



Add value.
Inspire trust.



WORLD

SUSTAINABILITY
AT TÜV SÜD 2020

About this Sustainability Status Report

Sustainable actions are built on a foundation of transparent, open communication. This Sustainability Status Report is designed to create that basis; for the second time, we are dedicating a separate publication to the ecological, economic, and social impacts of our business operations.

This Sustainability Status Report covers our activities in the years 2019 and 2020 and clearly focuses on the main fields of TÜV SÜD's work. It shows how we fulfill our corporate responsibility at TÜV SÜD and proactively embed relevant topics in our business processes. The Sustainability Status Report complements our Annual Report and is updated annually. In the event of discrepancy between this translation and the original German version, the latter shall prevail.

Once again, this year we based this Sustainability Status Report on the relevant standards without striving for full compliance. The Report was produced on the basis of the GRI Standards issued by the Global Reporting Initiative (GRI). A table in the Appendix provides an overview of all GRI standards or parts thereof selected as relevant. Our goal for the future is to report in compliance with the GRI Standards 'Core' option. Our target for achieving this is the 2022 reporting year.

The reporting period covers fiscal 2020 (January 1, 2020, to December 31, 2020). Fiscal 2019 was taken for comparison. The content of the report was produced in cooperation with the various responsible corporate functions and legal entities of the TÜV SÜD Group.

Because of rounding, in this Sustainability Status Report sums of individual figures may not precisely equal totals and percentages may not reflect the precise absolute values to which they refer.

Where this Sustainability Status Report includes statements by TÜV SÜD concerning the future, they are based on current expectations, plans, goals and targets, and forecasts and estimates by management. Many of the assumptions and factors on which they are based are beyond the control of TÜV SÜD and are subject to numerous risks and uncertainties. Given this, actual developments may differ from projections given in this publication.

OUR PURPOSE

Enabling progress by protecting people, the environment, and assets from technology-related risks.

OUR VISION

To be the trusted partner of choice for safety, security, and sustainability solutions that add tangible value to our clients in a physical and digital world.

OUR MISSION

We are passionate about people, the environment, and technological progress. We anticipate technological developments and facilitate change—defining standards and going beyond regulatory compliance. Staying true to our founding principle, we add value by creating a safer and more sustainable future.

OUR OBJECTIVE

Add value. Inspire trust.

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Dear Readers,

Sustainable action involves taking responsibility for the world of tomorrow. Since the start of 2020, the Covid-19 pandemic has starkly demonstrated what this means in concrete terms. At TÜV SÜD, our paramount concern during this time has been the protection of our employees and their families.

We have also devoted our efforts to maintaining as much business continuity as possible to ensure we have fulfilled our social responsibility and continued protecting people and the environment from technology-related risks during these difficult times. Another priority has been to safeguard all jobs at TÜV SÜD where possible. From today's perspective, we can affirm the success of those endeavors and say that up to now TÜV SÜD has mastered the crisis well.

The pandemic will certainly occupy our attention for a long time to come. But all of us face a host of further tasks which must be tackled here and now to ensure the future is worth living. They are challenges which affect us all, but which cannot be solved by any individual alone.

Climate and environmental protection, sustainable development of economies and societies, safe and humane working conditions across supply chains—all these are areas where consistent joint action is more urgently needed than ever. And this is where each and every one of us counts: personally and professionally, as individuals, as companies, in governments.

At TÜV SÜD we are very clear about our goal: to live up to our responsibility as a company, and to shape the future in a sustainable manner. We are committed to the United Nations' Sustainable Development Goals and pledge to play our part in achieving their targets. In fact, many of the services we provide already contribute to this commitment; our certificates and certification marks confirm the safety of systems, equipment, and devices, safeguard the quality of products and processes, and bring transparency to business performance. We inspire trust—probably the most important foundation stone of all for joint action.

In parallel, in 2020 we continued to drive our company's orientation toward sustainability and have consistently worked on systematizing our activities.

Against this backdrop, we are currently revising and amending our existing policies and guidelines in areas such as procurement, where a code of conduct will set out clear framework conditions for our suppliers as well as for our own actions in the future. A new climate guideline will define the cornerstones of our climate and environmental protection policy as well as imposing TÜV SÜD's first concrete climate goal. In the coming months we also plan to draw up further sustainability goals in many other fields of action, particularly Human Resources. We are consistently adopting sustainability criteria as areas of focus for the company as a whole, and are transparently presenting our aims and our actions.

This second TÜV SÜD Sustainability Status Report before you is now even more comprehensive; for the first time, it was produced along the standards of the Global Reporting Initiative (GRI) with the aim of achieving full compliance with the GRI Standards “Core” option in the reporting year of 2022. This is based on the results of an extensive materiality analysis conducted at the start of 2021 and surveying over 500 internal and external stakeholders.

