Engineering supports its customers, providing all services from a single source. Innovative process concepts are just as important as smart automation solutions and comprehensive service that covers the entire lifecycle of a system. Each Zeppelin system meets the individual requirements of its customers, coming from industries such as plastics, chemicals, rubber and tires, as well as foodstuffs. In addition, new customer groups are being opened up in the area of tire recycling and battery mass production. With the world's largest Association of Technical Centers for Bulk Materials, Zeppelin allows its customers to review and optimize system design on an industrial scale. Zeppelin also develops and manufactures its own components for plants' key functions, and these are used in third-party systems too. The following is a selection of products and services with a particular focus on sustainability in the Plant Engineering SBU:

Zero-waste production

- ▶ **Optimized conveying** leads to conservation of products and avoids fragments and waste, ensuring a sustainable and efficient method of conveying.
- ▶ Bread that cannot be sold due to visual imperfections need not be thrown away. **Bread residues** can be utilized sensibly – even with improved dough quality and taste.

Recycling

- ▶ Recycled plastic granulate has one critical disadvantage: it often smells unpleasant. Therefore, it is only reused to a very limited extent in plastic production. Zeppelin's degassing silos **deodorize recycle**, allowing it to be fed back into the production process in significantly larger quantities. This means: By increasing the use of recyclates, customers can achieve their recycling rates – and thus their sustainability targets.
- ▶ Zeppelin's technologies ensure savings in the **handling of recyclates** such as soot, rubber granulate, and rubber powder. Zeppelin's conveying systems ensure gentle conveying of high-volume process powders with low powder or granulate breakage. The liquid dosing system in a closed circuit enables precise and loss-free incorporation of functional fluids. This ensures environmentally friendly performance and high cost efficiency.

Systems for safe battery compound production

Zeppelin offers glove boxes and automatic filling stations for handling highly sensitive and harmful raw materials. Optimized systems for conveying, dosing and mixing are also available for optimized product handling. In this way, Zeppelin enables emission-free, safe and clean production.

Customized solutions

for optimal processes, maximum product quality and long life cycles.

High level of safety throughout the entire production process

- ▶ Impermeability of silos and conveying lines
- ▶ Low-dust production
- ▶ Automation solutions

The **Zeppelin Digit Strategic Management Center (SMC)** supports all strategic business units as a cross-functional department in the areas of IT, data, infrastructure, security and compliance, and digital product development. With Zeppelin Digit, the Group is putting in place a consistent IT landscape based on an infrastructure which is standardized across all disciplines. Zeppelin Digit facilitates collaboration across all SBUs and departments on an interdisciplinary, transparent, and open basis.

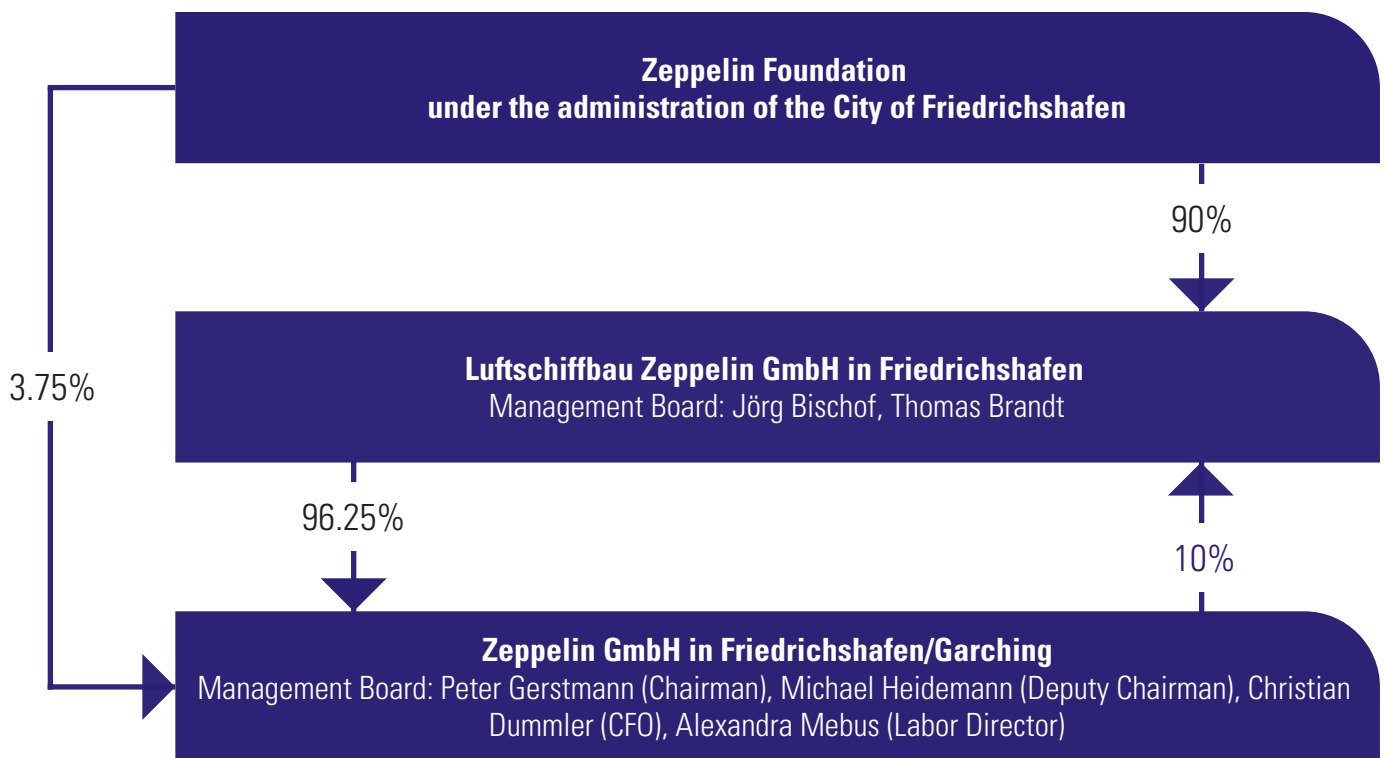
WE CREATE SOLUTIONS

Sales	EUR 3.7 billion
Net Group income	EUR 159.5 million
Sites	over 340 worldwide
Employees (FTE)	10,312

The Zeppelin Group's key economic indicators (as of 12/31/2021)

A detailed account of economic performance is available in the previous annual reports, available on [Zeppelin's home page](#) in the Publications section.²⁵ The extensive range of products and services of the individual SBUs can also be viewed there.²⁶

The roots of the Zeppelin Group can be traced back to the establishment of the Zeppelin Foundation by Ferdinand Graf von Zeppelin in 1908. The Zeppelin Foundation still owns a direct stake in Zeppelin GmbH, as well as an indirect stake as sole shareholder via Luftschiffbau Zeppelin GmbH.²⁷



Corporate structure of the Zeppelin Foundation/Zeppelin Luftschiffbau GmbH/Zeppelin GmbH

²⁵ GRI 201-1

²⁶ GRI 102-7

²⁷ GRI 102-5, GRI 102-7

In fiscal year 2021, more than 10,000 employees at more than 340 locations strengthened the competitiveness of our customers with a comprehensive range of products and services.²⁸



Worldwide overview of the countries in which Zeppelin operates (as of 12/31/2021)²⁹

Construction Equipment

Armenia, Austria, Belarus, Czech Republic, Denmark, Germany, Faroe Islands, Greenland, Poland*, Russia (certain regions), Slovakia, Sweden, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

Rental

Austria, Czech Republic, Denmark, Germany, Slovakia, and Sweden

Power Systems

Armenia, Austria, Azerbaijan**, Belarus, Bulgaria**, Cyprus, Czech Republic, Denmark, Estonia**, Faroe Islands**, Finland**, Georgia**, Germany, Greenland**, Hungary**, Iceland**, Kazakhstan**, Kyrgyzstan**, Latvia**, Lithuania**, Moldova**, Mongolia**, Poland**, Romania**, Russia***, Slovakia, Sweden, Switzerland**, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

Plant Engineering

Belgium, Brazil, China, France, Germany, India, Italy, Russia, Saudi Arabia, Singapore, South Korea, UK, and the USA

²⁸ GRI 102-4, GRI 102-6, In the individual countries, the organization takes the form of national subsidiaries which are presented in the appendix.

²⁹ GRI 102-4 and the following explanation of the labels used:

* Only Hyster forklifts / Manitou conveyor systems / Grove Automotive

** Distribution and service territories only for MaK engines

*** Distribution and service territories for MaK engines; for Cat engines only in central, northwestern and southern Russia

Corporate values³⁰

The “We Create Solutions” mission underlines the Zeppelin Group’s goal: To offer its customers a sustainable solution to increase customer satisfaction and to maintain economic performance.

WE

Each individual, and Zeppelin employees as a whole are responsible for implementing our mission statement. We act across departments and countries in the interests of our customers.

CREATE

We plan, organize, shape, repair, calculate, analyze, manufacture, process, and advise. We provide tailored, integrated, and reliable products and services for every customer.

SOLUTIONS

We find sustainable solutions for our customers, and thereby increase customer satisfaction and our own success.

The corporate culture of the Zeppelin Group is shaped by our identity as a foundation-owned company and its history. The establishment of Luftschiffbau Zeppelin GmbH and the Zeppelin Foundation in 1908 paved the way for today’s Zeppelin Group. 2020 was also the 70th anniversary year of the Zeppelin Group in its current form. This year has shown in a special way how Zeppelin employees put these values into practice, while also preserving the tradition represented by Graf von Zeppelin into the present, and carrying it forward into the future. That Zeppelin system of values is underpinned by the integrity and excellence of our employees.

INTEGRITY

As ambassadors for our culture, our employees epitomize values such as fairness, respect, and transparency when it comes to compliance, and put those values into practice in their day-to-day work.

EXCELLENCE

As reliable, dynamic partners, our employees recognize the needs of our customers and use their wide-ranging knowledge of our products and services to deliver outstanding solutions.

Foundation of our corporate values

³⁰ GRI 102-16



Grafen leave their footprint



Grafen attract Grafen



Grafen move your heart



Grafen stay on course



Grafen get others on board



Grafen receive support



Grafen overcome boundaries



Grafen tip their hats



Grafen fail successfully



Grafen make you think

**At the heart of our value system:
The Ten "Grafensätze"³¹**

Our Grafensätze are the principles we follow in dealing responsibly with our colleagues, customers, service providers and partners, and they are a benchmark in the day-to-day activities of all Zeppelin employees.³²

³¹ A detailed description of the "Grafensätze" is available on [Zeppelin's home page](#) in the Corporate Vision section.

³² GRI 102-16

3 SUSTAINABILITY AT ZEPPELIN

Group and sustainability strategy³³

As a foundation-owned company, Zeppelin is committed to the infinity principle and assumes responsibility in the areas of the economy, environment and society. Sustainable corporate governance is a prerequisite for Zeppelin if we are to make an authentic long-term contribution to the environment and to society as a sustainable and economically successful company, based on the strength of our corporate culture.

WE
ARE
Sustainable

CSR³⁴ is fundamental to future-proofing Zeppelin and is anchored both the corporate strategy and corporate values. Stakeholder concerns are taken into account when defining the sustainability strategy, whereby compliance with the applicable sustainability standards is a matter of course for Zeppelin. In less regulated countries, the company sets its own standards for anchoring CSR issues. The Group Guideline on Sustainability defines the understanding of sustainability at Zeppelin, as well as its responsibility and focus in the action areas defined as material.³⁵

³³ GRI 102-16

³⁴ At Zeppelin, the terms sustainability and CSR are used interchangeably. It is understood to mean a holistic consideration of the environmental, economic and social aspects within the company, taking into account developments in society and in the political arena.

³⁵ The Group Guideline on Sustainability was adopted by the Group Management Board in August 2019. It is available to all employees via the intranet. At Zeppelin, the terms sustainability and CSR are used interchangeably. It is understood to mean a holistic consideration of the environmental, economic and social aspects within the company, taking into account developments in society and in the political arena

The goals of the **GPS strategy** are continuous growth (**G**rowth), outstanding performance (**P**erformance) and sustainable stability (**S**tability):

Growth

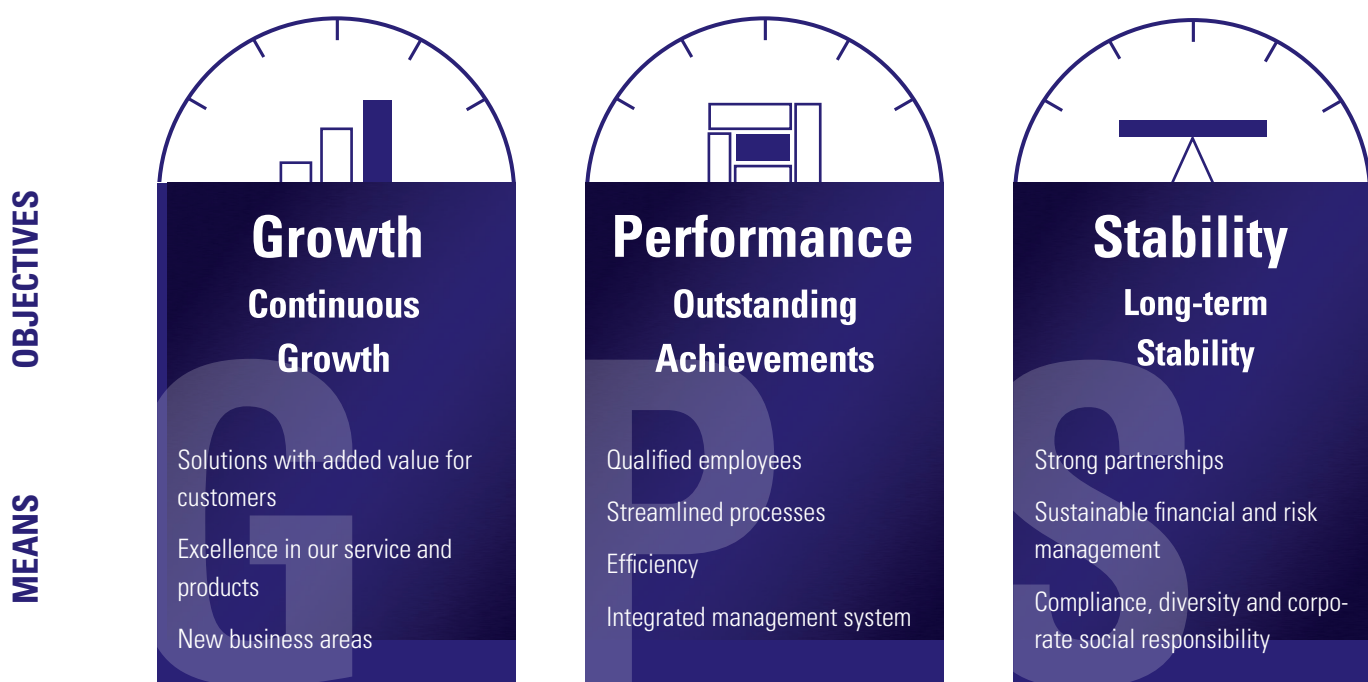
is aimed at the continuous growth of the Group. Based on established business models and new, forward-looking business areas, the company's range of services is constantly being expanded in order to ensure its competitiveness.

Performance

stands for the outstanding achievements of Zeppelin employees. They recognize their customers' needs, use their skills in a targeted way, and offer perfectly tailored, efficient solutions.

Stability

aims to ensure the long-term stability of the Group. Weighing up opportunities and risks during decision-making processes creates an environment that offers long-term stability, thereby ensuring the company's future competitiveness. Sustainable corporate governance ensures that environmental, financial and social aspects are viewed with equal priority, ensuring that sustainability management is lived and breathed in the organization.



GPS strategy of the Zeppelin Group

The Zeppelin Call for Strategy is an important tool for anchoring sustainability issues in its corporate strategy. The strategy call is initiated once a year by Group Development on behalf of the Group Management Board and determines the key focus topics for the annual further development of the strategy for the Group and the SBUs. In 2020 and 2021, the priority topic of carbon neutrality was integrated into the Call for Strategy, as the Zeppelin Group set itself the goal of becoming a carbon-neutral company in day-to-day business operations by 2030

at the latest.³⁶ The main objectives of the Call for Strategy were the development of a carbon neutrality strategy for each SBU to ensure the implementation of carbon neutrality by 2030, as well as the definition of SBU-specific targets and measures to reduce existing CO₂ emissions. In 2021, the results on carbon neutrality were examined in more detail and refined, with the topics of waste and water management also taken into consideration.

Key topics of the sustainability strategy at Zeppelin

2020 + 2021

2022

Net-zero carbon

Reducing the carbon footprint

(reducing energy consumption, using renewable energies, etc.)



Quality-assured data collection
↓
Definition of targets and measures
↓
Implementation

Waste and water management

Waste and water consumption

(reducing waste and water consumption by volume, improving waste and water management, etc.)



Quality-assured data collection
↓
Definition of targets and measures
↓
Implementation



Supply Chain Management

Supply Chain and Supplier Management



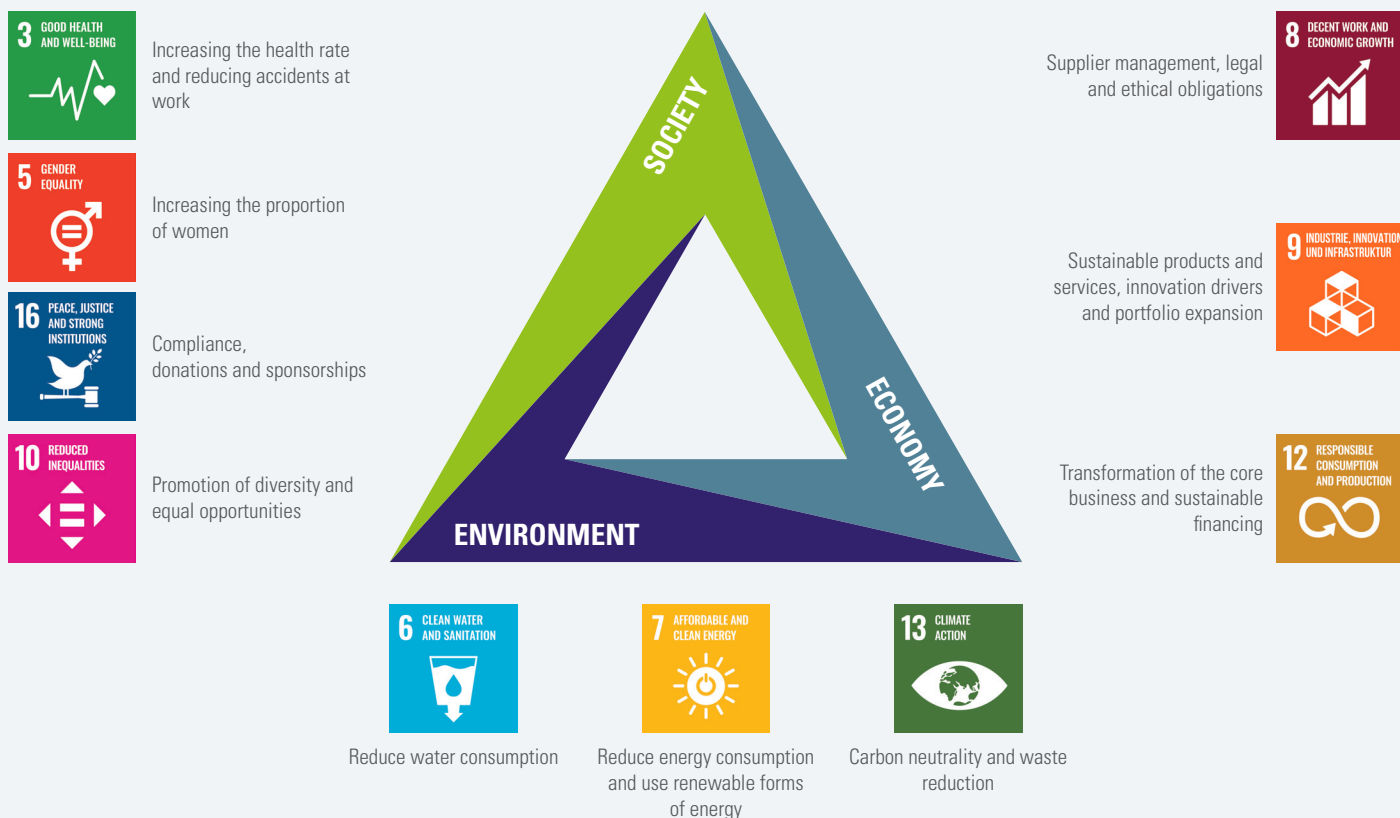
Supply chain analysis and resulting sustainability impacts
↓
Definition of targets and measures
↓
Implementation

In 2022, the supply chain and supplier management will be analyzed with the aim of ensuring sustainable procurement. With regard to the supply chain due diligence law ("Lieferkettensorgfaltspflichtengesetz") adopted in summer 2021 in the Federal Republic of Germany and the

expected regulation by the European Union, appropriate preparatory measures have already been initiated, and these will be gradually expanded and continued (see section on supplier management).

³⁶ The three scopes of the Greenhouse Gas Protocol (GHG Protocol) provide a benchmark for calculating emissions. Emissions from Scope 1 and Scope 2 are taken into account for Zeppelin's objective of carbon-neutrality.

Zeppelin's sustainability strategy also takes into account the United Nations' seventeen Sustainable Development Goals (SDGs). These are designed to ensure sustainable development at economic, social and ecological levels worldwide. The main impact of Zeppelin's sustainability goals on the SDGs is shown in the following chart.



Link between Zeppelin's sustainability goals and measures, and the SDGs

SUSTAINABLE DEVELOPMENT GOALS

Human rights due diligence

The Zeppelin Group is committed to guaranteeing and protecting the human rights of every individual. Based on the values of integrity and excellence, Zeppelin is committed to fairness, appreciation, transparency and democratic social order in order to contribute to global peace and the freedom of all people.

Violence, discrimination, hate speech, improper nationalism and defamatory political disputes are rejected. Zeppelin values the diversity of its employees, rejects all forms of discrimination and is committed to diversity and equal opportunities, regardless of age, gender, religion, ethnic origin, or sexual orientation.³⁷

Respect for human rights is also reflected in our internal guidelines. The Group's "Sustainability" guidelines are based on the International Bill of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and on the principles of the UN Global Compact, which Zeppelin signed up to in 2016. As part of the human rights due diligence process, the Zeppelin Group implements a continuous improvement process, which means, for instance, that internationally recognized human rights are respected and supported at all sites.