We are convinced that sustainability can only grow when the interests of as many social groups as possible are heard—and when the high standards we impose on our own actions as a company are shared by as many of our employees, business partners, and suppliers as possible. We will only master the challenges that lie ahead when we work together.

I am thus delighted that you are interested in our company and hope you find our report an informative and engaging read.

Kind regards,



PROF. DR.-ING. AXEL STEPKEN
Chairman of the Board of Management

TÜV SÜD AT A GLANCE

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Company portrait

“Add value. Inspire trust.” Since its foundation over 150 years ago, TÜV SÜD has been guided by this objective: to enable progress by protecting people, the environment, and assets from technology-related risks. In around 50 countries all over the world, more than 25,000 employees at over 1,000 locations work to provide safety, security, and added value for our customers.

We are a technical service provider operating in the global TIC (Testing, Inspection, Certification) market, a growth market with an estimated volume of approx. EUR 80 billion. The services we provide span testing and product certification, inspection, auditing and system certification, knowledge services, and training. As dedicated and responsible specialists, we design tailored solutions for individual customers as well as for industry, retail, trade, and public bodies. As experts, we optimize technology, systems, and know-how, always keeping the full extent of the value chain in view.

We are tackling the challenge of decisively shaping the world of tomorrow, particularly in a digitization-driven environment. As pioneers in digital transformation, we carve out changing framework conditions, develop new business models, and thus unlock opportunities and areas of potential both for our customers and for our own company. By doing so we fulfill our corporate purpose, embrace our social responsibility, and take sustainable action in the truest meaning of the word.

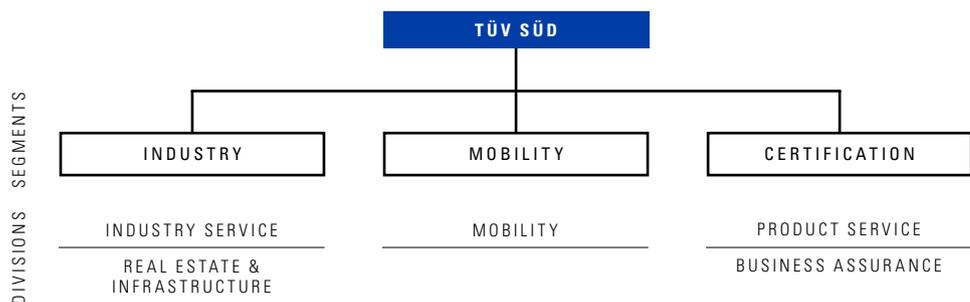
For more information about TÜV SÜD and the company’s economic and financial situation, see the latest Annual Report.

TÜV SÜD’s services are grouped into three segments, INDUSTRY, MOBILITY, and CERTIFICATION. Our services in the INDUSTRY segment range from support for safe and reliable operation of industrial plants and systems, buildings, and infrastructure to testing for rolling stock, signaling systems, and rail infrastructure. TÜV SÜD’s experts in the MOBILITY segment oversee periodic vehicle inspections and exhaust-emissions testing, and also support vehicle manufacturers in the development and global approval of new models and components. In the CERTIFICATION segment, employees around the world verify products’ marketability and market access, provide certification for management systems in all areas of business and industry, and supply cyber security services. Beyond these activities, TÜV SÜD also supplies a broad range of training courses for employees in industry, trade, retail, and the public sector.

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TÜV SÜD structure

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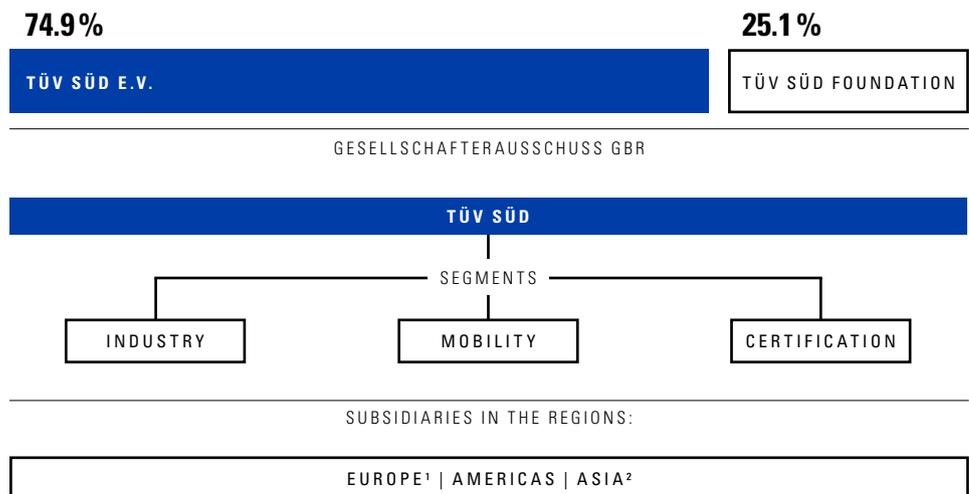
Legal structure guarantees independence

Our corporate structure guarantees independence and impartiality. The parent company TÜV SÜD AG, with registered offices in Munich, manages its subsidiaries around the world in its capacity as management holding company.

The beneficial owners of TÜV SÜD shares are TÜV SÜD e. V., Munich, and the TÜV SÜD Foundation, Munich. Both have transferred their shares to the independent TÜV SÜD Gesellschafterausschuss GbR, a shareholder committee with registered offices in Munich. The purpose of this civil law association is to hold and manage these shareholdings under stock corporation law.

The governing bodies of TÜV SÜD e. V., the TÜV SÜD Foundation and TÜV SÜD Gesellschafterausschuss GbR, are independent of the supervisory bodies of TÜV SÜD AG. .ii 02

Legal structure .ii 02



1 _ Germany, Western Europe, Central & Eastern Europe.
2 _ North Asia, ASMEA (South & South East Asia, Middle East & Africa).

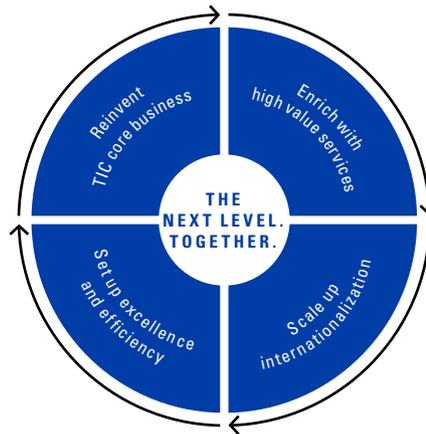
Our strategy

With our strategy “The Next Level. Together.”, which runs until 2025, we aim to reach the next level in the development of our company. New trends and developments, driven in particular by digital technologies, offer additional opportunities, both for us and for our customers. We thus pursue four strategic angles in order to exploit this potential.

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The Next Level. Together.

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- Set up excellence and efficiency:**
 We aim to offer our customers the best services at all times—and to ensure our customers notice the difference. This requires excellence in our services, distribution, and processes, and excellence in our employees.
- Reinvent TIC core business:**
 Our expertise in almost every industry, combined with knowledge of the opportunities of digitization, enables us to develop data-based, continuous, and automated testing services, and also develop standards for new fields of technology.
- Enrich with high-quality services:**
 Applying our expertise, we aim to offer technical consulting with renewed focus while developing platforms to transform our operations into digital and customer-oriented business.
- Scale up internationalization:**
 We aim to be market leaders in our core countries. Our focus is always on offering services and skills across national boundaries. We plan to establish increasingly global relationships with our customers and build up our business activities around the world.

We have defined strategic priorities and initiatives, both at corporate level and within our individual divisions, and implement them purposefully. By doing so, we have made TÜV SÜD into a more flexible, agile organization. We now aim to continue pursuing this path while retaining our strategic directions. At the same time, we plan to step up our strategic focus on our sustainability achievements as part of our current strategy update. These actions will enable us to unlock the potential of the growing market for sustainability-related services, and provide our customers with even more effective support along their own journey to enhanced sustainability. At the same time, our goal is to continuously increase our own sustainability as a company and convince our stakeholders through our actions.

We already build trust in the safety of sustainable technologies, with testing and inspection services that boost credibility when it comes to sustainability of processes, products, and systems. We aim to take our role as reliable partner for our customers into the future, addressing future-facing topics such as decarbonization, circular economy, and implementation of responsible business practices in the physical and digital worlds. But first and foremost, we aim to continue upholding the pledge we made over 150 years ago: enabling progress by protecting people, the environment, and assets from technology-related risks.

For more information on our strategy and the activities of our business segments, see our Annual Report.

2020 ANNUAL REPORT,
MANAGEMENT REPORT,
GROUP INFORMATION
SEE PAGES
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Our services

Our testing, inspection, and certification services build trust worldwide between companies, customers, and business partners. The scope of our services is as wide-ranging as the activities of the global economy itself. Here is a brief overview:

AUDITING AND CERTIFICATION OF MANAGEMENT SYSTEMS

We provide our global customers with support in the auditing, assessment, validation, and certification of management systems in virtually all specialist fields and industries. By doing so, we safeguard reliability, safety, security, quality, and profitability throughout the value chain.