Zeppelin has recorded its desired corporate and social conduct in the Code of Conduct for Business Ethics and Compliance. This is a guide for dealing with customers, business partners and colleagues. All employees worldwide must follow the Code of Conduct when carrying out their activities and must always practice values such as integrity, respect, transparency, and openness.

Zeppelin also follows a preventive compliance approach to ensure compliant conduct. Possible transgressions of the rules should be ruled out in advance where possible. In addition to the Code of Conduct, compliance guidelines provide specific instructions in unclear situations. The Zeppelin Trustline is an online whistleblower system that can be used to submit reports in any language relevant to the Zeppelin Group. The system offers the option of contacting the Zeppelin Group anonymously and confidentially, including on topics relating to human rights due diligence.

Zeppelin regularly identifies and assesses the risks of human rights violations that may occur as a result of business activities, products and services, as well as through investment decisions. Corrective and preventive measures are taken immediately, where necessary. Internal and external parties are included in the risk analysis. This takes place proactively when selecting suppliers and business partners in the supply chain. For example, suppliers must meet the company's quality requirements, such as compliance with legal obligations, the Zeppelin Code of Conduct for Business Ethics and Compliance, and the applicable data protection guideline.

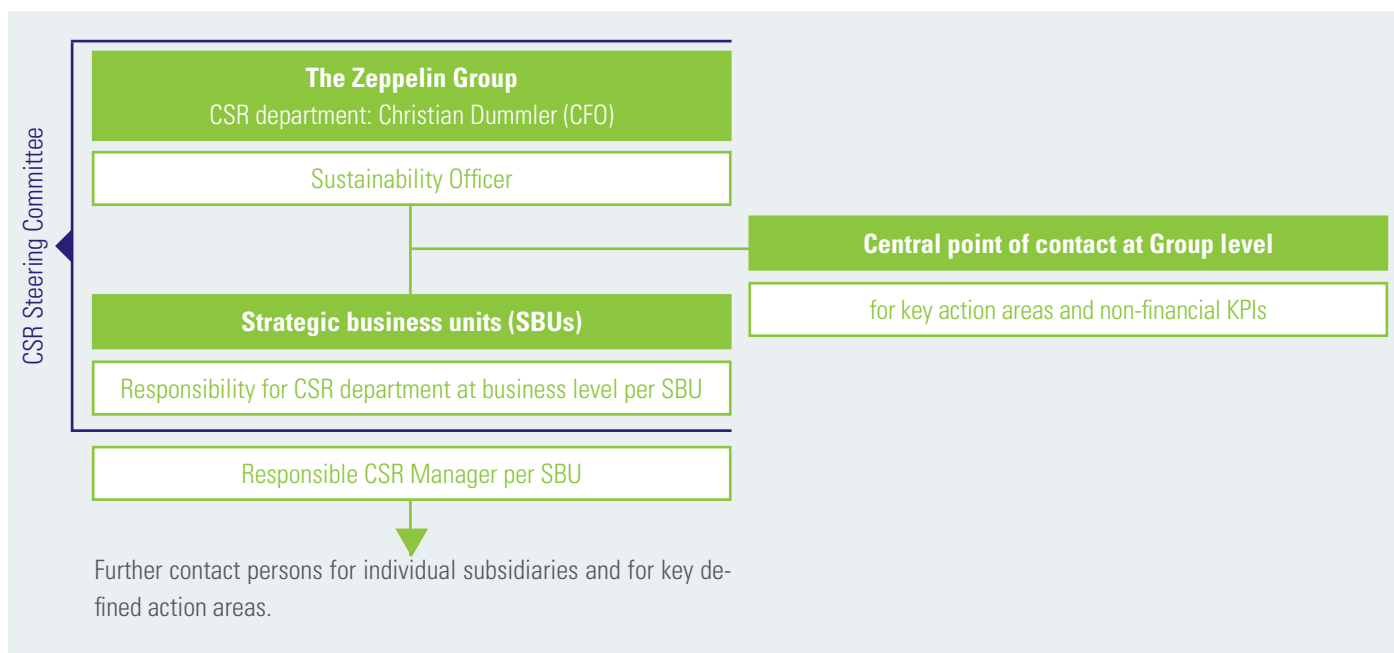
³⁷ The Zeppelin Group is not aware of any child labor, forced labor or compulsory labor at its sites in the reporting period ending December 31, 2021.

Sustainability organization³⁸

The Group Management Board and the Chairman have overall responsibility for sustainability.³⁹ A separate CSR department in the Group Management Board, under the responsibility of CFO Christian Dummler, promotes the anchoring of sustainability topics and manages and coordinates overall development across SBUs and countries in the Zeppelin Group.

In addition, the departmental responsibility for CSR was defined at management level within each strategic business unit, and responsible CSR managers were appointed at the working level, who regularly report to the Sustainability Officer on the progress of sustainability management within their SBUs.

The Sustainability Officer of the Zeppelin Group⁴⁰ who reports directly to and is appointed by the Group Management Board, coordinates stakeholder management, manages the further development and expansion of CSR topics throughout the Group, drives forward the further development of the sustainability strategy within the individual SBUs, is responsible for sustainability communication and prepares the sustainability and/or progress reports.⁴¹



CSR organization at SBU level

For the action areas defined as essential, a contact person is defined at Group level, who drives forward the implementation of the targets, analyses the performance of the defined KPIs and agrees on suitable measures to ensure that the targets are achieved. In 2021, a CSR Steering Committee was established with the responsible Group Managing Director, the Managing Directors responsible for CSR at SBU level, and

the central CSR department. The Steering Committee provides advice at least three times a year on current key topics, reviews the effectiveness of the measures, and in doing so ensures continuous improvement of the individual areas and the overall sustainability performance of Zeppelin.

³⁸ GRI 102-20

³⁹ GRI 102-20-a

⁴⁰ Ramona Wallner was appointed Sustainability Officer of the Zeppelin Group effective May 2019. Her contact details can be found in the appendix.

⁴¹ GRI 102-20-b, GRI 102-19

Stakeholder analysis & materiality matrix⁴²

As a globally active company, it is of great importance for Zeppelin's business success to have an open and constructive dialog with all stakeholders. This helps us to build trusting relationships, deepen partnerships and learn about sustainability-related requirements for our business. Together with stakeholders, sustainability topics that are relevant to Zeppelin are identified and the action areas for continuous improvements are brought to the fore.

For each stakeholder, the expectation or requirement for Zeppelin is defined along with the associated risks and opportunities. Based on this assessment, the measures already implemented to meet the requirements of the stakeholder group are defined, along with any further activities which are considered necessary.

Zeppelin Group's key stakeholders ⁴³		
INTERNAL	SHAREHOLDERS/BODIES	EXTERNAL
<ul style="list-style-type: none"> Works Council Employees Subsidiaries Strategic Business Units 	<ul style="list-style-type: none"> Zeppelin Foundation Supervisory Board Friedrichshafen Municipal Council as company representative 	<ul style="list-style-type: none"> Customers Caterpillar Suppliers Government & Authorities Financing partners and investors Associations

In the summer of 2020, a comprehensive stakeholder survey was conducted on the topic of "Sustainability at Zeppelin"; all Zeppelin's employees and around 230 external business partners were invited to participate. The primary objectives of the survey were to identify key action areas as well as strengths and weaknesses in CSR and crisis management during COVID-19. In addition, the focus was on strengthening the company's focus on sustainability and anchoring key findings in Zeppelin's corporate and sustainability strategy.

The results of the employee opinion survey show that the topics of "safe and healthy working conditions for employees", "responsible use of resources" and "sustainable HR policy" in particular are rated as very important. In the field of CSR, business partners consider the responsible use of resources, the transparency of sustainability management and sustainable supplier management to be particularly important.

⁴² GRI 102-44, GRI 102-47

⁴³ GRI 102-40

Key demands and expectations for sustainability at Zeppelin⁴⁴

EMPLOYEES

Safe & healthy working conditions for employees
Responsible use of resources
Sustainable human resources policy

BUSINESS PARTNERS

Responsible use of resources
Transparency of sustainability management
Sustainable supplier management

The three biggest strengths in CSR are seen by business partners within quality management, financial stability,  compliance and anti-corruption. Employees see the three greatest strengths in Zeppelin's sustainability management, in financial sustainability, compliance with legal and ethical obligations, and compliance and anti-corruption.

Zeppelin's commitment to CSR is rated as good by employees and business partners in terms of transparency, scope of activities and integration into business areas and processes, as well as in its own products and services. Around 53 percent of participating employees perceive

Zeppelin as a company that is active in the field of sustainability, while around 77 percent of business partners rate Zeppelin as a sustainable company.

Measures for ongoing improvement of our sustainability management have been defined based on the results of the survey. For example, the flow of communication and information on CSR has been improved through regular newsletters. To reduce packaging materials and improve resource efficiency, the 2021 Call for Strategy includes the priority areas of waste and water management.⁴⁵

⁴⁴ The order reflects the frequency of the response: The response with the most mentions comes first.

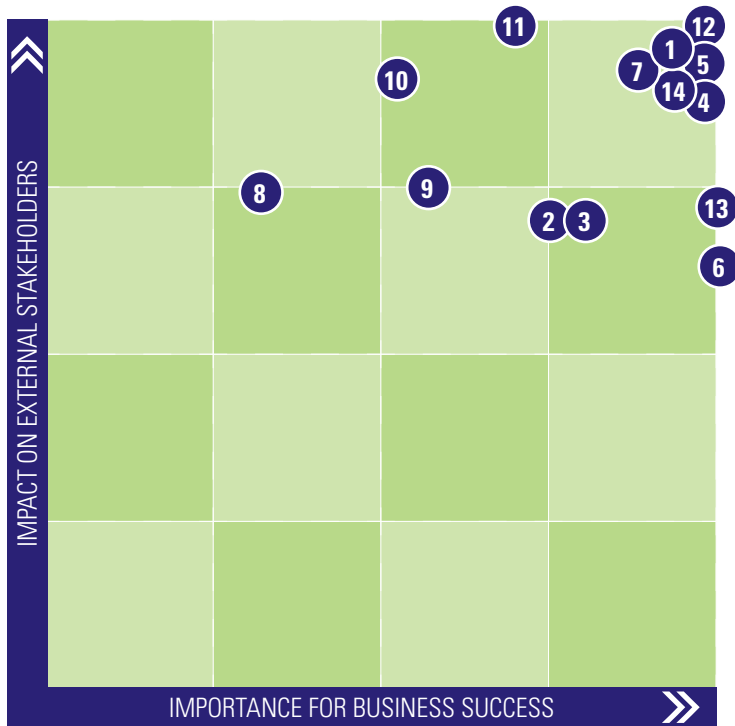
⁴⁵ GRI 102-40

Materiality matrix and action areas

The materiality matrix was created for the first time in 2016 based on the stakeholder surveys and SWOT analyses carried out; this was successively updated in the years since.⁴⁶ The classification is based on

GRI 2018 using the significance for stakeholders and the importance for business success.⁴⁷ The materiality matrix supports the process of prioritizing topics.

Materiality matrix⁴⁸



Economy	1	Risk management
	2	Compliance
	3	Data protection
	4	Quality management
	5	Supplier Management
Social responsibility	6	Corporate and leadership culture
	7	Employee satisfaction
	8	Occupational health and safety
	9	Financial commitment (donations)
	10	Human rights
Environment	11	Energy and environment management
Overarching topics	12	Capacity for innovation
	13	Product responsibility
	14	Commercial success

The quality management system, which ensures high-quality services and products as well as that the demands and needs of interested parties are met, is considered from the point of view of economic sustainability. Compliance requirements, anti-corruption measures, compliance with data protection regulations and supplier management are also presented here.

In the area of social responsibility, an occupational health and safety management system forms the foundation for healthy and safe working conditions for employees and all people working on behalf of Zeppelin. Numerous HR benefits, such as company pensions, ongoing training opportunities, fair remuneration models, and a good work-life balance ensure that we remain attractive as an employer. Zeppelin's commitment to financial sustainability is made clear through regular financial

donations to aid institutions, associations, and charities. As part of the human rights due diligence process, the Zeppelin Group implements a continuous improvement process in the same way as the Integrated Management System. One consequence of this is that internationally recognized human rights are respected and supported at all locations.

The environmental component is based on an effective energy and environmental management system, which aims, for instance, to increase energy efficiency in the company, achieve savings and become a carbon-neutral company in ongoing business operations by 2030. This can help make an active contribution to environmental and climate protection.

⁴⁶ GRI 102-46

⁴⁷ As part of the changeover to the new reporting requirements of GRI 2021, the materiality assessment will be adjusted over the course of 2022 and the new requirements will be included in reporting.

⁴⁸ GRI 102-47

Key action areas for sustainability at Zeppelin⁴⁹

Economy



Compliance & anti-corruption



Data protection



Quality management



Supplier management

Social Responsibility



Employee satisfaction



Occupational health and safety



Donations & Sponsorship



Human rights due diligence

Environment



Energy management



Environmental management system

Non-financial KPIs⁵⁰

The Zeppelin Group started to systematically and regularly record the defined non-financial KPIs in its worldwide operations in 2015. The aim was to create a reliable and comparable database and to implement GRI⁵¹ reporting.

The requested non-financial KPIs originate from the fields of action defined as material and are determined once a year in each Group company. This serves to illustrate KPI trends, evaluate the achievement of targets in the individual areas, and define new targets and measures

for continuous improvement. Appendix A 6 contains an overview of all non-financial KPIs.

To improve data quality, transparency and the depth of the report, the decision was taken in 2021 to implement a software tool with which the requested non-financial KPIs, their analysis, and the tracking of targets and measures will be carried out in future. Implementation is scheduled to be completed by the end of the first quarter of 2022.

⁴⁹ GRI 102-47

⁵⁰ GRI 101, Section 1.3 in conjunction with GRI 103

⁵¹ The Global Reporting Initiative develops guidelines for the preparation of sustainability reports by large businesses, small and medium-sized enterprises, governments and NGOs. More information can be found on the home page <https://www.globalreporting.org/Pages/default.aspx>.

Certification and Awards

Integrated Management System (IMS) according to ISO 9001, ISO 14001, ISO 45001, and ISO 50001

Numerous certifications and awards demonstrate Zeppelin’s success in the environmental, economic, and social areas:

The Integrated Management System at Zeppelin aims to ensure continuous improvement for the certified areas of occupational health and safety, environmental protection, energy and quality management, and to create uniform standards and a common documentation basis within the scope of the IMS.

The Integrated Management System was certified for all German Group companies for the first time in 2019. In 2021, this certification was successfully confirmed by the annual external monitoring audit. Energy management, which also applies to Austria, Poland, the Czech Republic and the Slovak Republic, was successfully extended to the national companies in Denmark and Sweden in 2021. The certificates can also be viewed on [Zeppelin’s home page](#) in the sustainability section (see figures below).

Integrated Management System (IMS) certifications for ISO 9001, ISO 14001, ISO 450001, and ISO 50001



Certification by the “berufundfamilie audit”

For years, Zeppelin has been committed to providing all employees with an environment that enables them to balance their professional and private lives. This is why Zeppelin has been awarded the “audit berufundfamilie” seal for the second time. The distinction includes Management Holding Zeppelin GmbH and the German companies of the Construction Equipment Central Europe, Rental, Power Systems, and Plant Engineering strategic business units, as well as the Zeppelin Digit strategic management center (including the company Z LAB). The many initiatives and measures that Zeppelin offers its employees were positively incorporated into the evaluation: Flexible, remote working (in areas where this is possible), counseling services for the workforce in difficult personal situations, and health and sports services.



Successful Creditreform rating

Creditreform Rating AG regularly assesses the economic situation of the Zeppelin Group and delivers a rating classification, i.e. it assesses the creditworthiness of the company. In the mid-year monitoring in summer 2021, the current top rating "A" in the "Corporate Issuer Rating of Zeppelin GmbH" was reconfirmed – and the outlook upgraded to "stable" (from "negative").

EcoVadis rating

Selected Zeppelin national subsidiaries are assessed as part of EcoVadis ratings in terms of their CSR activities in the areas of environment, labor and human rights, ethics, and sustainable procurement. A number of instances of Zeppelin's commitment have been recognized in the EcoVadis Sustainability Rating: Zeppelin Systems GmbH achieved a Gold rating, Zeppelin Sverige AB and Zeppelin Rental GmbH were awarded the Silver Seal, and Zeppelin Baumaschinen GmbH and Zeppelin Österreich GmbH both received Bronze.

Membership of associations and initiatives⁵²

Zeppelin's commitment to sustainability is also borne out by its membership of and active participation in external initiatives and associations:

UN Global Compact

In December 2016, Zeppelin GmbH joined the UN Global Compact as a sign of its corporate responsibility, and has since been implementing and promoting the ten principles of the UN Global Compact.

Diversity Charter

The Zeppelin Group has been a member of the Diversity Charter since September 2020, a German employer initiative to promote diversity in companies. By signing up to the Charter, we made a voluntary commitment to consciously promote diversity and respect.

Founding partner of "Employers for Equality"

Zeppelin is a founding partner of "Employers for Equality", a program of PANDA GmbH for Gender, Equality & Diversity in companies that promotes equality and actively advances progress in business and society. These memberships promote Zeppelin's visibility among professionals and experts and also increase its attractiveness as an employer.

Forum Compliance Mittelstand (FCM) working group

The Zeppelin Group is also a member of the SME-focused Forum Compliance Mittelstand (FCM) working group in Germany. The Forum is a voluntary union of small and mid-sized enterprises and associations that serves to promote and spread a value-driven way of doing business among companies of a similar size. Topics relating to the implementation of effective compliance management and monitoring in SMEs are discussed. The FCM works at the intersection of business and ethics, and fosters dialog between researchers and the world of business.

"Fair Company" initiative

It goes without saying that the Zeppelin Group treats interns fairly and responsibly. Zeppelin has been a member of the "Fair Company" initiative since July 2018 and is committed to complying with defined quality standards. Fair Company is Germany's largest and most well-known employer initiative committed to a fair working environment in the long term, and is aimed specifically at young professionals and career entrants.



⁵² GRI 102-12, GRI 102-13

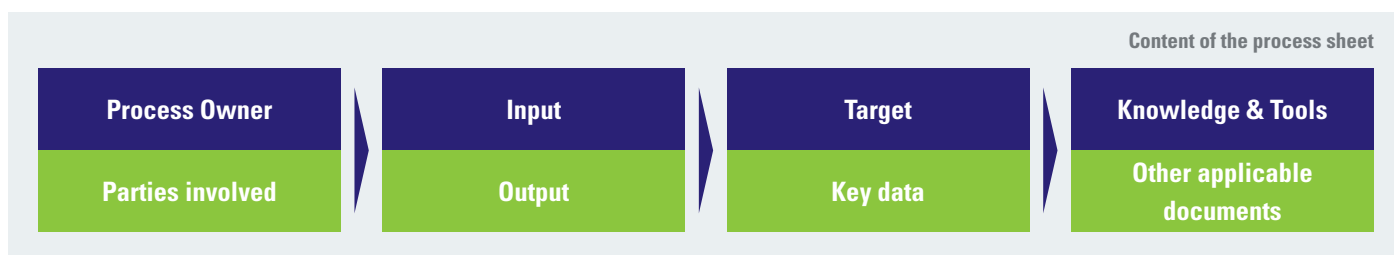
4 ECONOMIC SUSTAINABILITY

For Zeppelin, economic sustainability is a basic requirement for the long-term safeguarding of economic success and expansion of our competitiveness. The key economic action areas include compliance and anti-corruption, data protection, quality management, and supplier management. The overarching risk management, which is part of all company activities, is presented first.

Risk management

Risk management regulates the handling of risks and opportunities within a process, project or other company activities. The aim of the risk management process is to support management in its corporate decision-making, to improve corporate management and to provide transparency and certainty to stakeholders. Performance-oriented risk management is geared towards implementing the corporate strategy and is an integral part of corporate management. Risk management includes all measures taken to identify, analyze, evaluate, monitor, and control risks. The primary objective is to identify and reduce risks and to identify opportunities and their subsequent use cases. All strategic business units or significant Group companies conduct risk management.⁵³ Risk management with a focus on accounting and reporting

is regulated in the Group's Risk Guideline under the responsibility of Group Controlling.⁵⁴ The procedure for determining opportunities and risks for processes and projects is contained in the "Risk Management" procedure, which is part of the Integrated Management System, for which the IMS Officer is responsible. The sponsor and/or the respective project manager are responsible for identifying risks and opportunities within a project. The process owner is responsible for identifying the respective opportunities and risks relating to the process, which is either a leadership, core or support process, the persons involved, the necessary knowledge and the necessary tools, as well as other process-specific aspects.⁵⁵



Identified opportunities and risks were assessed based on their probability of occurrence, failure rate or extent of damage. Risks and opportunities are assessed and taken into account in the decision-making process in all key decisions taken in the meetings of the Group Management Board and the Executive Board. Suitable measures for risk avoidance or mitigation and the use of identified opportunities are then defined. If the overall risk has decreased or is acceptable on account of the defined measures, key figures will be defined. If the overall risk has

not decreased by the required amount, measures will be redefined or the measures already taken will be modified.

Opportunities and risks are managed and monitored using measurable and traceable key figures. The effectiveness of the defined measures and KPIs is regularly reviewed as part of the ongoing improvement process and the management review process with the Group Management Board; initiatives and reference values are adjusted as necessary.⁵⁶

⁵³ GRI 103-1

⁵⁴ Zeppelin GmbH therefore complies with the requirements of the Corporate Control and Transparency Act (KonTraG), Section 91 (2) of the German Stock Corporation Act (AktG) and the Accounting Modernization Act (BilMoG).

⁵⁵ GRI 103-2

⁵⁶ GRI 103-3: The most recent audit revealed that no significant changes are necessary.

Business Ethics and Compliance

A self-evident part of management and corporate culture⁵⁷

Compliance is the term used in business and law to refer to the conformity of companies with rules, regulations, laws, guidelines, and voluntary codes of practice. As part of its compliance management system, the Zeppelin Group has set up processes to prevent and detect compliance violations and to create remedial action. Internal rules and guidelines provide management and staff with clear guidance and explain the ethical and legal motives behind the compliance program.⁵⁸

The ethical basis for compliance at Zeppelin is the conviction that social responsibility, observance of the law, and conduct with integrity are essential for long-term business success. Compliance with legal requirements, official regulations, and internal corporate guidelines is a key part of Zeppelin's management and corporate culture.⁵⁹

The Zeppelin Code of Conduct for Business Ethics and Compliance describes these fundamental principles of business conduct – within the Group, but also vis-à-vis our partners and the public at large. Integrity is an irrefutable corporate value in all business activities and relationships. Any form of corruption, bribery, extortion and embezzlement in business transactions or violation of export control regulations and sanctions are rejected.⁶⁰

⁵⁷ GRI 103-1 to GRI 103-3

⁵⁸ GRI 103-2-b

⁵⁹ GRI 103-1 and GRI 103-2 and GRI 103-3: The Zeppelin Group, its direct and indirect business activities, and their impact are all taken into consideration.