PRODUCT TESTING AND CERTIFICATION

TÜV SÜD has established its status among the world's leading impartial bodies for product certification. We provide testing and certification of a wide variety of products in accordance with statutory and voluntary standards. This support of our customers focuses particularly on placing new products on the market; as a globally renowned provider of solutions, TÜV SÜD works closely with regulatory authorities and national accreditation and certification bodies in key markets. We can thus provide our customers with in-depth information about compliance requirements in individual markets.

Our comprehensive testing regimes identify faults and regulatory compliance problems that could prevent a product from being placed on the market; as a result, adjustments can be made at an early stage and expensive recalls can be avoided from the outset. We also provide our customers with access to local representatives and certification bodies in their countries or regions. Where required, we train their personnel in technical and technological standards.

CYBER SECURITY

Cyber security and data protection are among our areas of core expertise. At TÜV SÜD we support our customers every step of the way, from risk analysis and remedying security vulnerabilities to overall business resilience. We supply employee training to provide the necessary expertise and skills. Based on our in-depth specialist knowledge of market-specific data regulations and the cyberthreat landscape, TÜV SÜD works with customers around the world to ensure they unlock the full potential of their digital future.

PROFESSIONAL CONTINUING TRAINING AND EDUCATION

TÜV SÜD helps people and organizations to elevate company performance to outstanding levels. We supply highly effective global training programs for individuals and entire organizations which enable our customers to become experts in their specific industry, from occupational health and safety, management systems, and technical skills to high-caliber executive programs. Our training courses and personal qualification programs cover the entire field of health and safety and protection in accordance with relevant norms and standards. Today TÜV SÜD Academy is already a leading provider of professional qualification and continuing training courses in German-speaking countries, with over 600 seminar topics in the fields of management, technology, and healthcare.

FUNCTIONAL SAFETY

Functional safety has emerged as a key topic in all fields of industry. As digitization and automation make strides throughout industry and society, functional safety must confront new challenges and demands. For manufacturers and operators, the quality and safety of products, machinery, and systems are paramount in protecting people, assets, and the environment from technological risks. We provide support in a variety of industries, from chip design to overall assessment of a plant or system; we are familiar with the complex requirements of functional safety and have the necessary industry-specific expertise at our fingertips.

INSPECTION

We adopt an integrated approach to testing factors with respect to responsibility, consistency, and compliance. In our capacity as third party, we thus ensure that the systems and the business processes and methods of our customers are permanently in compliance with the applicable requirements, guidelines, and standards. Our services include inspection of infrastructures and buildings, production facilities, and installed systems and machinery. Hygiene-related topics and pre- and post-shipment inspections are likewise part of our portfolio.

TECHNICAL ADVISORY SERVICES

TÜV SÜD experts from an array of disciplines are ready and waiting at 1,000 locations worldwide to provide customers with in-depth technical advice for optimizing their safety, quality, and environmental programs and thus reducing their risk levels. We support companies from a wide range of industries, providing services from assistance with infrastructure and construction projects to advisory services in energy management and business process optimization. In addition, we produce expert opinions and appraisals and reply to customers' inquiries about market access criteria.

RISK MANAGEMENT

Companies seeking to minimize their risks must establish adequate risk control measures. With a dedicated service team and advanced technical expertise, we design high-quality risk analyses and in-depth risk management programs that support our customers. Embedded in effective risk management, the results of risk-based analyses can ensure permanent equipment safety, process efficiency, and sustainable decisions.

GLOBAL MARKET ACCESS

Standards and requirements that differ between countries and regions often present the biggest hurdle to global marketing of electrical and electronic products. It is essential to be aware of the regulations in each location and apply them at an early stage—where possible, directly in the product development phase. If nonconforming products need to be reworked or even completely redeveloped, valuable time is wasted and potential revenues are lost.

Our experts are familiar with the specific requirements and can draw on our global knowledge database of all regulatory requirements, directives, and technical standards. With this solid foundation, we support our customers in obtaining official approval and serve as an interface between official authorities and certification bodies, also acting on behalf of customers if they are without local representation. We can conduct product tests that reflect the required standards in advance, smoothing the way for the product's national approval and placing on the market.

Our certification marks and certificates

TÜV SÜD certification marks stand for third-party verification performed in accordance with defined criteria. Our blue octagon certification mark is globally synonymous with quality, safety, security, and trust. Our objective is to supply customers, interested parties, and consumers with comprehensive and transparent information about the certification marks, testing procedures, and their contents. To achieve this, we introduced expanded certification marks with information tags and in the form of double octagons. From the first glance, these designs offer more space for detailed information on the content and specifications of the test procedures.



● TÜV SÜD, PRODUCT CERTIFICATION
TUVSUD.COM

● TÜV SÜD, CERTIFICATE EXPLORER
TUVSUD.COM

● TÜV SÜD, CERTIFICATE FINDER
TUVSUD.COM

● TÜV SÜD, BLACKLIST
TUVSUD.COM

In addition, our online Certificate Explorer provides information about the most common forms of the TÜV SÜD certification mark. A certification mark database with search filters by category and topic supplies certification mark “profiles” with more details about the content and specifications of test procedures. The publicly available Certificate Finder also has information about all valid TÜV SÜD-issued certificates.

TÜV SÜD certification marks are registered as European certification marks at the European Union Intellectual Property Office in Alicante, Spain. To safeguard our customers’ trust and protect our brand, we take robust action against all misuse of our certification marks, pursuing an average of several hundred cases a year in our zero tolerance strategy. If we detect discrepancies in the way our certification marks are treated, we request clarification from the certification mark user. If misuse is found, we pursue action against the user under civil, trademark, and criminal law and place the user’s product on our blacklist, which can be publicly accessed on our website.

In individual cases, we reserve the right to refuse certification applications that contravene statutory provisions, TÜV SÜD’s brand values, our quality standard, our corporate image, or the TÜV Code of Ethics.

SUSTAINABILITY MANAGEMENT AT TÜV SÜD

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● **ADVANCING SUSTAINABILITY
THROUGH GROUNDBREAKING SERVICES**
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Sustainability – Our mission

Companies bear responsibility for the sustainable development of the economy, society, and the environment. This is particularly pertinent for TÜV SÜD, whose social mandate has been an integral part of its corporate statutes from the outset. Our corporate purpose—to protect people, the environment, and assets from technology-related risks—has reflected this objective since our company was founded over 150 years ago. Since 1866 our work has focused on minimizing the risks associated with the latest forms of technology, in order to increase acceptance of scientific and technological innovations and allow them to develop for the benefit of people and the environment. We support and shape the march of technological change, constantly adjusting and aligning our services with the aim of guaranteeing optimum safety and security as we fulfill our tasks at all times. By providing our services, we make a global contribution to sustainable development. At the same time, we aim to prioritize sustainable solutions within our own company, too.

Guided by our corporate strategy, “The Next Level. Together.”, our corporate purpose, and our vision and mission, in 2020 we further honed our systematic sustainability activities; while drawing up more precise content outlines for existing fields of action, we decided to define “Environment” as a distinct field of action. .ii 04

In 2020 we undertook our first EcoVadis assessment, the results of which will now be incorporated into further amplification of our sustainability activities and their accompanying reporting.

Our principles for the individual fields of action .ii 04



STAKEHOLDER SURVEY AND MATERIALITY ANALYSIS PERFORMED

In addition, in 2020 we laid the groundwork for a materiality analysis of our fields of action, to be held in 2021. This analysis is based on an extensive stakeholder survey, conducted in the first six months of 2021 and delivering a broad picture of the opinions of our employees and executives, key accounts, and selected experts from the worlds of academia, auditing, and professional and industry associations. A total of 529 respondents gave their views.

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Key aspects of sustainability management at TÜV SÜD

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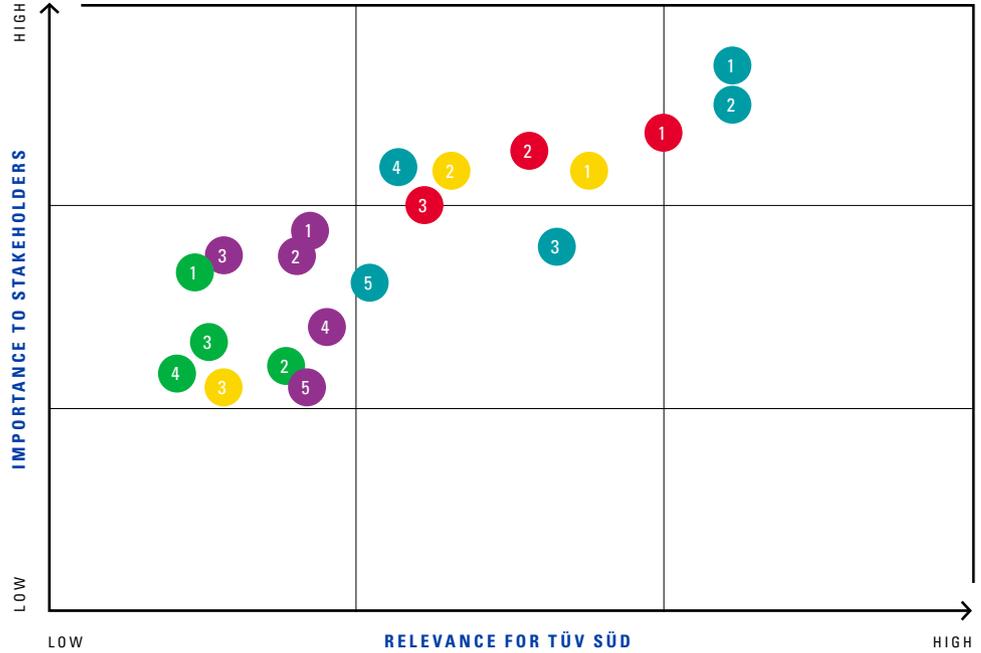