⁶⁰ GRI 103-3-c-i and GRI 103-3-c-ii

⁶¹ Further information can also be found in the Compliance section of Zeppelin's [home page](#).

01

No discrimination

02

No risks to people or the environment

03

No damage to your property or that of others

04

No conflicts of interest

05

No dependencies

06

No corruption or bribery

07

No deception

08

No misinformation

09

No violation of export regulations

10

No anti-competitive conduct

The scope of compliance requirements and desirable conduct in order to meet them are explained to all employees through information and training. These address not only rules that must be complied with, but also the early identification of risks and transgressions and the submission of information to prevent possible abuses.⁶²

The internal compliance organization ensures that the compliance management system is coordinated throughout the Group and that contact persons, who employees can turn to in confidence, are available within all companies. A separate e-mail address for questions and information relating to compliance matters is also available.⁶³

The Zeppelin Trustline also provides an online whistleblower system that can be used to submit reports in all languages relevant to the Zeppelin Group and its business partners. The system offers the option of contacting the Zeppelin Group anonymously and confidentially. Zeppelin works with a reliable (external) partner to provide this

reporting system; our partner continually updates the system to reflect the laws and requirements of worldwide whistleblower reporting. The system is compliant with the General Data Protection Regulation, and is audited and has been certified in accordance with ISO 27001.⁶⁴ The anonymity of the whistleblower in accordance with the state of the art is ensured – where requested by the whistleblower – through appropriate technical measures and hosting of the system by the provider.⁶⁵

External ombudspersons are appointed in selected countries in which Zeppelin operates. They make it possible to confidentially contact an external, neutral and qualified person of trust with any questions relating to compliance and, in particular, relating to compliance with legal requirements and internal guidelines. In addition, it is possible to make contact directly via the responsible Chief Compliance Officer (CCO) and the employees of the Compliance Organization. All contact channels are open and available to employees, business partners and other third parties on an equal footing.

Progress in Compliance⁶⁶



Progress on Objective 1

Maintaining a corporate culture in which compliance with legal and ethical obligations is a matter of course

Avoid compliance transgressions through targeted information provision and training

One objective in the area of compliance is to maintain a corporate culture in which compliance with legal and ethical obligations is a matter of course. Compliance transgressions are to be largely avoided through targeted information provision and regular training of employees and managers.

Compliance transgressions summary

Compliance violations	Unit	2019	2020	2021
Reported violations	Total	5	26	23
of which confirmed transgressions	Total	5	16	11
of which resolved transgressions	Total	5	16	9
Compliance resolution rate	%	100	100	81

⁶² GRI 103-2-a

⁶³ GRI 102-17 in conjunction with the following paragraphs on procedures and concerns relating to ethics.

⁶⁴ ISO 27001: International Standard for IT Security Procedures – Information Security Management System – Requirements.

⁶⁵ GRI 103-2-c-vi in conjunction with the following paragraph.

⁶⁶ GRI 103-2-c-iii

The number of reported compliance transgressions fell to 23 cases in the 2021 reporting year. The slight decline is likely to be due to the successful efforts of the Compliance organization to better inform and educate employees through newsletters and training. All reports were promptly checked, and confirmed compliance violations were

processed and substantially corrected by the Compliance organization and the relevant departments, i.e. the Audit department and the Legal department.⁶⁷ Violations from 2021 that have not yet been remedied are still being processed. In recent years, there have been no known cases of non-compliance with laws resulting in fines, penalties or forfeiture.⁶⁸

Overview of fines, penalties or forfeiture imposed by final judgment

Fines & corruption cases	Unit	2019	2020	2021
Amount of fines, penalties or forfeitures imposed by final judgment ⁶⁹	Euro	0	0	0
Corruption cases ⁷⁰	Total	0	0	0

The target for the coming years remains transparent compliance reporting and the avoidance of compliance transgressions.



Progress on Objective 2

High training rate in the area of compliance

Number of employees with valid compliance training > 80%

A corresponding corporate culture of compliance can only be nurtured if all employees have the necessary knowledge and are able to develop the necessary and appropriate awareness of compliance. Zeppelin regularly informs its employees about compliance challenges and risks and demonstrates desired conduct in line with Zeppelin's values through training courses. The aim is that the proportion of employees with valid compliance training should be greater than 80 percent during the four-year period.

The compliance training concept at Zeppelin consists of workshops for Management and employees in which the challenges of compliance in terms of management responsibility and the understanding of values within the Zeppelin corporate culture are conveyed. Supplementary e-learning programs teach basic knowledge and the key messages of the Zeppelin Code of Conduct for Business Ethics and Compliance. For particularly risk-sensitive employees, for example those in Purchasing and Sales, there are supplementary training courses, such as the fundamentals on the prevention of corruption.

⁶⁷ Unresolved cases were still in resolution at the time of reporting.

⁶⁸ Forfeiture is a measure for asset recovery provided for in criminal law.

⁶⁹ GRI 419-1

⁷⁰ GRI 205-3 and GRI 206-1: There were no legal proceedings for anti-competitive behavior, anti-trust or monopoly practices in the reporting period.

Since 2021, all employees have been able to complete the “Compliance Basics” training module. This module explains the topics of correct conduct, corruption prevention, antitrust law and other topics. It is a mandatory program component for all employees. Another module will be available from 2023. The “Dealing with business partners” module focuses on corruption prevention for those working in purchasing, sales & marketing, prevention of money laundering and terrorist financing, export controls and dealing with embargoes, and is aimed at selected exposed employee groups.

For 2021, the roll-out of the system for all employees in the Zeppelin Group was on the training agenda. This was carried out successfully in six business units. The target of a participation rate of more than 80% was even exceeded.⁷¹

		Participation rate for the Basic Compliance training			
Basic Compliance Training	Unit	2018	2019	Pilot 2020	2021
Total number of participants	Total	1,964	2,954	145	7,977
Participants among the Management Board	Total	22	25	2	40
Employee participation rate	%	23	32	96	82

Since the introduction of the new e-learning system in 2020, Zeppelin was been continuously working on further improving the participation rate and implementing suitable measures to achieve this; these will be presented in the next section. In order to improve training quality, the shortening of the training cycle is also being reviewed.

Measures implemented in 2021 from Compliance⁷²

The aim of the Compliance organization is to make the newly introduced e-learning courses available to employees as attractively and conveniently as possible. For this reason, the learning program is also available in a wide range of languages.

⁷¹ To achieve this goal, at least 20 percent of employees must successfully complete the e-learning module each year.

⁷² GRI 103-2-c-vii

Data protection

Protection of personal rights and the right to informal self-determination

The task of data protection is to protect individual rights and in particular, the privacy of each person. For this purpose, lawmakers have extensively regulated the processing of personal data, and granted rights to each data subject to protect their own personal data.

In the spirit of the Grafensatz "Grafen tip their hats", the Zeppelin Group respects compliance with data protection requirements not only as a legal requirement, but also as an expression of honest, fair and responsible conduct. Zeppelin employees and business partners should be able to rest easy in the knowledge that their personal data can be protected.⁷³

To meet the ever-increasing legal requirements, as well as the importance given to data protection in the Zeppelin Group, Zeppelin maintains the Compliance & Data Protection division in the Group holding company, whose primary task is the ongoing development of the data

protection management system within the Zeppelin Group. The division manages the Group's worldwide data protection organization consisting of the Group Data Protection Officer, as well as other data protection officers, data protection coordinators, and data protection contact persons.⁷⁴ These work together to ensure that the handling of personal data of employees, customers, and suppliers remains legally compliant. At the same time, they develop and support the introduction of necessary data protection and data security measures and further develop existing measures. However, the development of new digital products and services for customers, as well as the internal introduction of new tools and platforms, are also closely managed and monitored by the data protection organization.⁷⁵ The data protection organization therefore represents the interface to information security, which supports projects from a technical perspective and in close coordination with data protection.

Progress in Data Protection



Progress on Objective 1

Avoidance of data protection breaches through information and training

Number of identified data breaches pursuant to Article 33 of the GDPR, of which the number of incidents reported by supervisory authorities

The main objective is to avoid data protection breaches through targeted information and regular training of employees; these will be made aware as part of the data protection training courses and trained using mandatory e-learning courses on data protection and information security.⁷⁶

⁷³ GRI 103-1

⁷⁴ GRI 103-2-c-iv and GRI 103-3

⁷⁵ GRI 103-2

⁷⁶ GRI 418-1

The Group Data Protection Guideline is the central, binding policy on data protection management at Zeppelin and summarizes the rights and obligations, as well as the desired conduct, when handling personal data for all employees.⁷⁷ Accompanying guidelines, including their visualization, process summaries, as well as information brochures and data protection notices for employees, provide guidance and transparency at the same time. Further information and templates are available to all employees at all times on the central data protection page on the Intranet.

In addition, customers can obtain information on all of Zeppelin's apps and websites about the processing of personal data when using our websites, apps and platforms, but also when using our services. Fair and responsible behavior towards customers also means being transparent in what you do.

Summary of data protection complaints

Data protection complaints	Unit	2019	2020	2021
Reported data protection complaints ⁷⁸	Total	8	12	10
of which confirmed transgressions	Total	8	10	10
of which resolved transgressions	Total	8	10	10
Data protection resolution rate	%	100	100	100

During 2019, the reporting process for data breaches required by the GDPR was amended and optimized taking into account initial experiences. Among other things, this made it possible to report the loss of a mobile end device, which represents the majority of reported cases in 2020. The roll-out of a new mobile device management software for all mobile devices started in 2021. At the same time, a project was

launched to improve and expand full-disk encryption for laptops. In the future, both measures will noticeably reduce the number of breaches that need to be reported. The introduction of new data protection management software in December 2021 harmonized the process for reporting data protection breaches. This software will continue to be optimized to ensure convenient access and ease of use for employees.

Data Protection Measures⁷⁹

The Zeppelin Group is continuously working on refining and improving its data protection management system (DMS). Data protection management software and a new, mandatory e-learning module on data protection and information security were successfully introduced in 2021. Data protection reporting is scheduled to be revised and updated in 2022. The most important component will be the information obtained from the data protection management software.

⁷⁷ GRI 103-2-c-i

⁷⁸ GRI 418-1

⁷⁹ GRI 103-2-c-vii

Quality management

High-quality products and services from Zeppelin⁸⁰

Ensuring high-quality services and products, as well as meeting the requirements and needs of customers, is essential for Zeppelin's success as a foundation-owned company that operates sustainably.⁸¹ Satisfied customers form the basis for long-term cooperation based on partnership and trust. Zeppelin attaches great importance to this as part of its quality policy, which was published as Group Guidelines.⁸²

Zeppelin lives by its special awareness of quality in all companies and across national borders, which is underlined in the German companies by a uniform management system in accordance with DIN EN ISO 9001:2015 for internal and external purposes.⁸³

The Group Management Board actively promotes the continuous improvement of quality by providing the necessary resources, data and

information and appoints a quality management officer to this end, who continuously refines and develops the management system.⁸⁴ The effectiveness of the quality management system is reviewed once a year as part of the management review with the Group Management Board.⁸⁵

All Zeppelin employees who are appropriately trained and qualified make a significant contribution to ensuring high quality is achieved. Every manager and every employee is committed to continuous further training, a willingness to learn, and acceptance of our quality promise.⁸⁶

Progress in Quality Management

The current objectives focus on sustainable corporate development, which ensures long-term economic success and competitiveness. In addition, the aim is to ensure the creation of an innovative corporate environment in which employees contribute to ongoing improvements, as well as to ensure a high level of skills and effectiveness among managers and employees. The latter is measured by the participation rate in the central e-learning modules, which contain a variety of focus areas each year.



Progress on Objective 1

Sustainable corporate development

Sustainable business development

Creditreform Rating AG, one of the leading rating agencies in Europe, once again certified that Zeppelin GmbH had an above-average creditworthiness in 2021. With an overall rating of "A" and a stable outlook, the Zeppelin Group was able to impress with its good capital market viability and prudent financial policy. Other important factors include the market-leading position as a premium partner to Caterpillar, sound management built on experience in the sector and with crises, and a diversified portfolio of products and services. Even in light of the overall economic situation caused by the COVID-19 pandemic and its economic effects, the international rating agency continues to rate the company as promising. The Group's efforts in the area of sustainability were also considered in the assessment for the first time.⁸⁷

⁸⁰ GRI 103-1, GRI 103-2 and GRI 103-3: The individual breakdown can be found in the individual footnotes.

⁸¹ GRI 103-1-a

⁸² GRI 103-2-c-i

⁸³ GRI 103-1-b and GRI 103-1-c The topic of quality is essential for all companies, i.e. there is no explicit restriction. The main certificate can be found in the Integrated Management System section.

⁸⁴ GRI 103-2-c-iv, GRI 103-2-c-v

⁸⁵ GRI 103-03: The review for 2021 confirms the effectiveness of the QM system and measures for further improvement have been defined.

⁸⁶ GRI 103-2-c-vi

⁸⁷ More information can be found in the Annual Report 2021 on page 76.



Progress on Objective 2

Use the knowledge and innovativeness of employees for ongoing improvement and optimization

Number of ideas implemented

The Zeppelin Group encourages its employees to develop their own ideas and contribute them to the company. As part of the Z IDEA ideas management system, employees are given the opportunity to improve processes and develop new ideas. This not only advances the company, but also promotes interdisciplinary team building and dialog. Every idea that is evaluated positively is rewarded with a bonus.⁸⁸ In 2021, a total of EUR 184,778 in bonuses were paid to Zeppelin idea generators.

Summary of ideas submitted to "Z IDEA" and rewarded

Strategic Business Units	Ideas submitted			Rewarded ideas ⁸⁹		
	2019	2020	2021	2019	2020	2021
Construction Equipment Central Europe	127	136	144	24	23	31
Construction Equipment Eurasia	163	78	154	58	17	43
Rental	108	85	128	9	9	14
Power Systems	55	39	56	10	8	9
Plant Engineering	122	144	127	36	15	19
Zeppelin GmbH ¹¹⁴	15	13	13	1	0	3
Total	590	496	622	138	72	119

The knowledge and innovativeness of employees is measured by the number of positively evaluated ideas submitted as part of "Z IDEA", i.e. those that have been rewarded. In 2021, the number of ideas submitted and rewarded increased significantly. Around 19 percent of suggestions were rewarded. This is due to the very successful campaigns on "Zeppelin's environmental footprint" and "Diversity". The aim is to maintain a comparable high level of ideas being honored with a reward.

⁸⁸ For ideas with a quantifiable benefit, the idea generator will be entitled to an implementation bonus of ten percent of the value of the idea's benefit; implementation bonuses are subject to a country-specific cap. For ideas without a calculable benefit, the idea generator is entitled to a country-specific flat-rate bonus, which is paid out in full before implementation.

⁸⁹ Every idea that is evaluated positively is rewarded with a bonus.

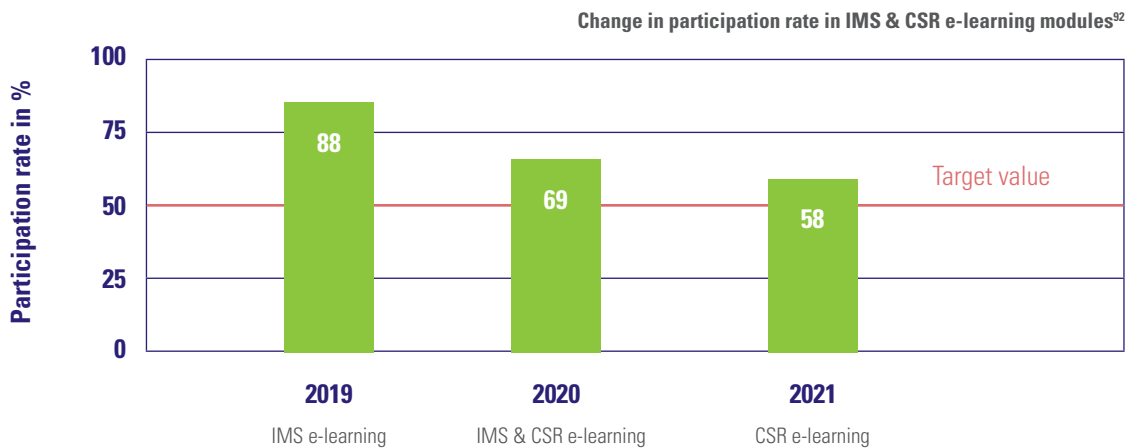


Progress on Objective 3

Training of employees/managers in the Integrated Management System and CSR within the scope of the IMS

High participation rate in central e-learning system (> 50%)

The first e-learning module on the Integrated Management System was rolled out in 2019 for all employees within the scope of the IMS.⁹⁰ One year later, CSR topics were added to the e-learning program, which at that time was designed exclusively for managers in Germany to underline the responsibility at the top management level. In 2021, another global e-learning course on “Sustainability at Zeppelin” was established. The aim was to achieve a uniform understanding of CSR across all country and SBU boundaries. In 2019, the absolute number of participants for the IMS e-learning program was approximately 4,698; for the IMS & CSR e-learning for managers it was 235 in 2020 and 5,343 in 2021. The target of a participation rate of more than 50% was achieved every year.⁹¹



Another e-learning course on the Integrated Management System for occupational health and safety, quality, energy and environmental management is planned for 2022. In 2023, the e-learning program will increasingly focus on CSR topics.

⁹⁰ The Integrated Management System was certified for the first time in 2019 for the companies Zeppelin GmbH (Holding), Zeppelin Baumaschinen GmbH, Zeppelin Rental GmbH, Zeppelin Power Systems GmbH, and Zeppelin Systems GmbH.

⁹¹ The participation rate of all employees worldwide in the CSR e-learning module was 48% in 2021.

⁹² In 2021, the CSR e-learning module was extended to the entire Zeppelin Group. In previous years, it was only published for the German national companies.

Measures in Quality Management⁹³

In 2021, two campaigns were launched as part of the idea management program, with the aim of inspiring all employees in the topic of CSR and actively motivating them to improve on the topics of “Environmental footprint” and “Diversity”.



With more than 130 ideas submitted from all SBUs, the Z IDEA “**Zeppelin’s environmental footprint**” campaign was the most successful one in the history of the idea management initiative. The ideas highlight creative possibilities for saving energy, CO₂ emissions, water, and waste. These include proposals for the reuse of cleaning cloths from the Construction Equipment Central Europe SBU, the use of compostable packaging from the Power Systems SBU, and the further promotion of the digitalization of project documents from Plant Engineering.



A total of 40 ideas on the topic of diversity were submitted in the campaign for “**We are Zeppelin – We are diversity**”. Incentives such as the creation of international Zeppelin agreements, can close any gaps in knowledge between generations on trending topics and further promote diversity.

⁹³ GRI 103-02-c-vii

Supplier Management

Procurement Organization Overview

For the Zeppelin Group, sustainable supplier management means assuming responsibility for complying with social and ecological due diligence throughout the supply chain. A central topic in procurement is the definition of Group-wide benchmarks for the assessment and monitoring of suppliers and supply chains. The Zeppelin Supplier Code of Conduct, published in 2021, explicitly formulates the requirements placed on suppliers and service providers. It focuses on aspects of social, environmental, and ethical responsibility based on the principles of the UN Global Compact, as well as expectations in terms of compliance with corporate due diligence throughout the supply chain. This ensures that suppliers meet quality, cost, reliability, sustainability, and human rights requirements.⁹⁴

The individual Group companies have their own procurement organizations that buy materials and services for the respective company and its sites, or set the framework conditions for decentralized procurement.⁹⁵ The procurement organizations of the individual Zeppelin companies

are networked in an international Group procurement team. This team identifies and coordinates common procurement topics with the aim of developing uniform procurement standards for all Group companies and ensuring common procurement sources and optimized procurement conditions.

In addition to the central consideration of defined product groups, the topic of supplier management in particular, with the aspects of supplier selection, supplier evaluation, risk management, sustainability, and due diligence obligations in the supply chain, will be uniformly designed for the Zeppelin Group. The lead buyer concept, which has been established since 2010, is being maintained. In this system, the lead buyer is responsible for the central processing of one or more procurement topics. They are supported by a co-buyer from another Zeppelin company. The Group Procurement Guideline defines the framework and regulates responsibilities.⁹⁶

Supply chain description

At EUR 2,540 million in 2021, the Zeppelin Group's purchasing volume increased slightly compared with the previous year (2020: EUR 2,249 million).⁹⁷ The procurement volume of the German Group companies remained stable in 2021. Around half of the procurement volume is attributable to the procurement of merchandise for our business partner Caterpillar Inc., with whom a close business relationship has existed since the 1950s.

maschinen GmbH focuses on the distribution and service of Caterpillar construction machines and components, while Zeppelin Rental GmbH rents Caterpillar construction machines and equipment, and Zeppelin Power Systems GmbH develops, distributes and services drive and energy systems based on Caterpillar engines. This makes Caterpillar Inc. the Zeppelin Group's largest and most important business partner.⁹⁸

Trading in and servicing Caterpillar products makes up a significant proportion of the Zeppelin Group's business activities. Zeppelin Bau-

⁹⁴ GRI 103-1

⁹⁵ GRI 103-2-a and GRI 103-2-b in conjunction with the following paragraph.

⁹⁶ GRI 103-2-c-i: The following companies have agreed to follow the Lead Buyer Concept: Zeppelin GmbH, Zeppelin Baumaschinen GmbH, Zeppelin Rental GmbH, Zeppelin Power Systems, Zeppelin Systems GmbH, Zeppelin Österreich GmbH and Zeppelin CZ s.r.o., including their subsidiaries, participate in the Lead Buyer Concept and benefit from the resulting procurement benefits and Group synergies as far as possible.

⁹⁷ This includes expenses for purchased services and cost of materials.

⁹⁸ GRI 102-9, GRI 102-10: There were no significant changes in the supply chain in 2021.

The procurement volume outside of the trade with Caterpillar Inc. is primarily attributable to suppliers in the technical product field. For example, Zeppelin Rental GmbH procured construction machines, associated components and attachments from other manufacturers; lubricants, products for construction site equipment and traffic guidance systems. Another area of focus is on materials and components for the production of mixing and silo systems at Zeppelin Systems GmbH, as well as components and plant services for Zeppelin Power Systems GmbH. In addition, a pertinent share of the procurement volume is attributable to

vehicles for service technicians and field service employees, or equipment that is rented out as part of Zeppelin Rental GmbH's business activities. Expenditure for the organization's own needs, investments, various services, such as energy supply, IT solutions or consulting services, are also included in procured services and supplies. With the exception of the trade relationship with Caterpillar Inc., procurement by the German companies takes place predominantly in national or western European markets.

Monitoring and safeguarding of requirements⁹⁹

Suppliers who have a relevant influence within the supply chain are checked for suitability before the initial order is placed. This check is carried out, for example, on the basis of obtained supplier self-assessments, audits and credit checks and, if necessary, further research. If required by the business relationship, separate agreements are drawn up relating to data protection, compliance with collective bargaining agreements or occupational safety. In addition to questions on economic and technical production suitability, the collection of data as part of the supplier self-assessment comprises questions regarding certified

systems for data protection, energy management, environmental management, occupational health and safety, and quality.

Suppliers are assessed for the extent to which they meet the criteria shown in the figure below, depending on the annual procurement volume. The supplier evaluation serves as a tool for the ongoing monitoring of the partnership and shows action areas for any necessary improvements. This is one of the most important tools for improving quality and therefore for optimizing the costs of materials and processes.



⁹⁹ GRI 103-3

Supplier Management Objectives¹⁰⁰

The main objective of the procurement policy is to develop and maintain stable and partnership-based business relationships with suppliers so as to meet the requirements of internal and external stakeholders. This requires that the selected suppliers meet the requirements set by Zeppelin in terms of quality, adherence to deadlines, price, cooperation, sustainability, and integrity. The degree to which they meet these requirements is checked and expanded as part of regular supplier evaluations.

The term sustainability covers ethical, social, economic, and ecological aspects that are rated with an equal weighting. To determine the

baseline and to be able to determine the necessary measures based on this, the companies regularly carry out the checks mentioned in the following section.

In addition to fulfilling qualitative requirements, Zeppelin expects its suppliers to comply fully with legal obligations and to recognize and comply with the basic values anchored in the Supplier Code of Conduct. This is set out in framework agreements or in project-specific agreements.



Progress on Objective

Collaboration with qualified suppliers

- ▶ Definition of uniform evaluation criteria
- ▶ Regular (annual) assessment of the degree to which the criteria set have been met

For Zeppelin, sustainability in the supply chain also means that we guarantee our customers security of supply with regard to materials and our services. Regardless of the size of the purchasing volume, all suppliers are therefore checked for their relevance within the supply chain, and strategic suppliers are identified. These suppliers are checked in particular in terms of their economic stability.



New objective

Supplier Code of Conduct

The Group-wide Code of Conduct explicitly sets out the requirements for suppliers and service providers. It focuses on aspects of social, environmental, and ethical responsibility based on the principles of the UN Global Compact, as well as expectations in terms of compliance with corporate due diligence obligations throughout the supply chain. The Code of Conduct is gradually being incorporated into contracts and purchasing conditions and is therefore an integral part of business relationships.¹⁰¹

¹⁰⁰ GRI 103-2-c-iii

¹⁰¹ The Supplier Code of Conduct can be downloaded from Zeppelin's home page at the following link: <https://www.zeppelin.com/de-de/ueber-uns/verantwortung/compliance>



New objective

Identification of possible risks, in particular in relation to human rights abuses

Conducting a revenue-independent risk assessment

The relevance assessment, which was previously based on annual purchasing volumes, was replaced by a revenue-independent risk assessment. The assessment was initially carried out by the German companies for over 8,000 suppliers. If Zeppelin becomes substantially aware of violations by a supplier in the areas of the environment, compliance or human rights, a separate review will be conducted to determine and evaluate the severity of the violation. If no satisfactory remedy can be implemented, ultimately the business relationship may be terminated. Violations of the Zeppelin Code of Conduct may also result in the termination of the cooperation.

This management approach is regularly reviewed and further developed and adapted to necessary changes. Particular attention is paid to implementation of the Supply Chain Due Diligence Act of the Federal Republic of Germany adopted in 2021.



5 CORPORATE AND SOCIAL RESPONSIBILITY

Management culture in the company

As a company steeped in tradition, Zeppelin feels connected to its history and promotes a culture where integrity and excellence play a leading role. The work of managers is a fundamental factor in Zeppelin's success. It is important to make the right decisions in order to progress the achievement of the company's goals, but also to respond to the needs of employees intuitively, to unleash potential in the team and to create an environment that motivates and inspires.

Besides the ongoing COVID-19 pandemic, other social and economic trends are changing the world of work. These include demographic change, globalization and digitalization, changing values and lifestyles, and the shortage of skilled workers. Virtual collaboration is also changing the management role and poses new challenges for managers. In order to create a trusted new working culture, transparent framework conditions and clearly formulated goals and expectations between employees and managers are required. The ability to innovate and to ensure the long-term success of the company depend to a large extent on how these changes are dealt with in order to continue to develop the full performance potential. Zeppelin is also active in this area: The refined leadership principles take into account current social and economic trends and challenges in the world of work, preparing Zeppelin for a successful future. The leadership principles are based on the Zeppelin's shared values and the GPS Group strategy and apply worldwide. The leadership principles embody our shared understanding of leadership, provide guidance, and clearly convey what we expect of managers at Zeppelin. The leadership principles offer guidance to employees, as they set out what they can expect and demand from their managers. Management at Zeppelin should be characterized by communication, reflection and trust. The leadership principles are built around the approach of: Leading myself, leading others, and leading business. Leadership goes hand in hand with a high level of responsibility and commitment and managers take on a role model function.

To anchor the leadership principles in the Zeppelin Group in the long term, they are carried into the company through their integration into

new and existing programs and processes, accompanied by comprehensive communication. With the five leadership dimensions of trust, appreciation, effectiveness, innovation, and enthusiasm, managers at Zeppelin engage in various workshop formats in order better to incorporate these values into their day-to-day work as managers. The leadership principles motivate managers to reflect and develop further and encourage them to exchange ideas with their employees and colleagues.

Zeppelin's existing leadership development programs are also being continuously developed: In response to the challenges of the COVID-19 pandemic, the various management development programs were converted into a hybrid format with digital elements and face-to-face modules, which will remain in place beyond the pandemic. The programs were also supplemented with modules on the topics of sustainability and diversity and given even greater international relevance. In addition, the first Z FIT workshop series specifically for managers was held in 2021.

Continuous dialog with the workforce is very important to the Group Management Board as the success of the company depends on the employees. Continuous improvement can only be achieved through continuous discussions across all countries, companies and roles.

Employee opinion surveys are a suitable format for entering into dialog with the workforce, allowing conclusions to be drawn about the mood and the fields of action and the derivation of measures to be identified. In 2013 and 2017, employees were able to give their assessment in the context of employee opinion surveys on, among other things, their motivation, cooperation with their direct line manager, trust in the Management Board, future viability of Zeppelin, and working conditions.¹⁰² Another comprehensive employee opinion survey for all employees worldwide is planned for 2023. The topic of management culture will once again be an important component.

¹⁰² In 2017, employees in Austria, Russia, the Slovak Republic, the Czech Republic, Ukraine and Switzerland were surveyed in addition to all companies in Germany. The results of the employee opinion survey from 2013 and 2017 are presented in the progress report of 2019 (p. 52 ff.).

Human Resources in figures

As of December 31, 2021, the Group had more than 10,000 employees (headcount). These are divided into six strategic business units and the holding company. The following table shows the breakdown of Zeppelin Group employees by FTE and headcount, the number of trainees, and the full-time ratio.¹⁰³

Employees by year (as of 12/31/2021)				
Zeppelin Group employees	Unit	2019	2020	2021
Total number of employees	FTE	8,969	9,816	10,312
Total number of employees in the Zeppelin Group (excluding trainees)	Headcount	9,172	10,075	10,555
Trainees and apprentices	FTE	361	362	361
Full-time ratio ¹⁰⁴	%	97.7	97.4	97.7

The employee numbers presented are generally not subject to any significant changes due to seasonal fluctuations or other regular significant changes to framework conditions.¹⁰⁵

Number of employees (headcount) by business unit (as of December 31, 2021) excluding trainees

Employees by SBU	2019	2020	2021
Construction Equipment Central Europe	2,778	2,802	2,858
Construction Equipment Eurasia	1,923	1,911	2,057
Construction Equipment Nordics ¹⁰⁶	–	650	716
Rental	1,757	1,780	1,874
Power Systems	894	1,013	1,056
Plant Engineering	1,622	1,619	1,638
Zeppelin GmbH ¹⁰⁷	198	299	356
Total	9,172	10,075	10,555

¹⁰³ GRI 102-8-f: We specify the number of employees excluding apprentices, employees on long-term sick leave, interns/trainees, combined study/work students as well as employees on unpaid leave, partial retirement in the release phase and those on parental leave. Temporary workers and freelancers are also not included. In contrast, employees on maternity leave and those engaged in military or community service are included.

¹⁰⁴ GRI 102-8-c, GRI 401-2: The full-time ratio is calculated based on the ratio of employees (FTE) to employees (headcount). The part-time ratio and the full-time ratio together add up to 100 percent. No distinction is made between full-time and part-time employees, i.e. all company benefits are also offered to part-time employees. This ensures compliance with the General Equal Treatment Act (AGG).

¹⁰⁵ GRI 102-8-e

¹⁰⁶ Effective December 31, 2019, Zeppelin assumed responsibility for the distribution and service of Caterpillar construction and mining machines in Sweden, Denmark, Greenland, and the Faroe Islands, and merged them into the Construction Equipment Nordics SBU. The employees in the Construction Equipment Nordics SBU will be included in the report for the 2020 fiscal year for the first time.

¹⁰⁷ Including the employees of the former Z LAB strategic business unit, which was established in 2016, but fully integrated into the Zeppelin Digit Strategic Management Center (SMC) on January 1, 2020. Only Zeppelin GmbH employees were included in the 2019 Sustainability Report.

Distribution of employees (headcount) by country (as of December 31, 2021)¹⁰⁸

Country	2019	2020	2021
Armenia	133	121	133
Belarus	50	52	54
Belgium	15	16	17
Brazil	111	85	96
China	126	127	136
Denmark ⁹³	–	262	285
Germany	5,239	5,406	5,627
Estonia	–	–	12
France	19	19	25
Greenland ¹⁰⁹	–	5	7
UK	23	22	15
India	200	210	207
Italy	43	47	50
Austria	272	293	293
Poland	164	160	159
Russia	1,294	1,298	1,384
Saudi Arabia	63	64	19
Sweden ⁹³	–	513	588
Switzerland	20	18	18
Singapore	9	8	10
Slovak Republic	138	137	143
South Korea	4	4	3
Tajikistan	11	11	11
Czech Republic	532	514	518
Turkmenistan	17	16	18
Ukraine	568	556	595
USA	93	78	87
Uzbekistan	28	33	45
Total	9,172	10,075	10,555

¹⁰⁸ GRI 102-8-b

¹⁰⁹ Effective December 31, 2019, Zeppelin assumed responsibility for the distribution and service of Caterpillar construction and mining machines in Sweden, Denmark, Greenland, and the Faroe Islands, and merged them into the Construction Equipment Nordics SBU. The employees in the Construction Equipment Nordics SBU will be included in the report for the 2020 fiscal year for the first time.

Zeppelin's growth is steady and sustainable: Every new hire is well considered and the deployment of an employee is something that is planned for the long term. As a result, new Zeppelin employees generally receive a permanent employment contract – in 2021, the proportion of permanent employees was 99 percent. The use of contracts for work, temporary workers and freelancers plays a subordinate role in terms of sustainable personnel planning.¹¹⁰

Employees by type of employment (as of December 31, 2020) ¹¹¹

Employees by type of employment	Unit	2019	2020	2021
Permanent employees	Total	9,090	9,979	10,449
Temporary employees	Total	82	96	106
Percentage of permanent employees	%	99	99	99

The average age of Zeppelin employees in 2021 was 41.9 years.

Age distribution of employees in percent (Group level)¹¹²

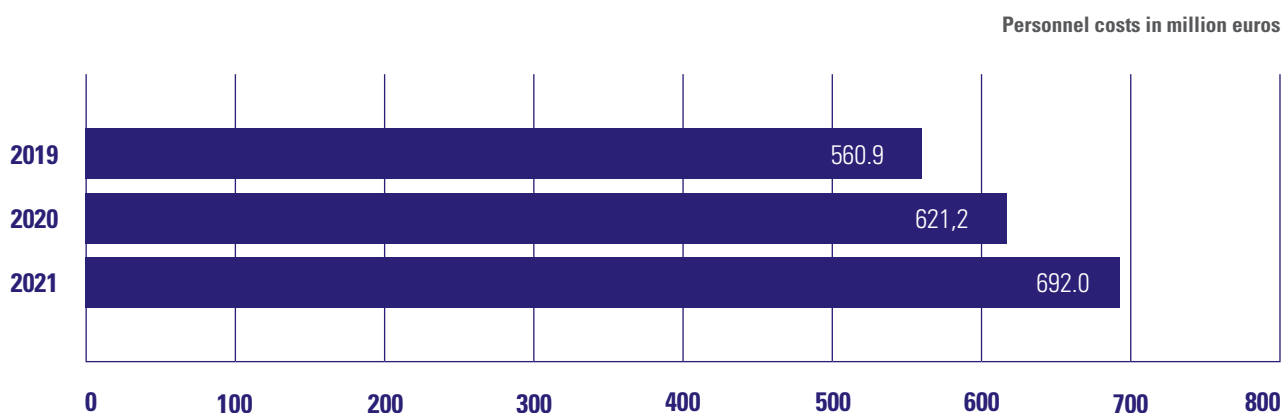
Age distribution	Unit	2019	2020	2021
<= 25	%	6	5	6
26-30	%	11	11	11
31-35	%	16	16	15
36-40	%	17	17	17
41-45	%	12	13	14
46-50	%	11	11	11
51-55	%	12	11	12
56-60	%	9	10	10
> 60	%	5	5	5
Average age in the Group	Years	41.6	41.9	41.9

¹¹⁰ GRI 102-8-d: No significant proportion of the company's activities are carried out by employees who are employed outside Zeppelin.

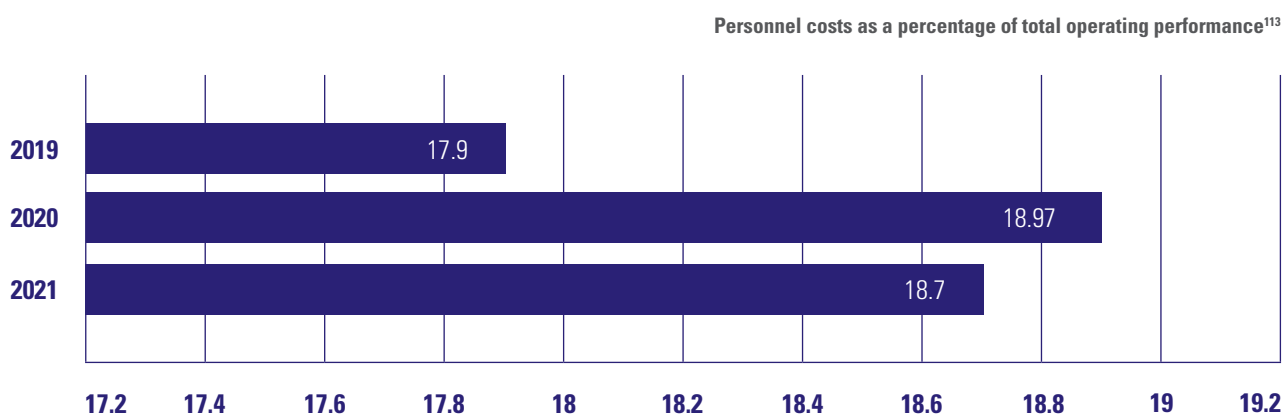
¹¹¹ Based on GRI 102-8 a, b

¹¹² GRI 405-1-b-ii

For Zeppelin, it goes without saying that employees should have a stake in the financial performance as they are the ones who make the company successful. The models vary from Group company to Group company and the respective position of the employee.



There are models with contractually defined monthly remuneration plus annual profit sharing or models with a fixed salary and variable remuneration, which also contain a performance-related component. The very good financial performance of recent years is therefore also reflected in personnel costs – which have increased not only due to the increased number of employees, but also due to the profit-sharing bonuses paid out and an additional Covid bonus.



To be able to provide for retirement, the Zeppelin Group offers employees in Germany the opportunity of an additional pension scheme. There are different pension plan models in the individual companies, such as direct insurance, pension fund or plans stipulated in collective bargaining agreements. Company pensions are funded by the company with tax-exempt contributions. Employees also have the option of concluding a self-funded company pension scheme (deferred compensation) in accordance with the statutory provisions. The respective framework conditions for provision by Zeppelin are regulated in the company-specific arrangements of the subsidiaries.¹¹⁴

Employee benefits (calculation in accordance with IFRS)¹¹⁵

Total per year (T€)	2019	2020	2021
Employee benefits	171,708	177,479	168,479

¹¹³ The total operating performance is the total sales from operations less other income.

¹¹⁴ GRI 201-3-a

¹¹⁵ See list in the Annual Report 2020 (p. 108)

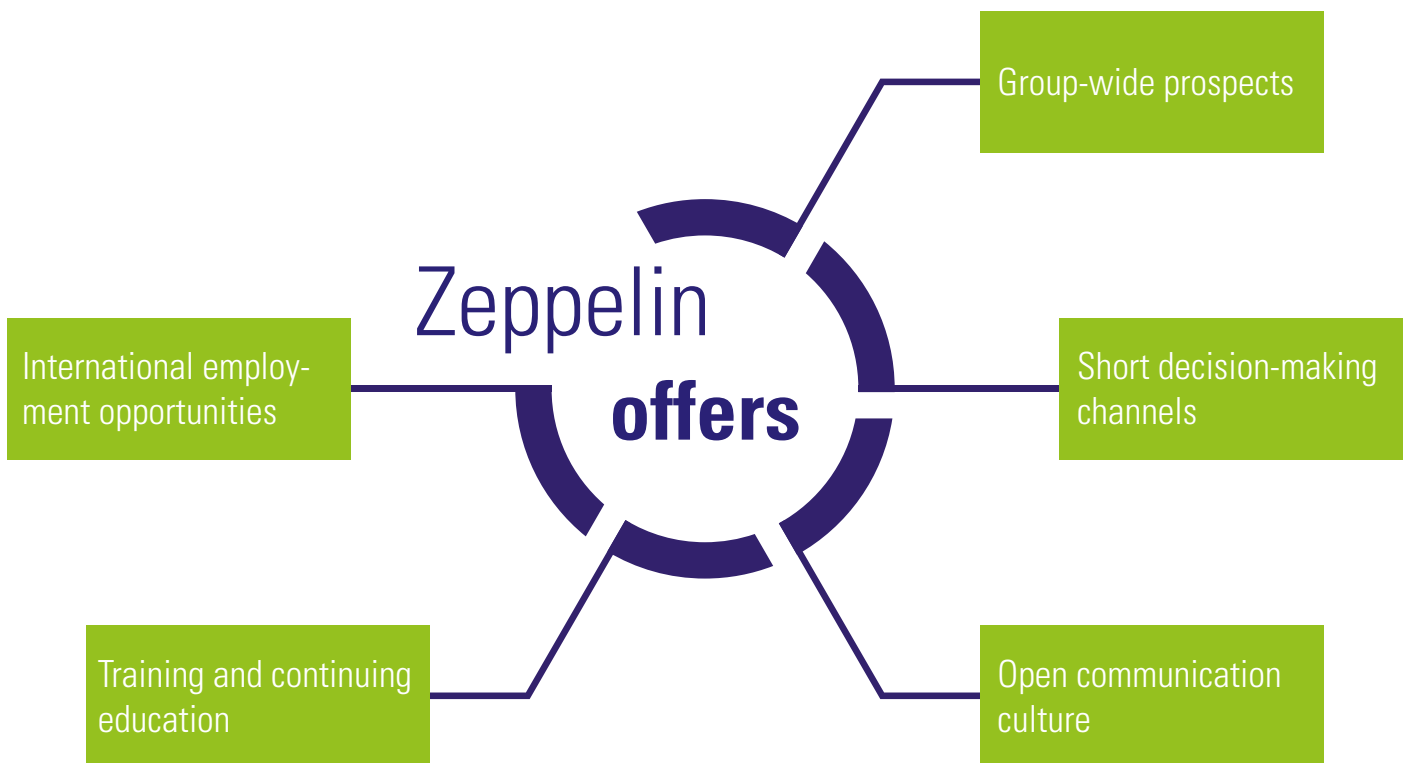
Growing with Zeppelin – a promise to employees¹¹⁶

The long-term success of the company is only ensured if every employee can reach their full potential. This is why the Group's promise, in its role as an employer, is "Grow with Zeppelin." The focus is on the promotion and targeted development of employees. The various sectors and international dimension create a diverse range of Group-wide career opportunities.

The HR strategy is derived from the corporate strategy and consistently focuses on employees. Their excellence and integrity are the foundation of the Zeppelin value system and ensure the long-term success of the company. Finding talented individuals, nurturing employees, and

inspiring them to be part of Zeppelin for the long term – these are the three cornerstones of our HR work. HR is constantly developing to ensure success in this area in the future.¹¹⁷

The Zeppelin Group offers its employees short decision-making pathways and an open communication culture that crosses company and national borders. The international application options and numerous training and further education opportunities open up a wide range of career paths for every employee.



¹¹⁶ GRI 103-1, GRI 103-1-c: There are no explicit restrictions on the subject of HR.

¹¹⁷ GRI 103-2 a, GRI 103-2 b, GRI 103-3

Progress in Human Resources

All projects and initiatives aim to make the Zeppelin Group a modern employer with the best employees and efficient HR processes. The degree of target achievement and progress made since the last report are presented below.

The current targets focus in particular on increasing the proportion of women in the workforce, further improving the health rate, maintaining

the voluntary termination rate at a low level, and ensuring a consistently long length of service of more than nine years on average. To achieve these goals or to be able to successfully implement projects and initiatives, the HR department is organized in local HR departments at each company, which in turn are bundled via the reporting line in the management holding company.



Progress on Objective

Increase in the proportion of women to at least 20% by 2025 (status in 2021: 17%)

At Zeppelin, equal opportunities for women and men are self-evident, and also a key driver of the success. The goal, which is the focus here, is to utilize the potential of every woman as well as to support women in the development of their careers in the long term.