The topics of “Quality & trust,” “Qualified employees,” and “Compliance & integrity” were the highest priorities for all stakeholders. The overall field of “Employees,” supplemented by business environment and corporate analysis results, is defined as the top theme for TÜV SÜD given that qualified and motivated employees are the bedrock for the success of our business model and the fulfillment of our social mandate as a technical service provider. In addition to these top themes, we identified further important themes for our sustainability management process to reflect strategic considerations while catering to the interests of further stakeholder groups.

The themes we defined will now impact on the strategic directions we pursue in our sustainability management activities and our individual fields of action.

Materiality matrix

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● SERVICES

- 1. Quality & trust
- 2. Qualified employees
- 3. Sustainable technologies
- 4. Enabling technological & digital progress
- 5. Creating added value

● GOVERNANCE

- 1. Compliance & integrity
- 2. Responsibility & transparency
- 3. Risk management

● SOCIETY

- 1. Protection from technological & digital risks
- 2. Respect of human rights
- 3. Societal and social engagement

● EMPLOYEES

- 1. Employee development
- 2. Work-life balance
- 3. Attractive employer
- 4. Occupational health and safety, healthcare & management
- 5. Equality of opportunity, diversity

● ENVIRONMENT

- 1. Economical & efficient use of resources
- 2. Renewable energies
- 3. Climate-friendly mobility
- 4. Reduction of emissions

Corporate sustainability management

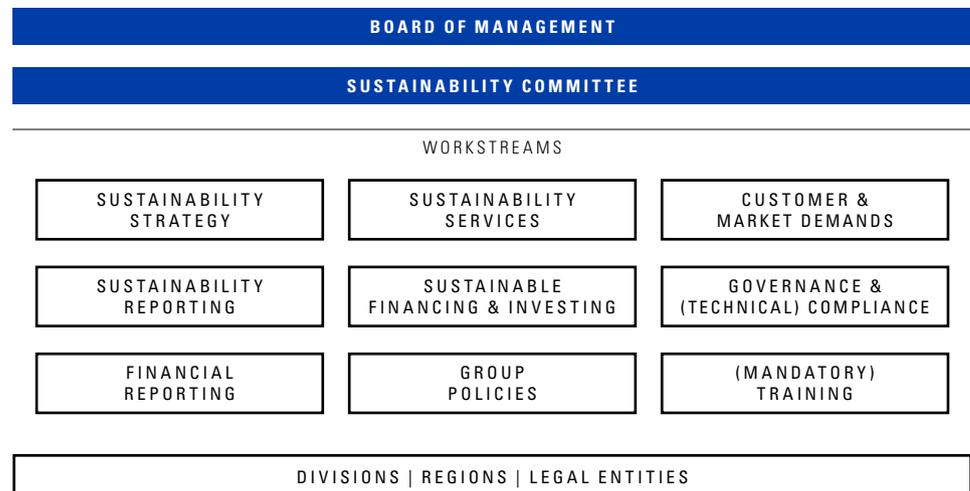
In the same way that our corporate purpose spans the company as a whole, we perceive sustainability as a task that is owned by each and every individual in the company. Every one of us is called upon to show conduct and actions that contribute toward achieving the goals and targets for our own area.

As part of a Group-wide project, coordinated by the CSR Representative of the Board of Management and including the heads of the corporate functions of the TÜV SÜD Group, the newly established Sustainability Committee is laying the foundations for a targeted sustainability approach and Group-wide reporting. This will include analysis and evaluation of the main fields of action, involving key stakeholders, as well as definition of goals, targets, and performance indicators. The results from the steering committee will regularly be reported to the Board of Management.