Zeppelin aims to increase the proportion of women to at least 20 percent by 2025. The topic is being promoted within the framework of the Z COLOURFUL initiative, which deals with the integration of diversity and equal opportunities, and therefore not only represents an adaptation to a volatile and flexible world of work, but also highlights diversity as a critical success factor. One driver for this program is the recruit-

ment of female talent, both in the area of junior staff (e.g. trainees) and in the area of established professionals (e.g. experts, managers). In addition, the focus is on targeted promotion and further development within the framework of our overall HR development programs, regular offers on action days such as Girls Day, and our Z NOW initiative for the promotion and visibility of employees.

Distribution of employees by gender in % at Group level (in management positions)¹¹⁸

Category	Unit	2019	2020	2021
Female	%	17	16	17
Male	%	83	84	83
Proportion of women on the Management Board (Group) ¹¹⁹	%	25	25	25
Proportion of women on the Supervisory Board (Group) ¹²⁰	%	25	25	33
Proportion of women at 1st management level ¹²¹	%	20	22	21
Proportion of women at 2nd management level	%	16	17	18
Proportion of women at 3rd management level	%	15	15	17

¹¹⁸ GRI 405-1-b, GRI 102-8-a, employees with the gender designation "diverse" are recorded; in 2021, the number recorded in this category was zero.

¹¹⁹ The proportion of women on the Management Board or Supervisory Board of Zeppelin GmbH is shown.

¹²⁰ GRI 103-2-c-iii

¹²¹ The first management level includes all employees in management positions who report directly to a managing director of a company. Employees at the second management level are two levels away from the Management Board, etc.



Progress on Objective 2

Increasing the health rate to at least 97% by 2025 (status as of 2021: 96.5%)

Health promotion played a particularly important role in 2021 due to the ongoing COVID-19 pandemic. Overall, health management at Zeppelin is considered to be greatly important as it has a decisive influence on maintaining performance and on life satisfaction. Not only can it reduce absenteeism, but it can also lead to increased vitality and energy in everyday work. The health rate has been continuously between 96% and 96.5% over the past three years. The Construction Equipment Eurasia SBU and Zeppelin GmbH report a particularly high health rate of almost 98%.

Health rate per SBU at Group level¹²²

Strategic Business Units	Unit	2019	2020	2021
Construction Equipment Central Europe	%	95.8	95.6	95.6
Construction Equipment Nordics	%	–	96.2	96.5
Construction Equipment Eurasia	%	98.7	98.1	97.6
Rental	%	95.0	94.2	96.4
Power Systems	%	96.4	96.6	96.6
Plant Engineering	%	96.7	96.7	96.7
Zeppelin GmbH	%	97.7	97.9	97.7
Group total	%	96.5	96.2	96.5

The ongoing COVID-19 pandemic continues to have an impact on the way we work at Zeppelin. To support employees in this challenge, they also had the opportunity to participate in various campaigns and measures in 2021 via the Z FIT health initiative. Firstly, the program included a series of seminars on "Healthy Leadership" to raise awareness among managers of psychological, social and physical aspects and to take an active and pioneering role in health projects.

Secondly, the digital "Healthy remote working" digital campaign week included a comprehensive program on nutrition, exercise, and stress management. The event also included a digital movement challenge.

To support our employees in balancing work and private life, famPLUS family service advisory services are also available in the areas of care advice, childcare, and psychosocial counseling.

¹²² The health rate for 2019 already takes into account the Construction Equipment Nordics SBU, which was newly created on January 1, 2020, at Group level.



Progress on Objective 3

Maintain an average length of service of at least 9.3 years (status as of 2021: 9.4 years)

Another objective in HR is to maintain the average length of service of at least 9.3 years. Overall, employees are very loyal to the company, which explains the average length of service of 9.4 years (2021).

Average length of service in years

Strategic Business Units	2019	2020	2021
Construction Equipment Central Europe	12.2	12.3	12.1
Construction Equipment Nordics ¹²³	–	7.3	7.2
Construction Equipment Eurasia	5.5	6.1	6.3
Rental	7.7	7.5	7.6
Power Systems	9.7	10.3	10.3
Plant Engineering	11.3	12.4	12.1
Zeppelin GmbH	8.4	6.0	6.3
Group average	9.3	9.6	9.4

By ensuring the loyalty of its employees at an early stage and promoting talented and junior managers, Zeppelin wants to maintain and expand its goal of a long length of service in the company.

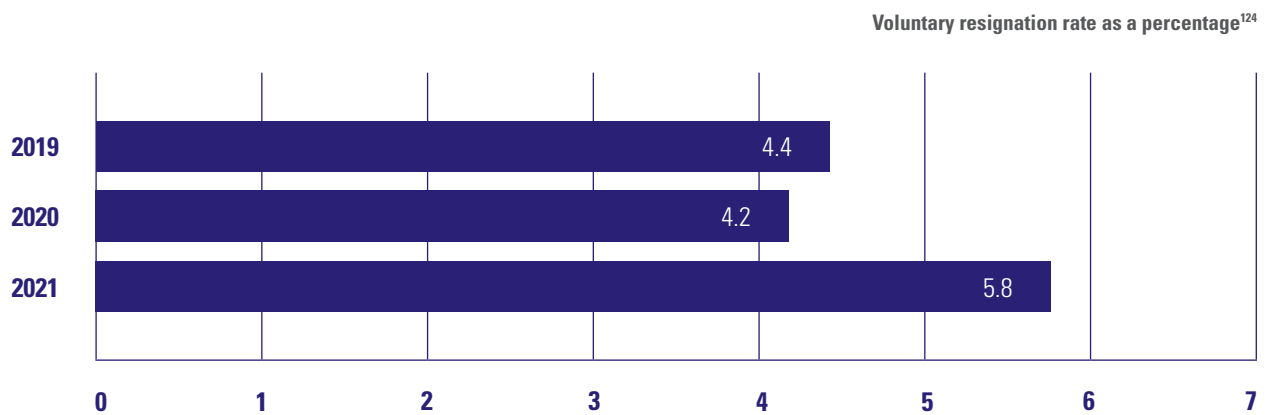
¹²³ With effect from December 31, 2019, the Group assumed responsibility for the distribution and service of Caterpillar construction and mining equipment in Sweden, Denmark, Greenland and the Faroe Islands, and merged it into the newly created Nordics SBU. The duration of employment of Construction Equipment Nordics employees was calculated based on the personnel data of the acquired company.



Progress on Objective 4

Maintain the voluntary resignation rate at a maximum of 5% by 2025 (status as of 2021: 5.8%)

One indicator of employee satisfaction is the rate of voluntary resignations. This was 5.8% in 2021, which is higher than in the previous year (4.2%). The labor market gained momentum again in 2021 and is increasingly becoming an employees' market. In recent years, Zeppelin has introduced a variety of offers to increase employer attractiveness and employee satisfaction in order to achieve the overarching goal of "keeping the voluntary termination rate at a maximum level of five percent by 2025."



The long average length of service of 9.4 years underlines the unchanged high level of employee loyalty toward Zeppelin despite the higher rate of voluntary resignations.

Measures in Human Resources

The Zeppelin Group introduces itself as an employer on its careers pages at zeppelin.com. Further information on the following topics can be found there.

Onboarding process

In 2021, Zeppelin once again offered the proven "Z Welcome" onboarding program as an online version. There were two German-speaking events and one English-speaking event for international colleagues. The onboarding program conveys relevant knowledge about the com-

pany and the individual strategic business units in a holistic way and facilitates initial networking within the various business areas. A total of 448 new Zeppelin employees took part in the Z Welcome events.



¹²⁴ GRI 401-1

Training, dual study program and trainee program

The Zeppelin Group is currently providing training in 14 different occupations in Germany and Austria. School leavers can get off to an excellent start in their career by training in a commercial, industrial, technical, or IT profession. The content of vocational training is continuously being developed and adapted to new challenges. Every year, two-day Welcome Days are held for all new apprentices and dual -study program students. The participants receive all the important information about the Group, the individual strategic business units, develop their own content, which is then presented to the entire Group, and can ask the Group Management Board their burning questions at the end of the event as part of the "Management Board Hot Seat" session. Due to the pandemic, Welcome Days are currently taking place virtually.

Zeppelin works together with a range of universities to facilitate a dual study program for its young talent in the areas of mechanical en-

gineering, industrial engineering, business administration, accounting, and electrical engineering. Students can complete their bachelor of engineering or bachelor of arts. In 2021, 32 dual students learned and worked in various business units of the Zeppelin Group.

To continue to find qualified trainees, Zeppelin undertakes special HR marketing activities, such as participating in trade fairs and school career open days. Despite the pandemic, Zeppelin was able to attend the *hercareer* careers fair in person in 2021. As a company, Zeppelin was also part of many online offers, including the *azubi&studenttage* virtual trade fair for apprentices and students, which was held under the motto "The future needs you". The consistently high number of trainees confirms Zeppelin as an attractive training location (see table).

Number of apprentices and dual students

Number of apprentices and dual students	2019	2020	2021
Trainees at the Zeppelin Group (FTE)	361	362	361
Dual study program students (FTE) ¹²⁵	28	30	22

Z Starter was introduced for the best chances of landing a job after training. This is a pool of up-and-coming staff that takes in all trainees of the Group (German companies) who cannot be given a full time position at their training location, but who would like to remain and continue their career path at Zeppelin. Z Starter is used throughout Germany and the junior employees receive open offers from all strategic business units.

Zeppelin also offers very good prospects for the target group of young academic career entrants. The Z NEXT trainee program was launched in fall 2019. Zeppelin also employed 16 trainees in 2021. They go through a variety of postings within a 24-month period. This also includes time abroad at an international Group company.



Your first careersteps with Zeppelin!

In addition to training, dual study programs, and the trainee program, Zeppelin also offers the opportunity for several months of practical semesters, Bachelor's and Master's positions, and student trainee activities.

¹²⁵ Applies exclusively to German Group companies.

Training and qualification

At Zeppelin, employees can not only count on exciting and varied tasks, but they can also rely on a Group that offers a sense of solidarity and secure career prospects. Employees receive feedback on their performance and possible prospects within the company in regular meetings with their respective superiors. Various processes to identify potential also assess whether a specialist or management career is available to the employee. This ensures that talented individuals within the Group are identified and that each employee receives sound feedback on their personal development.¹²⁶ Specific further development measures are also systematically agreed at these Development Centers.

The Zeppelin Development Landscape, which includes four different development programs for specialists and managers, was redesigned in 2020 and expanded to include international programs.

Remote working

The COVID-19 pandemic also had a significant impact on work and collaboration due to social distancing and hygiene rules: The focus is on digital video conferences and telephone calls instead of traditional meetings in conference rooms or personal dialog between colleagues. Where possible, remote working has replaced on-site working. Managers are made aware of what hybrid working at Zeppelin will look like in the future through various training courses and support. This allows them to structure their areas of responsibility accordingly. New working methods are defined in the team in close coordination between the manager and their employees. Taking into account the activity and operational requirements, maximum flexibility should be maintained in order to work remotely or in the office/at the customer's premises as needs require.

The hybrid formats introduced in 2020, a mix of face-to-face events and virtual training, were developed further and the two topics "Diversity & Inclusion" and "Corporate Social Responsibility" added to the "Ready to Rise", "Accelerate to Accomplish" and "Expand to Excellence" programs. Our newly revised leadership principles are also part of the programs. The first international "Accelerate to Accomplish" celebrated a successful premiere, and will continue in 2022. The global networking of all Zeppelin employees plays an important role in ensuring that we can also gain insights into the business units abroad. For this reason, the respective Zeppelin sites in Germany and abroad are also visited for the in-person modules. In addition to general content on professional development, the management development programs convey Zeppelin's philosophy and specific attributes in order to strengthen the Group in the long term through qualified managers.¹²⁷



¹²⁶ Based on GRI 404-3

¹²⁷ GRI 404-2-a

Inclusion, Equity & Diversity

The ability to innovate and the sustainable safeguarding of the company's success largely depend on how the Zeppelin Group deals with social changes, such as demographic change, changes in values, or changed life plans. This is crucial to enable employees to reach their maximum performance potential.



The topic is being promoted within the framework of the Z COLOURFUL initiative, established in 2020, which deals with the integration of diversity and equal opportunities, and therefore not only represents an adaptation to a changed world of work, but also highlights diversity as a critical success factor: Diverse teams help to reflect better, act more creatively and make smarter decisions. An important milestone in this regard was the signing of the Diversity Charter by the Group Management Board in October 2020 as part of the virtual WE ARE COLOURFUL campaign week. By signing this Charter, Zeppelin has committed itself to promoting and appreciating diversity in a targeted manner. In 2021, there were again many campaigns and measures on the theme of inclusion and diversity. One important measure was the appointment of Diversity Ambassadors. In addition to the works councils, ambassadors help to anchor the topic even more deeply in the organization and to address the needs of the individual SBUs in a targeted manner. In addition, Zeppelin is a member of the Spitzenfrauen BW career portal for women and companies in Baden-Württemberg, and a founding partner of Employers for Equality, a program of PANDA GmbH for Gender, Equality & Diversity in companies that promotes equality and actively advances progress in business and society. These memberships promote Zeppelin's visibility among professionals and experts and also increase its attractiveness as an employer.



Work-life balance

Striking a balance between work and private life is a top priority in the Zeppelin Group. The company offers individual solutions that contribute to a better work-life balance and is guided by the following guiding principle:

“We want to enable our employees to have a good work/life balance, and in so doing rely on partnership-based give and take.”



Zeppelin GmbH has deliberately opted for a broad concept of what family can mean, with the aim of catering for all employees, regardless of their private life situation, and taking account of people’s changing requirements during the various phases of their life. Zeppelin has been certified by berufundfamilie audit since 2018. In the context of this certificate, there are various measures, such as the Group agreement on remote working, the Z PARENTS program for parents at Zeppelin, the Z FIT health initiative, and the collaboration with the famPLUS family service.

Z PARENTS

The new Z PARENTS program is specifically designed to support parents before, during and after parental leave with a view to improving work-life balance. We are devoted to various topics such as questions about issues during parental leave, networks with other parents, further development, or how to successfully and seamlessly return to the company after parental leave. There are interactive workshops on relevant topics on a quarterly basis.

The number of employees who have taken parental leave is constantly at a level above 100 (see table). Many of them have now joined our Z PARENTS initiative. Almost 100 employees have joined since it was launched.



Number of employees who took parental leave¹²⁸

Year	Unit	2019	2020	2021
Employees who have taken parental leave	Headcount	118	102	110

¹²⁸ Based on GRI 401-3-b: Applies exclusively to German and Austrian companies in accordance with statutory regulations.

Z NOW – Network of Women

Z NOW, established in 2016, is a strategic initiative which is primarily aimed at women, and is operated by the Zeppelin Group. Men are, of course, also welcome. At Zeppelin, equal opportunities for women and men are self-evident, and also a key driver of the success of the Zeppelin Group. The aim is to help women reach their potential and continue to develop their careers. The opportunity to expand their individual network, inspire each other, and share personal experiences are also important building blocks. In order to successfully achieve the goal, network managers are recruited at each large site to act as points of contact at the local level. Another step is the planning, organization and implementation of Z NOW events, activities and initiatives. Our presence at the herCAREER careers fair was another highlight in 2021 for attracting and introducing female professionals and talented specialists. For 2022, we plan to expand our network and hold exciting events (such as a presentation on “Career prospects for women at Zeppelin”).

The network and its events help in achieving the goal of increasing the proportion of women by 2025 and represent the Group as an attractive and diverse employer.



Collective bargaining agreements

The majority of Zeppelin Group companies in Germany are not subject to collective bargaining agreements. Nevertheless, Zeppelin does base many of the provisions governing the companies outside of the collective bargaining agreement on the outline bargaining agreement.

Collective bargaining agreements are in place in two strategic business units. Most Zeppelin Systems GmbH employees are covered by

local collective agreements for the metal industry, while a small number of Zeppelin Rental GmbH employees are covered by the collective agreement for the construction industry. The overview of the individual collective agreements and the sites and employees covered by these are shown below.

Overview of collective bargaining agreement ¹²⁹	Collective bargaining agreements		
	2019	2020	2021
Collective bargaining agreement for the construction industry			
Zeppelin Rental GmbH (Germany)	101	60	57
of which trainees and DHBW students	./.	./.	./.
Collective bargaining agreement for the metal industry Baden-Württemberg			
Zeppelin Systems Deutschland GmbH ¹³⁰	501	457	514
Friedrichshafen site	492	371	408
Ludwigsburg site	4	3	3
Zeppelin Aviation & Industrial Services Friedrichshafen	-	52	50
Zeppelin Aviation & Industrial Services Hamburg	-	31	22
Zeppelin Aviation & Industrial Services St. Augustin	5	0	5
of which trainees and DHBW students	29	32	26
Collective bargaining agreement for the metal industry Hessen			
Zeppelin Systems Deutschland GmbH	275	265	319
Rödermark site	275	226	245
Kassel site			52
Detmold site (NRW recognition collective agreement)			12
of which trainees and DHBW students	16	12	10
Metal collective agreement Saxony			
Zeppelin Systems GmbH – Freital site	-	15	16
of which trainees and DHBW students	-	0	0

¹²⁹ GRI 102-41: the reporting date is 31/12 of the respective reporting year, as specified in the headers.

¹³⁰ On January 1, 2020, the Plant Engineering SBU acquired the Zeppelin Aviation & Industrial Service GmbH (formerly BIS Inspection Service GmbH) with sites in Friedrichshafen, Hamburg and Cologne (Sankt Augustin), which had been managed under the Rental SBU until the end of 2019. From 2020, the decline in employees at the Friedrichshafen site was due to the establishment of Zeppelin Aviation & Industrial Service GmbH.

Occupational health and safety¹³¹

The Zeppelin Group's declared goal is to completely avoid work-related accidents and occupational illnesses (Vision Zero). This goal is given the same priority as other company goals, such as quality, adherence to deadlines and customer satisfaction. This means that occupational health and safety aspects are integrated into operational planning on an equal footing with economic considerations. The following basic principles apply, and are anchored in the Group Policy on Occupational Health and Safety.¹³²

- ▶ The Management Board and managers have the primary responsibility and act as role models for safe and healthy working at Zeppelin.¹³³ They take measures to maintain and continuously improve the health and performance of all employees in the long term. For this purpose, all the necessary means and resources (time, money, materials, and training) are made available to establish the occupational health and safety organization and the resulting measures.¹³⁴
- ▶ All employees are obliged to conduct themselves in such a way that they help prevent accidents, illnesses and hazards at work, both for themselves and for others. This means that the applicable occupational health and safety regulations are observed at all times, that the prescribed personal protective equipment (PPE) is always worn and that machines, devices and work equipment are only used for their intended purposes.
- ▶ All employees are required to report or resolve faults and deficiencies and to submit identified potential for improvement for a safe and healthy workplace in order to achieve continuous improvement of working conditions and continuous reduction of work-related accidents and illnesses.

With the help of the occupational health and safety management system in accordance with ISO 45001, Zeppelin not only manages the alignment and achievement of its targets, but also monitors and documents the progress made.¹³⁵

The development is documented and monitored at each site of the German companies that have more than 20 employees in quarterly occupational health and safety committee meetings with the participation of safety specialists and company doctors.¹³⁶

2021 was once again dominated by the COVID-19 pandemic: To protect the health of employees, Zeppelin took various measures to ensure that every employee get through the pandemic in the best possible way. Zeppelin set up four crisis management teams at an early stage, focused on personnel, finance, operations, IT service and infrastructure (relating to IT). The task of the crisis management team is to assess the humanitarian and economic risks and consequences of a pandemic, as well as to initiate possible measures to safeguard business operations and ensure occupational safety for employees.

In the short term, operations were adapted to fit pandemic-related hygiene rules: remote working was enabled, shift models were introduced, and cooperation and communication were adapted to online formats. In addition, a protocol has been developed which defines the procedure for managing a pandemic. This includes, among other things, the distribution of responsibilities, the assessment of possible economic and health risks and the examination of suitable measures to maintain the core business processes, ensure the ability to act and protect the health of employees and business partners.

¹³¹ GRI 103-1, GRI 103-2-a, GRI 103-2-b and GRI 103-1-c: There are no explicit restrictions on occupational health and safety.

¹³² GRI 103-2-c-i and GRI 103-2-c-ii for the following three bullet points

¹³³ GRI 103-2-c-iv

¹³⁴ GRI 103-2-c-v

¹³⁵ The scope of the certified occupational health and safety management system in accordance with ISO 45001 includes the companies Zeppelin GmbH, Zeppelin Rental GmbH, Zeppelin Baumaschinen GmbH, Zeppelin Power Systems GmbH, and Zeppelin Systems GmbH and their Group companies in Germany.

¹³⁶ Based on GRI 403-1: This corresponds to the legal regulations in Germany.

Progress in occupational health and safety¹³⁷



Progress on Objective

Reduce work-related injuries by 10% per year by 2025

It is Zeppelin's aim to provide all employees with a safe and healthy workplace, which is why Zeppelin has set itself the goal of reducing the work-related accident rate by ten percent annually by 2025.¹³⁸ The work-related accident rate, in combination with the lost days due to accidents, describes the frequency and severity of work-related accidents.

The definition of reportable work-related accidents at Zeppelin is as follows:

"A work-related accident is an accident that occurs due to or as a result of a person's activity in the workplace, while working or while traveling on business, which requires medical treatment and leads to a period of absence lasting more than three calendar days after the day of the accident.¹³⁹ Deaths are also accounted for and reported separately."

Overview of work-related accidents

Strategic Business Units	Unit	2019	2020	2021
Construction Equipment Central Europe*	Total	115	114	126
Construction Equipment Nordics	Total	-	3	14
Construction Equipment Eurasia	Total	3	3	7
Rental	Total	55	65	59
Power Systems	Total	30	27	21
Plant Engineering	Total	16	17	16
Zeppelin GmbH	Total	0	0	0
The Zeppelin Group	Total	219	229	243
Work-related accidents per 1,000 employees¹⁴⁰	Total	24.4	23.3	23.5
Fatal accidents at work	Total	1	0	0

*A work-related accident was subsequently reported at Zeppelin Baumaschinen GmbH for 2020.

The number of work-related accidents per 1,000 employees has decreased slightly in the last three years, with a slight rise again in 2021 compared with the previous year. As a result, the defined target of a reduction of ten percent in 2021 was not achieved. The majority of work-related accidents occurred in the Construction Equipment Central Europe SBU, which has a large number of employees. In 2020, about 50 percent of the reported work-related accidents occurred there. In

the Rental SBU and the Power Systems SBU, the number of work-related accidents also increased compared with the Plant Engineering SBU and the Construction Equipment Eurasia SBU. Zeppelin is continuing to work on reducing the number of work-related accidents, including through an even more in-depth analysis of work-related accidents in 2022, and a focus on raising awareness and providing even more instruction for employees.

¹³⁷ GRI 103-2-c-iii and based on GRI 403-2

¹³⁸ The reduction is calculated in comparison with the previous year.

¹³⁹ Accidents are temporary events affecting the body from the outside that can lead to damage to health or even death. Accidents on business trips and travel are considered to be work-related accidents and are not counted as travel accidents.

¹⁴⁰ The 1,000-person ratio is a general indicator of accident statistics in which the total number of reportable work-related accidents is determined for a defined period of time and converted to the number per 1,000 full-time employees (FTE). The period of consideration is a full calendar year.



Progress on Objective 2

Reduce accident-related lost time (days) by 10% per year by 2025

The target of a 10% annual reduction in accident-related lost time (days) was not achieved in 2021. Lost days per 1,000 employees increased slightly in 2021. The Group will counter this trend on the path to “Vision Zero” with further targeted measures and work on a new understanding of safety.

Summary of accident-related lost days

Strategic Business Units	Unit	2019	2020	2021
Construction Equipment Central Europe	Total	2,636	2,933	3,554
Construction Equipment Nordics	Total	-	50	145
Construction Equipment Eurasia	Total	60	87	505
Rental	Total	1,890	1,321	1,174
Power Systems	Total	385	358	285
Plant Engineering	Total	416	456	549
Zeppelin GmbH	Total	0	0	0
The Zeppelin Group	Total	5,387	5,205	6,212
Work-related accidents per 1,000 employees¹⁴¹	Total	600.6	530.2	602.4

Occupational health and safety measures¹⁴²

COVID-19 Pandemic Response

In Germany, measures to combat the COVID-19 pandemic included the establishment of a global reporting system for COVID-19 cases, which are monitored on a weekly basis in the specially created crisis management teams in order to define and implement the necessary measures

as quickly as possible. In addition, the implementation of the respective regulations and ordinances on infection control was implemented at all sites and hygiene articles such as masks and disinfectants were provided.

¹⁴¹ The number of employees in recent years is shown in the Human Resources section.

¹⁴² GRI 103-2-c-vii

Financial commitment

Business and corporate social responsibility

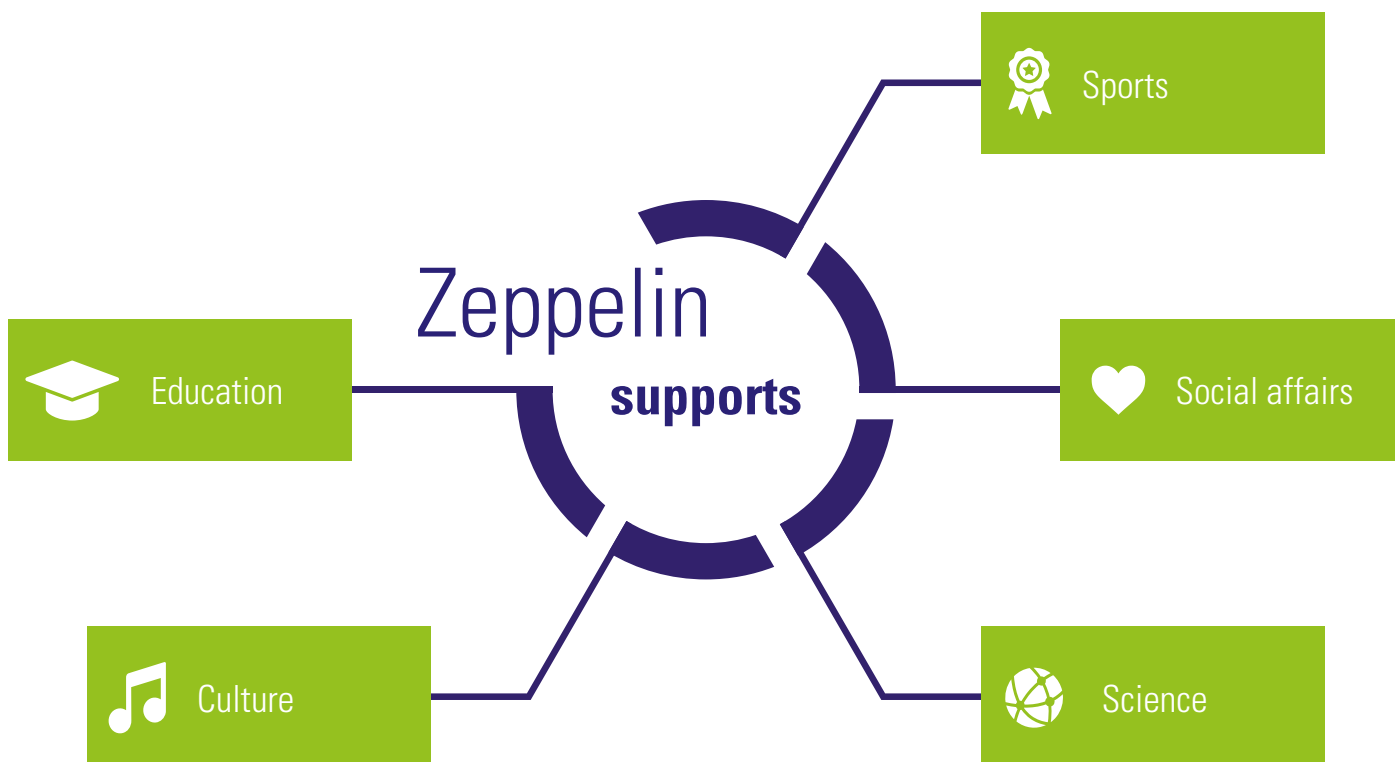
For Zeppelin as a foundation-owned company, business and corporate social responsibility are inseparable. The Group transfers part of its profits to the Zeppelin Foundation, which uses the money exclusively for charitable and benevolent purposes. In addition, the Group takes its responsibilities in the areas of education and science, culture and sport seriously, and is committed to charitable causes.¹⁴³ Group-wide guidelines define binding instructions for the allocation of donations and sponsorship funds.¹⁴⁴

Zeppelin defines donations as one-off or recurring unilateral monetary benefits to non-profit or charitable organizations for which no consideration is received. Payments to charities, NGOs and research institutions (not linked to the organization's commercial research and development),

funds to support community infrastructure (e.g. leisure facilities) and direct costs for social programs also come within the Group's definition of potential donation recipients and purposes. Donations are made without the expectation of consideration and without contractual basis.¹⁴⁵

Sponsorship refers to the promotion of individuals, a group of people, organizations in the form of cash, non-cash contributions or services with the expectation of receiving a supporting consideration from the recipient of the payment (e.g. for marketing or communication purposes). In addition to presenting the Zeppelin Group as a reliable partner for customers and employees, the sponsorship also focuses on our commitment as a partner and promoter of groups, organizations and people.

Scope of social responsibilities



¹⁴³ GRI 103-1-a and GRI 103-1-b

¹⁴⁴ GRI 103-2-c-i

¹⁴⁵ GRI 103-2-a in conjunction with the following paragraph



Other forms of donation, such as corporate volunteering, i.e. voluntary social engagement by employees and the Group's support for employee social engagement, are not considered in this context.¹⁴⁶

The Zeppelin Group's donation strategy is derived from its identity as a foundation-owned company, from its corporate strategy, corporate values, and the business areas and competencies that the company stands for. The foundation on which it stands is one of integrity and excellence.¹⁴⁷

When selecting the projects and initiatives to be funded, i.e. the donation's purpose, it is therefore particularly important to Zeppelin that its own values are also reflected in the funding purpose, which is particularly clear in the following attributes:

a) Taking responsibility

Zeppelin takes social responsibility seriously and exemplifies sustainability and a forward-looking approach. Against this background, Zeppelin supports projects relating to the environment, climate and youth, for instance.

b) Solutions-driven and innovation

These are inseparably linked to the spirit of Zeppelin, which is also reflected in the Group's motto "We Create Solutions." For Zeppelin, a focus on customers and goals, perseverance and determination are naturally part of our identity. Research and education, particularly on environmental and sustainability issues, are therefore high on the list of projects and initiatives to be supported.

c) Team spirit: "We are Zeppelin"

Zeppelin employees know that strength comes in numbers and that we work more effectively and create even better solutions as a team. This includes trust, fairness and teamwork. These are characteristics that are shaped and honed in team sports or children's and youth sports activities.

The main groups of recipients of donations supported by Zeppelin therefore go hand in hand with the purpose of the donation. These include institutions, projects and associations from the fields of education, research, science, health, sport, social affairs & inclusion, and art & culture. Individuals and political parties do not form part of Zeppelin's target group. The presentation of the donations and sponsorships made in recent years as well as the development of the defined goals and selected measures are set out below.

¹⁴⁶ GRI 103-1-c

¹⁴⁷ GRI 103-3-a and GRI 103-3-b in conjunction with the following paragraphs.

Progress in Donations¹⁴⁸



Progress on Objective

Allocating donations in accordance with the foundation's ethos and vision on the company's economic earning power. Total donations as a proportion of Group net income (earnings before tax) of at least 0.5 to 1.0% annually.

The donations and sponsoring contributions made by the Zeppelin Group in recent years is shown below. The individual sums are divided into education, culture, science, social affairs, sport, and other areas.¹⁴⁹ The budget, which is available annually for promotional purposes, is based on the Group's economic profitability (earnings before taxes) and takes into consideration the foundation's ethos. The measured variable is calculated from the total donations in a calendar year in relation to the Group net income. The targeted range is 0.5 – 1.0 percent annually. Zeppelin achieved its target with donations of around EUR 1.2 million in the 2021 fiscal year.¹⁵⁰

Allocation of donations and sponsorship expenses 2021

Distribution in 2021	Unit	Donations	Sponsorships
Education	Euro	894,068.00	63,727.96
Culture	Euro	7,525.00	60,738.00
Science	Euro	53,710.00	403.39
Social affairs	Euro	217,965.11	10,384.15
Sport	Euro	3,725.00	624,155.04
Miscellaneous	Euro	27,361.11	153,524.08
Total	Euros	1,204,354.22¹⁵¹	912,932.62
Share	%	57	43
Total	Euros		2,117,286.84

In 2021, around 43 percent of social commitment expenses were in the area of sponsorship, with Zeppelin focusing its sponsorship activities on sport. The Zeppelin Group spends a large proportion of its donation budget on "Research and Education".

¹⁴⁸ GRI 103-2-c-ii and GRI 103-2-c-iii

¹⁴⁹ Based on GRI 201-1

¹⁵⁰ The donation amount shown in the Annual Report 2021 is not completely correct, as EUR 500,000 in funding to Zeppelin University was reported as sponsorship, but was in fact a donation.

¹⁵¹ The donation amount shown in the Annual Report 2021 is not completely correct, as EUR 500,000 in funding to Zeppelin University was reported as sponsorship, but was in fact a donation.



Progress on Objective 2

Presentation of Zeppelin's social commitment to donations by donation-specific communications (number of all donations queried).

As part of the annual worldwide survey of non-financial key figures, the number and sum of donations and sponsorship spending have been recorded since 2015. Not only the respective donation and sponsorship amounts are recorded, but the associated projects, associations, etc. are also disclosed. This ensures a transparent overview of the allocation of funds for the areas of donations and sponsorship. Based on the data reported, selected donations are regularly communicated internally and externally to underline Zeppelin's social commitment.

In order to gain even more transparency in the allocation process and to bring the donation allocation in line with the defined donation strategy and the available budget, the Zeppelin Group established a donations committee at Group level in fall 2020. This is made up of members

of the Group Management Board, the Head of Group Auditing and the Group Chief Compliance Officer. In its regular meetings, the Donations Committee reviews all donation applications for more than 1,000 euros and is guided by the Group's donation strategy described above.¹⁵²

Measures in Donations¹⁵³

The Zeppelin Group has been continuously funding [Zeppelin University \(ZU\)](#) in Friedrichshafen since it was founded in 2003. The foundation's university of applied sciences is now attended by more than 800 young people studying toward bachelor's and master's degrees. For several years, the Zeppelin Group has been promoting chairs for international economic theory and policy. The "Mining Institute" of the State Mining University of St. Petersburg, Russia was also regularly funded.

The Zeppelin Group also supports the [JUST! Zeppelin Youth Foundation](#), which was established in 1990 by Zeppelin GmbH and Luftschiffbau Zeppelin GmbH. Its aim is to support the education and training of young talent from the Friedrichshafen and Ravensburg-Weingarten region. Every two years the Foundation allocates sponsorship awards worth EUR 25,000 in total, recognizing outstanding work in natural sciences and engineering, economics, and social and cultural science. The prize winners on stage are presented with the JUST! award. The announcement for the 14th edition of the awards was made in April 2021; the next award will be made in May 2022 to pupils and students whose achievements have been outstanding. Awards are given to compelling school projects and scientific papers in various categories, including the special topic of "Life and Learning in the Pandemic Era."

Zeppelin supports [Friedrichshafen Wissenswerkstatt](#), for example, which has made it its mission to interest and inspire young people about technology. This knowledge workshop enables them to work on specific technical projects, such as robot vehicles or air-water rockets. As the organization works closely with schools, universities, and chambers of commerce and industry, this also opens up professional prospects for young people. The Zeppelin Group has been donating funds to the Friedrichshafen Wissenswerkstatt for many years. In 2020, both partners agreed on closer content-related collaboration in the development of special online educational formats for children, to which Zeppelin actively contributes its technical expertise.

Since fair play and sportsmanship are firmly anchored in Zeppelin's corporate culture, the promotion of **sports**, and team sports in particular, is a special cause for the Group. Zeppelin feels a special connection between Friedrichshafen and the Lake Constance region, and has been supporting VfB Friedrichshafen as a sponsor and in the form of donations to the volleyball, football, and badminton divisions for many years.

¹⁵² GRI 103-2-c-vi and GRI 103-3

¹⁵³ GRI 103-2-c-vii

In the Social area, the company is also involved in child and youth welfare projects around the world. Zeppelin has been supporting the charitable organization [Home from Home](#) for several years now. The organization's focus is creating a better future for orphans, HIV-positive children and those who are no longer with their families, in the townships of Cape Town. Another non-profit organization is the [Oliver Kahn Foundation](#), which is initiating the global development of "safe hubs" in which socially disadvantaged children and young people are supported. Often organized by individual employees and supported by company management, aid campaigns are also carried out for children's homes and charitable organizations at home and abroad.

Supporting projects in the health sector is also an important part of our social commitment. For example, Zeppelin regularly supports [St. Anna Children's Cancer Research](#), which is dedicated to improving the diagnosis and therapy of cancer in children and adolescents. Donations were also made to various children's hospices in 2021 ([Sternenbrücke e.V.](#), [Löwenherz e.V.](#), and [Bärenherz e.V.](#)).

Promoting the general good and supporting local initiatives in the regions in which Zeppelin operates has always been part of the foundation's ethos. Zeppelin naturally therefore also supports charitable

organizations that are involved in disaster relief or humanitarian aid. Zeppelin donated EUR 100,000 to the [victims of the flood disaster in Germany in 2021](#). In addition, employees who volunteered for the rescue and clean-up work were granted paid leave during their mission.

Zeppelin awards its employees' best suggestions for improvement every year – and regularly links the [internal Z IDEA ideas competition with a donation target](#). In addition to the prize-winning idea generators, four different charitable organizations ([Tafel Friedrichshafen e.V.](#), [Kinderstiftung Bodensee](#), [Kältebus München](#) and [DIE ARCHE e.V.](#)) were delighted to receive a donation in 2021.

Zeppelin is also a promoter in the **arts and culture** sector. The [Deutsches Museum's network of friends and sponsors](#) in Munich, is a regular recipient of support. Individual projects are also considered, with donations made on an ad hoc basis.

In addition to sports sponsorship (see above), the Zeppelin Group is also a committed **sponsor, patron and partner** of the Tyrolean Festival (culture) and the Munich Management Colloquium at the Technical University of Munich (science).

Excerpt from the Zeppelin Group's overview of corporate social responsibility activities



JUST! ZEPPELIN'S YOUTH FOUNDATION

Promoting outstanding projects for talented pupils and students in the fields of science, technology, economics, social sciences or cultural sciences.



ZEPPELIN UNIVERSITY

The Zeppelin Group supports education and research at the university, founded in Friedrichshafen in 2003.



DONATIONS FOR THE NEXT GENERATION

Home from Home
Children's homes in Armenia

St. Anna Child Cancer Research in Vienna
Clemens-Maria children's home in Putzbrunn near Munich



SUPPORT FOR SPORTS AND CULTURE

Main sponsor of the multiple German champion VfB Volleyball Friedrichshafen
Promotion of cultural events such as the Festival Erl, Kulturhaus Caserne Friedrichshafen

6 ENVIRONMENTAL SUSTAINABILITY

Energy efficiency and CO₂ neutrality An active contribution to environmental protection¹⁵⁴

For Zeppelin, environmental sustainability is a basic prerequisite for making an active contribution to environmental and climate protection. This is in line with the principle of infinity, which is anchored in Zeppelin's essence as a foundation-owned company.

As part of its energy and environmental management system, the Zeppelin Group is committed to continuously improving its energy and environmental performance in order to protect the environment, prevent environmental pollution, reduce global warming, and strengthen its market position. Work is always carried out in accordance with the principle of prudence, i.e. potential negative impacts on the environment are reduced as far as possible from the outset and, in the best-case scenario, completely avoided.¹⁵⁵ The effectiveness of the energy and environmental management system was successfully confirmed in 2021.¹⁵⁶

The Management Board actively promotes target achievement by providing the necessary resources, data and information, and appoints an energy and environmental management officer who continuously improves the management systems. This is supported by other contact persons in the individual companies during implementation.¹⁵⁷ Zeppelin naturally complies with the statutory requirements and all other binding obligations in the energy and environmental sector.

In 2019, the Zeppelin Group extended the existing syndicated loan agreement with the core banks and, as a foundation company, placed great importance on the syndicated credit facility being issued with a green loan clause. This means that interest on loans increases or decreases depending on the achievement of sustainability targets especially energy saving targets. The first evaluation of the defined targets was carried out for 2020 and showed that the desired outcomes, i.e. the defined energy savings and the required number of certified companies, had been successfully achieved.

All procedures and specifications for alignment, development, monitoring and improvement are described in the management handbook.¹⁵⁸ The energy and environmental policy, as well as the strategic orientation and all objectives and measures derived from this, are reviewed at regular intervals and, if necessary, are adapted to match changing conditions.¹⁵⁹ The management review takes place once a year with the Group Management Board, in which the effectiveness of the management approach is reviewed and documented.¹⁶⁰ For 2021, the assessment confirmed the effectiveness of the energy and environmental management system. The expansion to other national subsidiaries was accelerated and measures to improve data collection defined.



Sustainability has a **Future**

¹⁵⁴ GRI 103-1, GRI 103-2

¹⁵⁵ GRI 102-11

¹⁵⁶ This includes the companies Zeppelin GmbH, Zeppelin Baumaschinen GmbH, Zeppelin Rental GmbH, Zeppelin Power Systems GmbH, Zeppelin Systems GmbH, Zeppelin Österreich GmbH, Zeppelin Rental Österreich GmbH & Co. KG.

¹⁵⁷ GRI 103-2-c-v, GRI 103-2-c-iv

¹⁵⁸ GRI 103-2-c-i

¹⁵⁹ The main content of the environmental and energy policy is contained in this section to ensure that information on the environmental and energy policy is available to interested parties.

¹⁶⁰ GRI 103-3 and next paragraph

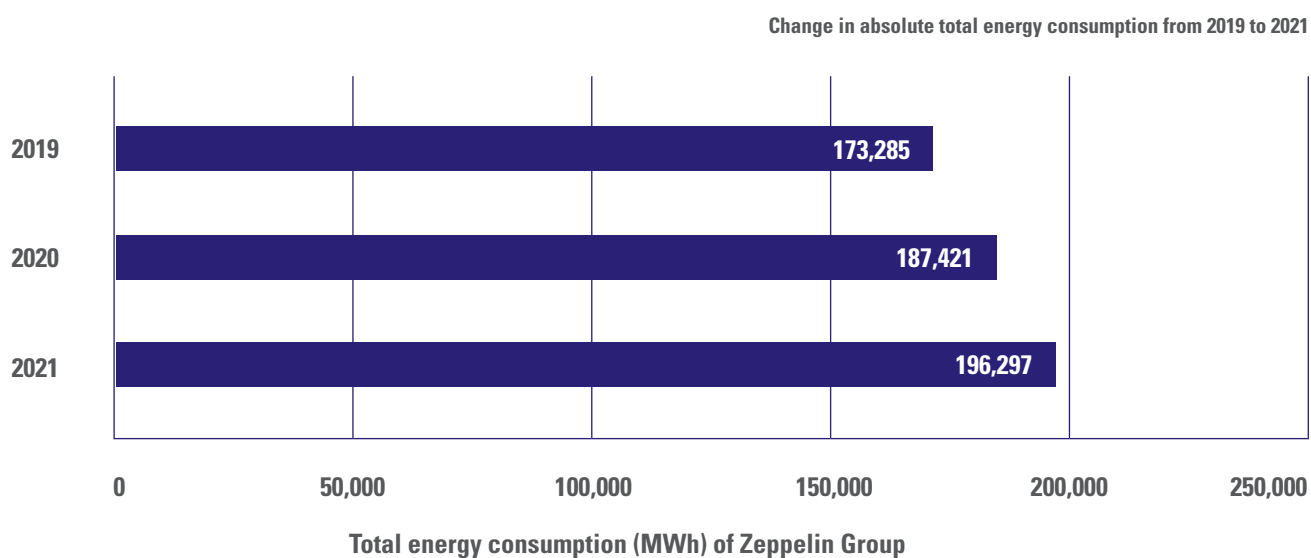
Progress in energy and environment¹⁶¹



Progress on Objective

Reduce electricity and heat consumption by 1% annually between 2021 and 2025 (electricity and heat)

The total energy consumption is based on the individual consumption per Group company and stated in megawatt hours (MWh).¹⁶²



Total energy consumption per SBU¹⁶³

SBU	Unit	2019	2020	2021
Construction Equipment Central Europe	MWh	69,456	67,659	71,132
Construction Equipment Eurasia	MWh	35,448	32,626	34,947
Construction Equipment Nordics ¹⁶⁴	MWh	-	18,653	18,988
Rental	MWh	31,316	34,963	36,787
Power Systems	MWh	11,860	12,047	11,830
Plant Engineering	MWh	21,554	18,147	19,156
Zeppelin GmbH (holding company)	MWh	3,651	3,326	3,457
Zeppelin Group	MWh	173,285	187,421	196,297

¹⁶¹ GRI 103-3-c-iii

¹⁶² GRI 302-1-f; The total energy consumption shown includes a small percentage of forecast consumption. The corrections in the previous year are noted in footnote 163.