07

Sustainability organization

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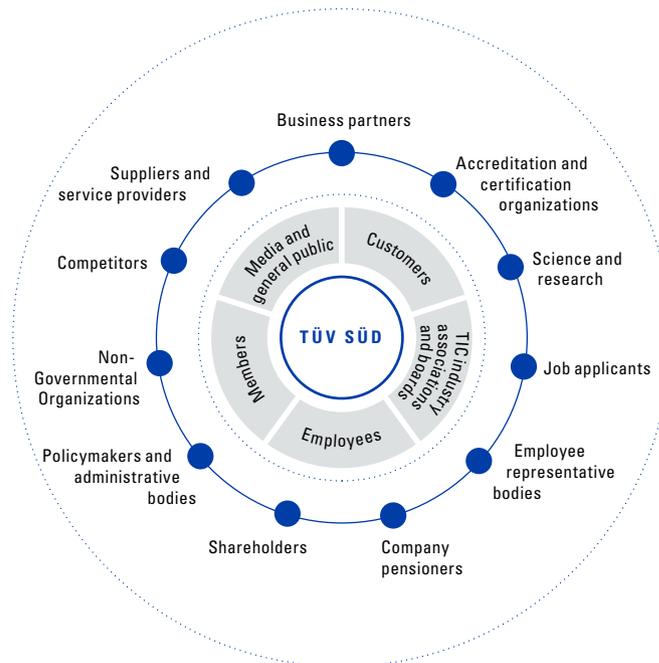
Stakeholder dialogue

Systematic and ongoing dialogue with our internal and external stakeholders drives a constant flow of fresh impetus, both in our daily business routine and in the long-term course of our business activities. We have identified the following stakeholder groups:

.11 08

Overview of key stakeholders

.11 08



Our stakeholder dialogue primarily focuses on the stakeholder groups that play the most significant roles for our company's success and for fulfilling our social responsibility. In addition, we aim to consider the specific interests of the individual stakeholder groups with respect to our activities and our sustainability performance. Our first stakeholder survey, conducted in early 2021, delivered important findings. We are hoping for similarly fruitful results from a further dialogue with end-customers in the mobility sector, scheduled for completion during 2021.

In this context, the following target groups and forms of dialogue are particularly important in sustainability management at TÜV SÜD:

DIALOGUE WITH OUR EMPLOYEES

- **Information and dialogue platforms:**

In 2018 we reorganized our internal communication structures to reflect the results of a global employee survey. The goal was to ensure that industry- and country-specific features of the individual corporate units and entities were as clearly visible as was the corporation as a whole. To achieve this, a cross-media publication entitled TÜV SÜD IN—comprising a quarterly magazine flanked by a digital platform on the microsite in.tuv-sud.com for extra content and for location-independent access—was initiated together with a regular email newsletter. The accompanying app is available from the in-house app store. Regular employee surveys ensure that TÜV SÜD IN always matches the interests and expectations of the target group. A web-based information platform acts as a collection point for relevant information. This serves as the most efficient method of communicating the corporate strategy “The Next Level. Together.” and concrete strategic measures to all employees.

- **Employee survey:**

The regular employee survey provides a further channel where employees can give feedback anonymously and engage in follow-up dialogues with their line managers to initiate sustainable change.

- **Direct dialogue offerings:**

An average of three to six central information events entitled “Let’s Talk About TÜV SÜD” are held annually at various locations in Germany. The events give all employees an opportunity to find out about the company’s current situation and plans for the future. In addition, the Board of Management is present at the events to answer questions. The topics addressed at the events, the speeches, and the main questions and answers are posted on the Intranet afterwards in German and English and can be accessed by all employees. At international companies, employee dialogue takes the form of individually tailored employee information announcements and information events, generally organized by local management.

Due to the Covid-19 pandemic, only three on-site events were held in 2020. Until the situation allows in-person events to resume, they will be replaced by central digital events with the opportunity for audience engagement.

- **Special information during the Covid-19 pandemic:**

In 2020 dedicated Covid-19 newsletters were sent out and an information site was set up providing all employees with details of new developments, restrictions, and relaxations of pandemic rules and of support offerings during the pandemic.

DIALOGUE WITH OUR MEMBERS

- **Annual General Meeting of TÜV SÜD e.V.:**

TÜV SÜD e.V. is the majority shareholder of TÜV SÜD AG. Once a year the members of TÜV SÜD e.V. attend an Annual General Meeting. The event provides them with the opportunity to find out about the activities of the organization and the TÜV SÜD Group in the last financial year, to pass any resolutions required, and to discuss TÜV SÜD or issues of socio-political relevance with the Board of Management and the other members present. The 2020 Annual General Meeting was cancelled due to the pandemic. A digital meeting is planned for 2021.

DIALOGUE WITH OUR CUSTOMERS AND THE PUBLIC

- **Customer events:**

As direct points of contact to our customers, our local entities are also in the forefront of stakeholder dialogue. Organizing an array of events and activities, they help ensure our customers are always up to date concerning our service offerings as well as the latest technology trends or any upcoming requirements to be imposed by official bodies and standard owners.

- **Corporate magazine ABOUT TRUST:**

Our corporate magazine, ABOUT TRUST, is published three times a year in German and English. With a print run of over 50,000 copies, it is distributed free of charge to members of TÜV SÜD e.V., interested customers, media, and employees. The microsite abouttrust.tuv-sud.com, which is part of the TÜV SÜD website, contains the content of the printed edition together with additional information. The magazine is printed in a climate-neutral process on paper sourced from sustainable forestry management.