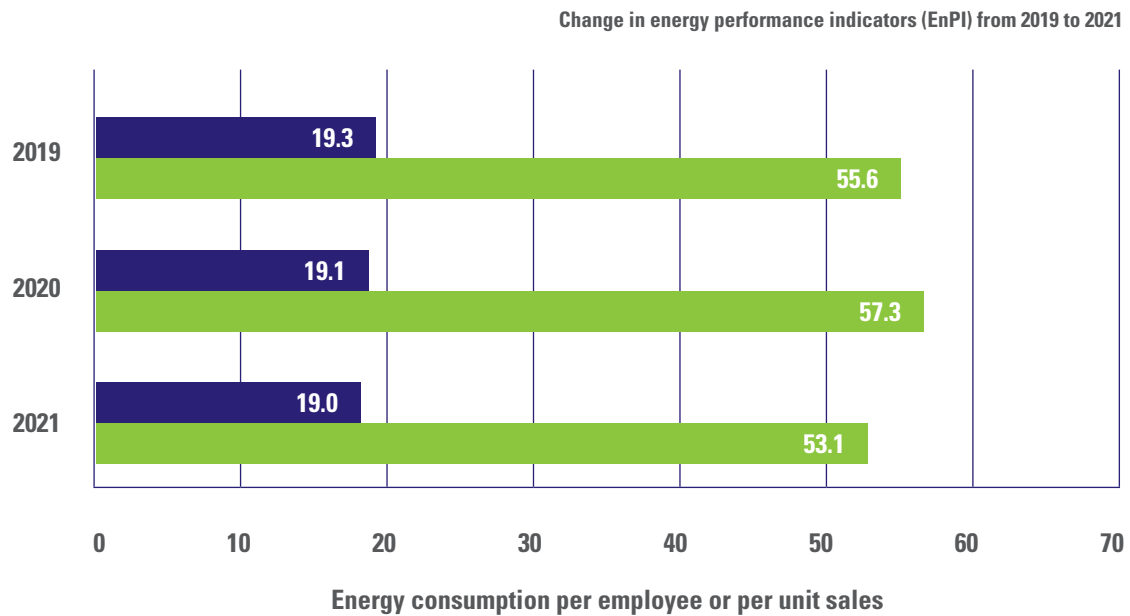
¹⁶³ The previous year's values were corrected on account of optimized data collection. In particular, there were changes to the gas consumption of Nuova Ciba S.P.A., the natural gas consumption of Zeppelin Central Asia Machinery OOO, the fuel consumption of Baltic Marine Contractors OÜ and Zeppelin Baumaschinen GmbH.

¹⁶⁴ With effect from December 31, 2019, the Group assumed responsibility for the distribution and service of Caterpillar products in Sweden, Denmark, Greenland, and the Faroe Islands, and consolidated these activities in the Construction Equipment Nordics SBU.

In 2021, an increase in absolute energy consumption was observed. Firstly, this was attributable to the additional sales and service territories of the newly created Construction Equipment Nordics SBU in Sweden, Denmark, and Greenland in 2020. Secondly, there were significant restrictions in 2020 due to the defined measures during the COVID-19 pandemic, which had much less impact in 2021. Despite a wide range

of measures and investments, it was not possible to achieve the target of energy savings of one percent in the period from 2020 to 2021.

The change in energy performance indicators, i.e. the total energy consumption in relation to the number of employees and the sales volume generated, shows a slight reduction compared with the previous year.



- Energy consumption per employee
- Energy consumption per unit sales (MWh/million €)

The majority of energy consumption was due to the use of fuels: In 2021, around 56 percent of the Group's worldwide energy consumption was attributable to diesel and gasoline consumption, which the service and distribution employees need to travel to customers, construction sites or plants. In addition, fuel consumption includes fuel for company cars for those entitled to one.

Overview of energy consumption per energy type

Energy types ¹⁶⁵	Unit	2019	2020	2021
Total heat consumption	MWh	44,451	48,035	55,162
Consumption of natural/liquid/propane gas	MWh	40,165	37,803	43,432
District/local heating consumption	MWh	2,798	8,451	9,504
Heating oil consumption	MWh	1,488	1,781	2,226
Total power consumption	MWh	26,467	30,230	31,109
Total fuel consumption	MWh	101,992	108,564	109,243
Diesel consumption (fleet) ¹⁶⁶	MWh	90,002	97,899	98,953
Diesel consumption (other)	MWh	565	675	1,105
Gasoline consumption	MWh	11,425	9,990	9,185
Consumption of renewable energies	MWh	375	592	783
Total energy consumption¹⁶⁷	MWh	173,285	187,421	196,297

¹⁶⁵ GRI 302-1 a to e: No steam energy is consumed. Cooling energy is included in the power consumption, e.g. when air conditioning units are operated. No external energy is sold to third parties. Energy consumption is instead attributable to internal demand. For corrections to historical values, see footnote 163.

¹⁶⁶ GRI 302-1 g: For the conversion of liters to kWh, a factor of 9.86 was used for diesel and a factor of 8.77 for gasoline.

¹⁶⁷ GRI 302-1-e: The total energy consumption for 2019 does not include the energy consumption of the companies in Sweden, Denmark, and Greenland as these only became part of the Zeppelin Group on December 31, 2019, meaning that the energy consumption from 2019 was generated by the previous organization of these Group companies.

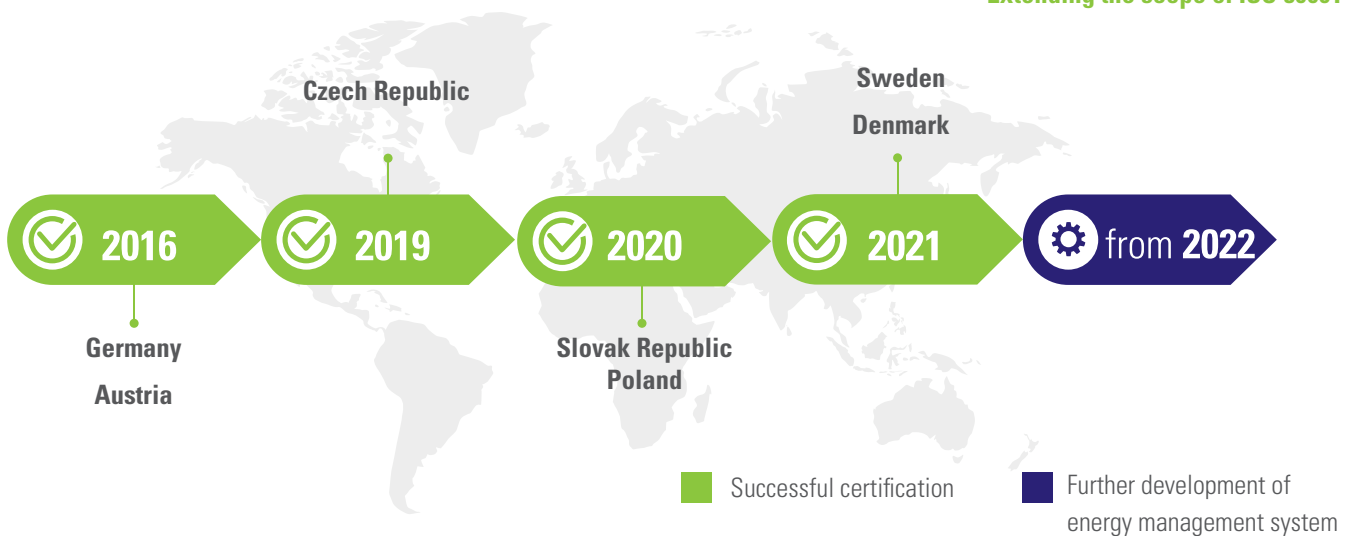


Progress on Objective 2

Increase in the number of ISO 50001-certified companies

The energy management system was certified to ISO 50001 for Germany and Austria for the first time in 2016. Since then, the scope of the energy management system has been continuously expanded in order to gradually improve energy performance in accordance with uniform standards throughout the Group. The scope was successfully extended to Sweden and Denmark in 2021. More countries and country subsidiaries will be identified in the next step to be included in the ISO 50001 certification process.

Extending the scope of ISO 50001



Progress on Objective 3

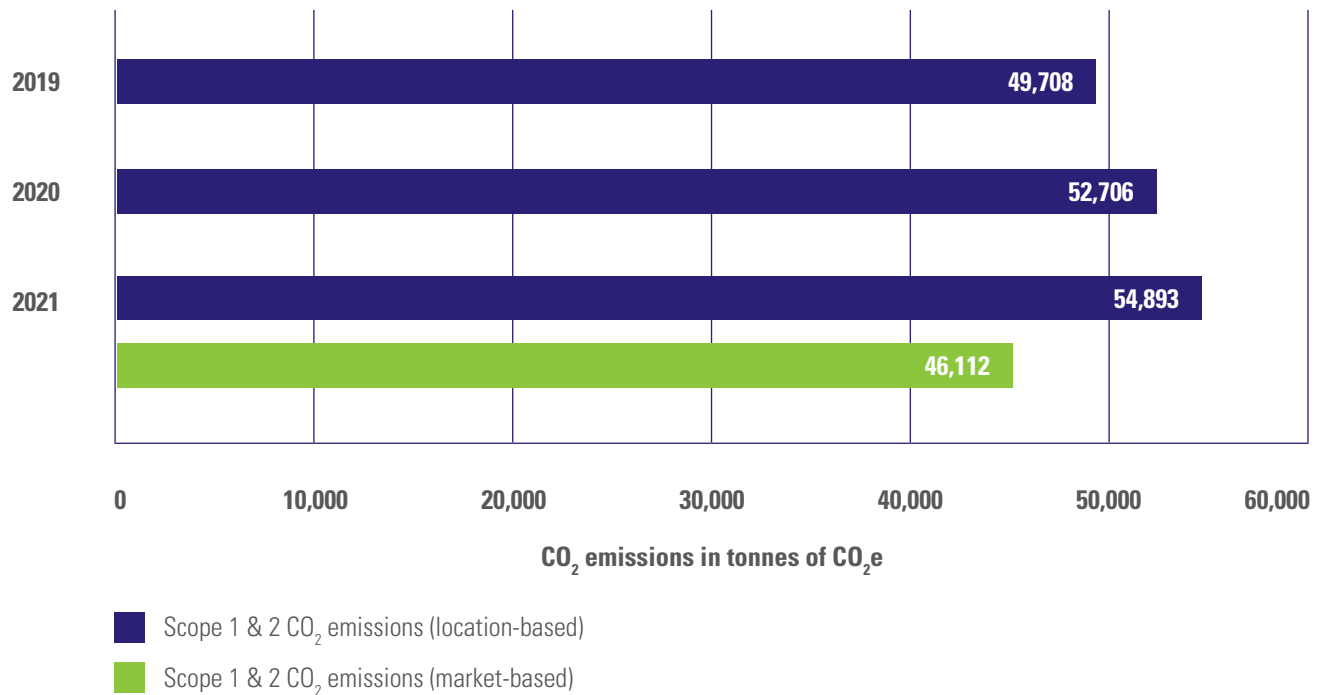
Carbon neutrality in ongoing business operations by 2030 at the latest

The Zeppelin Group has set itself the target of being a net-zero carbon company in its ongoing business operations by 2030 at the latest: We totally reject greenwashing actions¹⁶⁸ and consider offsetting measures to be the very last resort to neutralize CO₂ emissions. The CO₂ emissions are calculated once a year in accordance with the “Greenhouse Gas Protocol”, a globally recognized standard, and include Scope 1 and 2 emissions.¹⁶⁹ In 2021, CO₂ emissions were also calculated using the market-based method for the first time. If there are specific emission factors of the respective energy supplier, these were used for the calculation of CO₂ emissions.¹⁷⁰

¹⁶⁸ Greenwashing is a critical term for PR methods that aim to give a company an environmentally friendly and sustainable image in the public domain without any substantive foundations. (see the entry for greenwashing) at Investopedia.com.

¹⁶⁹ The three scopes of the Greenhouse Gas Protocol (GHG Protocol) provide a benchmark for calculating emissions. Emissions from Scope 1 and Scope 2 are taken into account in our calculations. Emissions from Scope 3 are not included. The conversion factors used are shown in the Appendix. The procedure for calculating CO₂ emissions is stipulated in the “Calculation of CO₂ emissions” procedural instructions.

¹⁷⁰ The market-based method refers to the emissions of the electricity supplier or an individual electricity product, whereas the “location-based” approach refers to the average emission factors of the country where electricity consumption takes place.



Change in CO₂ emissions (Scope 1 & 2)

CO ₂ emissions	Unit	2019	2020	2021
Scope 1	to CO ₂ e	35,616	36,968	38,406
Scope 2 (location-based)	to CO ₂ e	14,092	15,738	16,487
Scope 2 (market-based)	to CO ₂ e	-	-	7,706
CO₂ emissions – Scope 1 & 2 (location-based)	to CO₂e	49,708	52,706	54,893
CO₂ emissions – Scope 1 & 2 (market-based)	to CO₂e	-	-	46,112

CO₂ emissions (Scope 1 & 2) per SBU

SBU	Unit	2019		2020		2021	
		location-based	location-based	location-based	location-based	market-based	market-based
Construction Equipment Central Europe	to CO ₂ e	19,511	18,808	19,685	19,685	16,773	16,773
Construction Equipment Eurasia	to CO ₂ e	10,235	9,414	10,080	10,080	10,078	10,078
Construction Equipment Nordics ^{171a}	to CO ₂ e	-	4,236	4,325	4,325	3,843	3,843
Rental	to CO ₂ e	8,798	9,895	10,543	10,543	9,132	9,132
Power Systems	to CO ₂ e	3,302	3,368	3,271	3,271	2,531	2,531
Plant Engineering	to CO ₂ e	6,461	5,758	5,740	5,740	3,302	3,302
Zeppelin GmbH (holding company)	to CO ₂ e	1,402	1,227	1,249	1,249	453	453
Total	to CO₂e	49,708	52,706	54,893	54,893	46,112	46,112

¹⁷¹ The changes in historical energy consumption data also affect the calculation of CO₂ emissions and are noted in footnote 163.

^{171a} The Construction Equipment Nordics SBU was founded on January 1, 2020, following the acquisition of new sales and service territories in Northern Europe.

The increase in CO₂ emissions from 2020 is due to the additional sales and service territories of the newly created Construction Equipment Nordics SBU in 2020.

The implementation of carbon neutrality by itself means investing heavily, for example, for energy-efficient renovation or construction of new sites,

the installation of photovoltaic systems (PV systems) or the gradual conversion to more energy-efficient plant and equipment. To drive forward the goal of carbon neutrality, targets and measures were defined at SBU and national company level to reduce CO₂ emissions as part of the Call for Strategy of the Group.

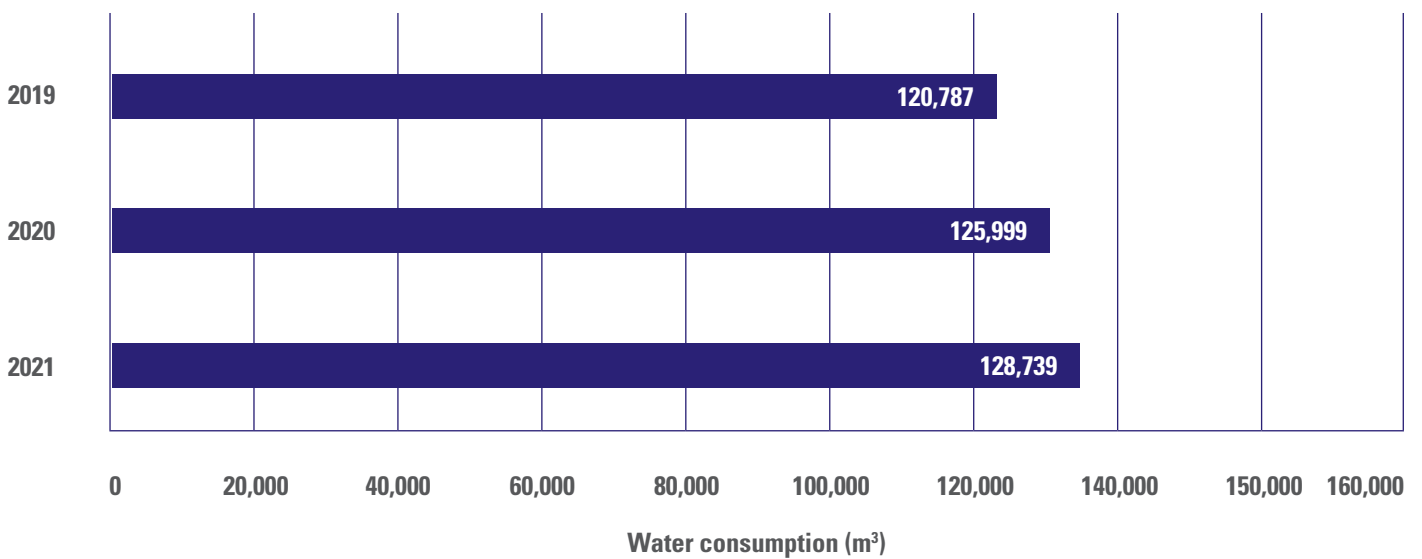


Progress on Objective 4

Reduce water consumption by 30% by 2030

In 2021, the Zeppelin Group set itself the goal of reducing fresh water consumption by 30% by 2030 as part of the Call for Strategy of the Group (base year 2021). This is based on the individual consumption per national company.

Change in water consumption from 2019 to 2021¹⁷²



¹⁷² Adjustment of the previous year's values in the companies Zeppelin CZ s.r.o. (Construction Equipment Central Europe SBU) and Zeppelin Power Systems GmbH (Power Systems SBU).

Change in water consumption per SBU

SBU	Unit	2019	2020	2021
Construction Equipment Central Europe	m ³	44,304	46,363	42,054
Construction Equipment Eurasia	m ³	29,068	24,935	32,392
Construction Equipment Nordics	m ³		7,115	8,332
Rental	m ³	22,260	20,011	20,981
Power Systems	m ³	3,115	2,936	3,014
Plant Engineering	m ³	17,114	21,900	18,972
Zeppelin GmbH (holding company)	m ³	4,926	2,739	2,994
Total	m³	120,787	125,999	128,739

Water consumption increased by two percent in 2021 compared with 2020. Excluding the share from the Construction Equipment Nordics SBU, fresh water consumption is at a constant level. The stabilization despite a strong economic performance can be attributed to the effectiveness of the environmental management system, the associated awareness of employees to save resources, and structural and organizational measures.

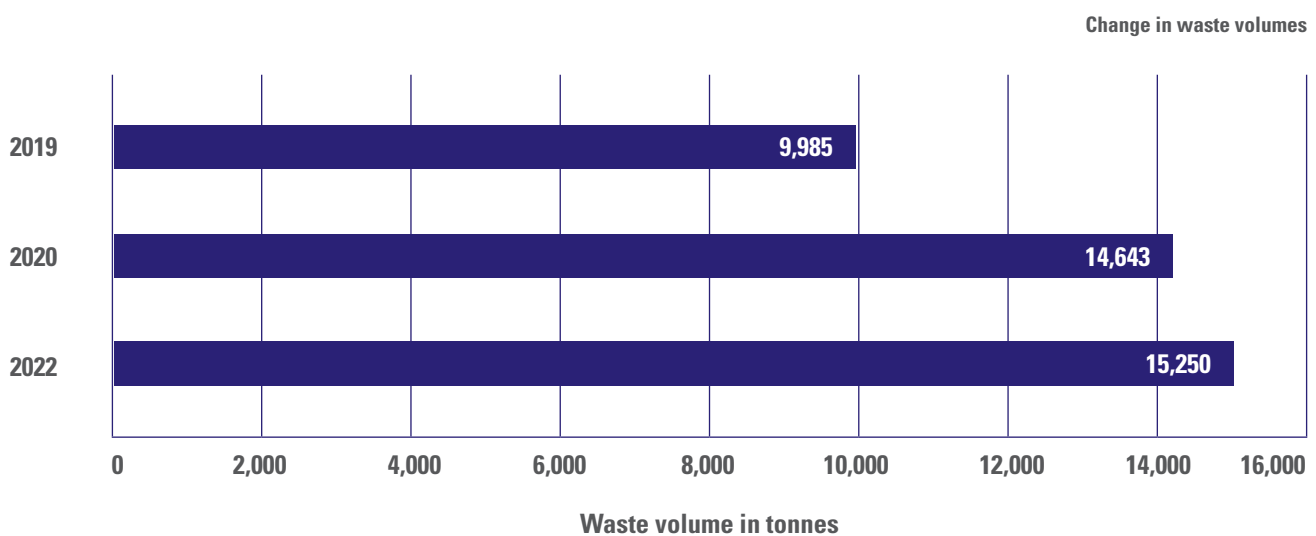


Progress on Objective 5

Greatest possible resource efficiency through prevention and reduction of waste

- ▶ Global analysis of waste streams and types
- ▶ Cooperation exclusively with qualified waste disposal companies
- ▶ Worldwide substitution testing of hazardous substances by 2025

Zeppelin's main objective is to make the most of the resources and products available, and to prevent or reduce the generation of waste from the outset. Disposal is always seen as the last resort, the top priority being avoidance, reduction, reuse or recycling. The amount of waste is based on the individual consumption per company and is specified in tonnes.¹⁷³



Waste volume in tonnes per SBU

SBU	Unit	2019	2020	2021
Construction Equipment Central Europe	Tonnes	5,809	6,674	6,909
Construction Equipment Eurasia ¹⁷⁴	Tonnes	-	1,188	1,230
Construction Equipment Nordics ¹⁷⁵	Tonnes	-	2,064	2,109
Rental	Tonnes	2,496	2,864	3,138
Power Systems	Tonnes	577	582	756
Plant Engineering	Tonnes	1,063	1,214	1,066
Zeppelin GmbH (holding company)	Tonnes	40	57	42
Total	Tonnes	9,985	14,643	15,250

¹⁷³ GRI 306-2-c-ii: The collected information is made available in this way by the disposal service provider. If individual types of waste have a different unit, conversion factors available in the relevant literature are used to convert them to tonnes. The historical waste volumes of Zeppelin Power Systems GmbH (Power Systems SBU) have been corrected.

¹⁷⁴ In 2019, there were no valid figures available for waste consumption in the Construction Equipment Eurasia SBU, meaning that the first quality-assured notification of waste volumes was the one made in respect of 2020.

¹⁷⁵ The Construction Equipment Nordics SBU was founded on January 1, 2020, following the acquisition of new sales and service territories in Northern Europe.

For 2021, the absolute amount of waste increased due to the strong economic performance. Reported waste is categorized into non-hazardous and hazardous waste. Non-hazardous waste includes paper, cardboard, plastics, wood, mixed municipal waste and biodegradable waste. Hazardous waste includes, but is not limited to, paint and varnish residues, waste oil, sludges, and oil and grease residues. Around 68 percent of the reported waste in 2021 can be attributed to non-hazardous waste.¹⁷⁶

Measures in Energy and Environment¹⁷⁷

The first year of e-mobility at Zeppelin

On January 1, 2021, the Zeppelin Group added electric and hybrid vehicles to its fleet in Germany. Vehicles with an electric or hybrid drive are significantly lower in emissions than those with conventional combustion engines. Since Zeppelin's CO₂ emissions are largely caused by our vehicle fleet, we will be able to significantly reduce our emissions from company cars as a result. Around 30% of newly ordered company cars

The target for the coming years is to analyze the waste flows and types worldwide in order to determine potential for optimization. Furthermore, cooperation exclusively with qualified waste disposal companies is to continue. This requires checking corresponding framework agreements for adjustments. Group-wide substitution testing of hazardous substances will also be carried out by 2025 to avoid or reduce the use of hazardous substances as far as possible.

were already electric or hybrid vehicles in 2021. These can be charged via the charging network at Zeppelin, which is currently being built. In 2021, a total of 115 charging stations were built at 15 sites in Germany and two charging stations in Austria. Other sites will gradually be equipped with charging stations in the coming years.

Reduction of packaging materials



As part of the Call for Strategy of the Group, which in 2021 focused on waste management among other things, Group-wide measures to reduce packaging materials have been developed and implemented. These include switching to reusable boxes for transporting accompanying documents between branches and the central spare parts warehouse, as well as collecting usable cardboard boxes in the branches for return shipment and reuse in the central spare parts warehouse at Zeppelin Baumaschinen GmbH.

Sustainable corporate governance – CSR & leadership principles

In fall 2021, a management meeting on leadership principles and CSR was held in Russia. During this event, five new trees were planted on the premises of the Zeppelin Service and Administration Center in St. Petersburg, each of which embodies the corresponding leadership mission statement – “Respect, Enthusiasm, Trust, Innovation, Efficiency”. This not only corresponds to the Zeppelin Group's sustainability strategy, but also contributes to making Zeppelin's leadership behaviors visible and to consolidating them [\(link to video\)](#).



¹⁷⁶ GRI 306-2

¹⁷⁷ GRI 103-2-c-vii

APPENDIX

A1 Reporting standard

Report contents and reporting period¹⁷⁸

With this report on “Sustainability at Zeppelin 2021”, the Zeppelin Group comprehensively presents its achievements and targets in the area of sustainability, as well as the changes compared with the previous year. Group-wide collaboration in the Zeppelin Group revolves around a management holding company – Zeppelin GmbH – and six strategic business units. Unless otherwise indicated, all information in this report relates to the Zeppelin Group.

The sustainability report covers the period from January 1, 2019 to December 31, 2021, and therefore covers three full fiscal years.¹⁷⁹ Certain figures or KPIs are not consistently available as the reporting has been improved in the last two years in terms of quality and the scope expanded. A corresponding identifier indicates the respective database. However, for the sake of completeness and depending on the subject matter in question, this report also contains information on the circumstances and facts prior to the specified period, as well as providing an outlook for the subsequent years. The reference date for the most recent data collection in respective of 2021 is April 29, 2022. The editorial deadline for this report was July 30, 2022.

Reporting standard

This report was prepared in accordance with the Global Reporting Initiative (GRI) standards 2018 – Core option.¹⁸⁰ The generally applicable GRI 101, 102, 103 standards, as well as, depending on relevance, the topic-specific GRI 200, 300 and 400 standards were used for the presentation format.¹⁸¹ According to GRI 101, the reporting principles for determining report content include stakeholder engagement, consideration of the sustainability context (organization, structure, framework, etc.), and the principle of materiality and completeness. To ensure the

quality of the report, attention was paid to a comprehensible, reliable, up-to-date, comparable, accurate and balanced presentation. For easier orientation, in addition to the GRI Index at the end of the report, references to the corresponding standards are also provided directly in the thematically structured sections in the form of footnotes.¹⁸² The footnotes provide information on which data in the text meets the corresponding GRI requirements.

As a sign of its commitment to corporate responsibility, Zeppelin GmbH signed up to the UN Global Compact in 2016. The current 2021 Communication on Progress on the ten principles in the areas of human rights, labor standards, environmental protection and anti-corruption is included in this report. An overview of the contents of the individual principles can be found in the appendix.

External audit¹⁸³

Zeppelin GmbH was not subject to the reporting obligation in accordance with German and European legislation for the 2021 reporting year. The Sustainability Report is submitted on a voluntary basis and is a management decision. Content published in the Group management reports and consolidated financial statements for 2019, 2020 and 2021 was reviewed by an independent auditor. The audit opinion can be found at the end of the respective annual report. The contents of the annual report are marked in the text.

Reporting cycle¹⁸⁴

The Zeppelin Group's Sustainability Report is published in a completely revised format, similar to the Annual Report, once a year.

¹⁷⁸ GRI 102-1

¹⁷⁹ GRI 102-50 in conjunction with GRI 101 item 2.7.1.

¹⁸⁰ GRI 102-54

¹⁸¹ For more information, see <https://www.globalreporting.org/standards/getting-started-with-the-gri-standards/>

¹⁸² GRI 102-55

¹⁸³ GRI 102-56

¹⁸⁴ GRI 102-52


A2 GRI Index

The mandatory information from the Core area is marked in color in the following table. For each GRI index, the corresponding page on which further information can be found is stated.

Disclosure	Description	Page	Remarks
GRI 101 principles			
GRI 102 General disclosures			
GRI 102-1	Name of the organization	6	
GRI 102-2	Activities, brands, products and services	8.9	
GRI 102-3	Location of headquarters	8	
GRI 102-4	Location of operations	14	
GRI 102-5	Ownership and legal form	13	
GRI 102-6	Markets served	9, 10, 14	
GRI 102-7	Scale of the organization	8.13	
GRI 102-8	Information on employees and other workers	45, 46, 47, 50	
GRI 102-9	Supply chain	40 ff.	
GRI 102-10	Significant changes to the organization and its supply chain	6, 40 ff.	
GRI 102-11	Precautionary principle or approach	68	
GRI 102-12	External initiatives	28	
GRI 102-13	Membership of associations	28	
GRI 102-14	Statement from senior decision-maker	3	
GRI 102-16	Values, principles, standards and norms of behavior	3, 15 ff.	Code of Conduct for Business Ethics and Compliance
GRI 102-17	Mechanisms for advice and concerns about ethics	31	
GRI 102-18	Governance structure	6	
GRI 102-19	Delegating authority	22	
GRI 102-20	Executive-level responsibility for economic, environmental and social topics	6, 22	
GRI 102-22	Composition of the highest governance body and its committees	6	
GRI 102-23	Chair of the highest governance body	8	
GRI 102-24	Nominating and selecting the highest governance body	8	based on GRI 102-24
GRI 102-26	Role of highest governance body in setting purpose, values and strategy	8	

Disclosure	Description	Page	Remarks
GRI 102-37	Stakeholders' involvement in remuneration	59	Only applies to employees covered by collective bargaining agreements
GRI 102-40	List of stakeholder groups	23 ff.	as well as evaluation of stakeholder opinion survey 2020
GRI 102-41	Collective bargaining agreements	59	
GRI 102-42	Identifying and selecting stakeholders	Chapter 3	as well as evaluation of stakeholder opinion survey 2020
GRI 102-43	Approach to stakeholder engagement	Chapter 3	
GRI 102-44	Key topics and concerns raised	23	
GRI 102-45	Entities included in the consolidated financial statements		and Appendix
GRI 102-46	Defining report content and topic boundaries		and Appendix
GRI 102-47	List of material topics	23, 25, 26	
GRI 102-48	Restatements of information		see Chapter 2
GRI 102-49	Changes in reporting		No change to previous version with regard to the material topics and the topic boundaries
GRI 102-50	Reporting period		see Appendix
GRI 102-51	Date of most recent report		Most recent report was published in July 2020
GRI 102-52	Reporting cycle		see Appendix
GRI 102-53	Contact point for questions regarding the report		see the 'About this publication' section
GRI 102-54	Statements on reporting in accordance with the GRI Standards		see Appendix
GRI 102-55	GRI content index		see Appendix
GRI 102-56	External assurance		see Appendix

In addition to the requirements from the Core area, information is also provided on the GRI indices listed below, divided into the action areas defined as essential.

Disclosure	Description	Page	Remarks
Risk management			
GRI 103-1	Explanation of the material topic and its boundary	29 ff.	
GRI 103-2	The management approach and its components	29 ff.	
GRI 103-3	Evaluation of the management approach	29 ff.	
Compliance and anti-corruption			
GRI 103-1	Explanation of the material topic and its boundary	30 ff.	
GRI 103-2	The management approach and its components	30 ff.	
GRI 103-3	Evaluation of the management approach	30 ff.	
GRI 205-3	Confirmed incidents of corruption and actions taken		No confirmed cases of corruption in the reporting period.
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices		There were no proceedings in the reporting period.
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	30 ff.	
Data protection			
GRI 103-1	Explanation of the material topic and its boundary	34 ff.	
GRI 103-2	The management approach and its components	34 ff.	
GRI 103-3	Evaluation of the management approach	34 ff.	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	34 ff.	
Quality management			
GRI 103-1	Explanation of the material topic and its boundary	36 ff.	
GRI 103-2	The management approach and its components	36 ff.	
GRI 103-3	Evaluation of the management approach	36 ff.	
Supplier Management 			
GRI 103-1	Explanation of the material topic and its boundary	40 ff.	
GRI 103-2	The management approach and its components	40 ff.	
GRI 103-3	Evaluation of the management approach	40 ff.	

Disclosure	Description	Page	Remarks
Employee satisfaction			
GRI 103-1	Explanation of the material topic and its boundary	44 ff.	
GRI 103-2	The management approach and its components	44 ff.	
GRI 103-3	Evaluation of the management approach	44 ff.	
GRI 405-1	Diversity of governance bodies and employees	8, 47, 50	
GRI 201-3	Defined benefit plan obligations and other retirement plans	48	
GRI 401-1	New employee hires and employee turnover	53	Voluntary termination rate
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	55	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	55	based on GRI 404-3
GRI 401-3	Parental leave	57	based on GRI 401-3
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	45	
Occupational health and safety			
GRI 103-1	Explanation of the material topic and its boundary	60 ff.	
GRI 103-2	The management approach and its components	60 ff.	
GRI 103-3	Evaluation of the management approach	60 ff.	
GRI 403-1	Workers representation in formal joint management worker health and safety committees	60 ff.	
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	60 ff.	Based on GRI 403-2
Financial commitment – donations & sponsorship			
GRI 103-1	Explanation of the material topic and its boundary	63 ff.	
GRI 103-2	The management approach and its components	63 ff.	
GRI 103-3	Evaluation of the management approach	63 ff.	
GRI 201-1	Direct economic value generated and distributed	8, 13, 65	based on GRI 201-1

Disclosure	Description	Page	Remarks
Human rights due diligence			
GRI 103-1	Explanation of the material topic and its boundary	21	
GRI 103-2	The management approach and its components	21	
GRI 103-3	Evaluation of the management approach	21	
Energy and environmental management			
GRI 103-1	Explanation of the material topic and its boundary	68 ff.	
GRI 103-2	The management approach and its components	68 ff.	
GRI 103-3	Evaluation of the management approach	68 ff.	
GRI 302-1	Energy consumption within the organization	69, 71	
GRI 302-3	Energy intensity	68 ff.	
GRI 302-4	Reduction of energy consumption	68 ff.	
GRI 306-2	Waste by type and disposal method	68 ff.	
GRI 307-1	Non-compliance with environmental laws and regulations		None were known in the reporting period.

A3 UN Global Compact Index

The Zeppelin Group signed up to the UN Global Compact in 2016 and voluntarily commits itself to compliance with the “10 principles of the UN Global Compact.” These are shown in the table below. In the right column, you will find a reference to the chapter in which compliance is reported in this report, as well as to the objectives in this area and the measures already implemented and planned. The Management Board’s statement is set out in Chapter 1 of this report.

Compliance with the 10 principles of the UN Global Compact

No.	Principle	Area	Chapter
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Human rights	3 & 5
2	Businesses should make sure that they are not complicit in human rights abuses.	Human rights	3 & 5
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Labor standards	5
4	Businesses should advocate the elimination of all forms of forced and compulsory labor.	Labor standards	5
5	Businesses should advocate the effective abolition of child labor.	Labor standards	5
6	Businesses should advocate the elimination of discrimination in respect of employment and occupation.	Labor standards	5
7	Businesses should support a precautionary approach to environmental challenges.	Environmental protection	6
8	Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental protection	6
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental protection	6
10	Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-corruption	4



A4 Conversion factors for CO₂ emissions

For the calculation of CO₂ emissions, emission factors per energy source are required in order to convert consumption figures into an emission level. The emission factors used for each energy source are shown in the table below.

Emission factors used to calculate CO₂ emissions. The emission factors are taken from freely available specialist literature.

Energy source	Unit	Emission factor for CO ₂ emissions (kg CO ₂ e per unit)
Biogas	m ³	0.000
Natural gas	kWh	0.202
LPG (Liquefied Petroleum Gas)	Liters	1.904
Wood chips	kWh	0.024
Heating oil	kWh	0.266
Pellets	kWh	0.023
Gasoline	kWh	0.264
Biomass wood	kWh	0.029
Diesel	kWh	0.266
District heating*	kWh	0.280
Electricity**	kWh	country-specific electricity mix
Renewable energies (self-generated)	kWh	0.000

* District heating: In real terms, emissions in the district heating sector can deviate significantly upwards or downwards depending on the generator's source. When calculating CO₂ emissions, it is possible to use the real emission value, provided that corresponding evidence is provided via the calculation method.

** For the emission factor for electricity, the respective country electricity mix of the individual countries was used. Data from the Verband der Automobilindustrie e.V. (Association of the Automotive Industry) and thinkstep AG provided the basis for this; (source: VDA, thinkstep AG; "Emission factors for electricity, district heating and fuels", June 2019).

A5 Overview of subsidiaries

In the individual countries in which Zeppelin operates, the business is organized into national subsidiaries, as presented in the table below and included in this report.

Subsidiaries	Country
Zeppelin GmbH	Germany
AT Baumaschinentechnik Beteiligungs GmbH	Germany
Accelerent GmbH (formerly: Zeppelin Lab GmbH)	Germany
Energyst Rental Solutions GmbH & Co. KG	Germany
IBH Ingenieurbüro Herzbruch GmbH	Germany
IBS Bauvermessungen GmbH (included in consolidation group for first time in 2021 and subsequently merged into SITECH Deutschland GmbH)	Germany
Klickparts GmbH	Germany
Luther HL GmbH & Co. KG (became part of Meton GmbH in 2021)	Germany
METON GmbH	Germany
SITECH Deutschland GmbH	Germany
Zeppelin Aviation & Industrial Service GmbH	Germany
Zeppelin Baumaschinen GmbH	Germany
Zeppelin Lab GmbH (formerly Zeppelin Digital GmbH, founded in 2021 and then included in consolidation group for the first time)	Germany
Zeppelin Power Systems GmbH	Germany
Zeppelin Power Systems GmbH & Co. KG (merged into Zeppelin Power Systems GmbH in 2021)	Germany
Zeppelin Power Systems Verwaltungs GmbH	Germany
Zeppelin Rental GmbH	Germany
Zeppelin Struktur GmbH (merged into Zeppelin GmbH in 2021)	Germany
Zeppelin Systems GmbH	Germany

Subsidiaries	Country
Zeppelin Armenien 000	Armenia
Zeppelin Systems Benelux N.V.	Belgium
Zeppelin Systems Latin America Equipamentos Industriais Ltda.	Brazil
Zeppelin Systems China (Beijing) Co. Ltd.	China
Zeppelin Systems China (Shanghai) Co. Ltd.	China
Sitech Danmark A/S	Denmark
Zeppelin Danmark A/S	Denmark
Zeppelin Systems UK Limited	England
Baltic Marine Contractors OÜ (included in consolidation group for first time in 2021)	Estonia
Zeppelin Systems France S.A.R.L.	France
Smart Controls India Ltd.	India
Zeppelin Systems India Pvt. Ltd.	India
Nuova Ciba S.p.A.	Italy
Zeppelin Systems Italy S.r.l. (minority interests acquired in 2021)	Italy
Zeppelin Österreich GmbH	Austria
Zeppelin Rental Österreich GmbH & Co. KG	Austria
Zeppelin Rental Österreich Verwaltungs GmbH	Austria
Zeppelin Polska Sp. z.o.o.	Poland
Zeppelin Immobilien Russland 000	Russia
Zeppelin Power Systems Russland 000	Russia
Zeppelin Russland 000	Russia
Zeppelin Systems Gulf Co. Ltd.	Saudi Arabia

Subsidiaries	Country
Energyst Rental Solutions AB (acquired as a share deal in 2021 and subsequently merged into Zeppelin Sverige AB)	Sweden
Zeppelin Sverige AB	Sweden
SITECH Sverige AB	Sweden
Zeppelin International AG	Switzerland
Zeppelin Systems Singapore Pte. Ltd.	Singapore
DIMA service for plant engineering s.r.o.	Slovak Republic
Zeppelin SK s.r.o.	Slovak Republic
Zeppelin Systems Korea Corporation	South Korea
Zeppelin Tadschikistan OOO	Tajikistan
Zeppelin CZ s.r.o.	Czech Republic
Zeppelin Turkmenistan JV	Turkmenistan
PJSC "Ukrucukorteploi-zolyaciya" (UCTI) (included in consolidation group for first time in 2021)	Ukraine
Zeppelin Marine Service Ukraine LLC	Ukraine
Zeppelin Ukraine TOV	Ukraine
Zeppelin Central Asia Machinery OOO	Uzbekistan
Zeppelin Systems USA Inc.	USA
Zeppelin Weißrussland OOO	Belarus
Levotec s.r.o.	Slovak Republic
Meton s.r.o.	Czech Republic
Construction Sitech CZ s.r.o.	Czech Republic
Sitech Austria GmbH	Austria

A6 Overview of non-financial KPIs

KPI	Unit	2020	2021
Financial Sustainability			
Sales	billion euros	3.3	3.7
Net Group income	million euros	124.6	159.5
Compliance			
Reported transgressions	Total	26	23
of which confirmed transgressions	Total	16	11
of which resolved transgressions	Total	16	6
Compliance resolution rate	%	100	81
Amount of fines, penalties and forfeitures imposed by final judgment	Euro	0	0
Corruption cases	Total	0	0
Compliance training – number of participants	Total	145 (pilot)	7,977
Participants among the Management Board	Total	2	40
Employee participation rate	%	96	82
Data protection			
Reported data protection complaints	Total	12	10
of which confirmed transgressions	Total	10	10
of which resolved transgressions	Total	10	10
Data protection resolution rate	%	100	100
Quality management			
Z-Idea submitted ideas	Total	496	622
Z-Idea rewarded ideas	Total	72	119
Participation rate for IMS&CSR e-learning (DE)	%	69	58

KPI	Unit	2020	2021
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Social Responsibility

Employees			
Total number of employees	FTE	9,816	10,312
Total number of employees (excluding trainees)	Headcount	10,075	10,555
Trainees and apprentices	FTE	362	361
Dual-study program students	FTE	30	22
Full-time percentage	%	97.4	97.7
Permanent employees	Total	9,979	10,449
Temporary employees	Total	96	106
Percentage of permanent employees	%	99	99
Average age in the Group	Years	41.9	41.9
Personnel costs	€ million	621,2	692
Employee benefits	€ thousand	177,479	168,479
Female	%	16	17
Male	%	84	83
Proportion of women on the Management Board	%	25	25
Proportion of women on the Supervisory Board	%	25	33
Proportion of women at 1st management level	%	22	21
Proportion of women at 2nd management level	%	17	18
Proportion of women at 3rd management level	%	15	17
Health expenditure	%	96.2	96.5
Period of employment	Years	9.6	9.4
Voluntary termination rate	%	4.2	5.8
Employees who have taken parental leave	Headcount	102	110

KPI	Unit	2020	2021
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Social Responsibility

Occupational health and safety			
Number of work-related accidents	Total	229	243
Work-related injuries per 1,000 employees	Total	23.3	23.5
Fatal accidents at work	Total	0	0
Number of days lost	Total	5,205	6,212
Lost days per 1,000 employees	Total	530.2	602.4
Donations & Sponsorship			
Donations to third parties	Euro	603,067	1,204,354
Benefits to third parties	Euro	755,816	912,932

Environmental Sustainability

Energy			
Consumption of natural/liquid/propane gas	MWh	37,803	43,432
District/local heating consumption	MWh	8,451	9,504
Heating oil consumption	MWh	1,781	2,226
Power consumption	MWh	30,230	31,109
Fuel consumption	MWh	108,564	109,243
Consumption of renewable energies	MWh	592	783
Total energy consumption	MWh	187,421	196,297
Energy consumption per employee	MWh/employee	19.1	19.0
Energy consumption per unit sales	MWh/€ million	57.3	53.1
CO ₂ emissions			
Scope 1	to CO ₂ e	36,968	38,406
Scope 2 (location-based)	to CO ₂ e	15,738	16,487
Scope 2 (market-based)	to CO ₂ e	-	7,706
CO ₂ emissions – Scope 1 & 2 (location-based)	to CO ₂ e	52,706	54,893
CO ₂ emissions – Scope 1 & 2 (market-based)	to CO ₂ e	-	46,112
Environment			
Water consumption	m ³	125,999	128,739
Waste volumes	Tonnes	14,643	15,250

ABOUT THIS PUBLICATION

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¹⁸⁵ GRI 102-53