- **Annual Report:**

Our Annual Report is designed to report on our activities with the same transparency as is required of a capital-market-oriented company and includes all mandatory elements of a corporate financial statement. It thus goes far beyond the statutory requirements for reporting. The in-depth financial report is complemented by a lavishly designed image section presenting our strategic directions and interesting projects from the reporting period in a highly readable style. All content from the printed publication is also available on the microsite annualreport.tuvsud.com.

- **Press and social media activities:**

We publish between 250 and 300 press releases per year as part of our communication activities. Our media relations representatives act as central points of contact, providing fast and knowledgeable answers to inquiries from journalists. In addition to classic channels such as daily newspapers and magazines, radio, and TV, the content of our press releases is seeing increasing distribution on social media.

DIALOGUE WITHIN THE TIC INDUSTRY

To represent and strengthen the interests of TÜV SÜD and of the testing, inspection, and certification (TIC) industry as a whole and drive the development of high quality standards and innovation in the sector, we engage in ongoing exchanges of ideas and experience with other industry players. We are members of numerous national, European, and international boards and committees, proactively contributing our knowledge, experience, and technology. Our memberships include the following:

- As a member of the TIC Council, TÜV SÜD plays a major role in shaping the development across the entire TIC industry. The Council is an association of around 90 global leading companies and organizations providing international testing, inspection, and certification services. Founded in December 2018, it was created by the merger of the International Federation of Inspection Agencies (IFIA)—the former TIC umbrella organization—with the International Confederation of Inspection and Certification Organisations (CEOC). TÜV SÜD was a member of both organizations.

The TIC Council calls on governments and other key interest groups to work toward effective solutions that protect the public, facilitate trade, and support innovations. The Council highlights the added value to society delivered by TIC services and the associated advantages in terms of safety, security, certainty, quality, health, ethics, and sustainability.

As an assembly of specialists and experts, the TIC Council is a valuable repository of information for political decision-makers all over the world. Its members pledge to make use of their knowledge to assist governments in protecting health, safety, security, and the environment, support manufacturers in negotiating the complex global trade landscape, and provide consumers with certainty about the safety of the products they purchase.

In addition, all members of the TIC Council undertake to fulfill high standards of ethics and integrity. Membership of the TIC Council requires implementation of a compliance code. The members of the TIC Council must confirm their implementation of the compliance program by submitting documentary evidence for examination by a recognized independent external auditing organization nominated by the members.

● MANAGEMENT SYSTEM STANDARDS
ISO.ORG

- TÜV SÜD plays an active role in national, regional, and international standard setting, e.g. in the International Organization for Standardization (ISO). ISO is an impartial non-governmental international association of 164 national standards organizations and develops internationally valid norms and standards. ISO produces documents containing requirements, specifications, guidelines, or features which can be consistently applied to ensure that materials, products, processes, and services are fit for purpose. Through its members, the organization brings together experts in exchanges of knowledge for the purpose of developing voluntary consensus-based, market-relevant international standards that support innovation and offer solutions to global challenges. As a committed member of the ISO CASCO Committee, TÜV SÜD contributes to the development and setting of international standards by ISO. The CASCO committee addresses issues of conformity assessment, developing guidelines and publishing conformity assessment standards. However, it does not perform conformity assessments.

● VdTÜV
VDTUEV.DE/EN

- Prof. Dr.-Ing. Axel Stepken, Chairman of the Board of Management of TÜV SÜD, represents the company in the Verband der TÜV e.V. (VdTÜV) in his capacity as vice-chairman of its board. VdTÜV organizes technical and scientific exchanges of ideas and experience and represents its members' political and specialist interests in the political, administrative, business, and public sectors at national level. It has the aim of preserving the high level of technical safety in society and developing safe and reliable framework conditions for technological change.

CORPORATE LEADERSHIP ANCHORED IN RESPONSIBILITY

- 26** Corporate governance
- 27** Compliance
- 30** Taxes
- 32** Risk management
- 33** Operational excellence
- 34** Quality management
- 35** Sustainability across the supply chain

OUR OBJECTIVE

The unceasing advancement of excellence and efficiency in our corporate leadership and our services.

Corporate governance

As a globally operating TIC company, we consider good corporate governance to mean transparent and responsible management. This definition is explained in greater detail in clear guidelines and regulations that apply throughout the company. We regularly review these principles and adapt them in line with new findings, changed legal provisions, and national and international standards. This is how we succeed in our efforts to achieve excellence and efficiency and earn the trust placed in us and our services by our customers and other stakeholders. Profoundly aware of the value of this trust, we make every effort to preserve the transparency and integrity of our corporate governance.

The Board of Management and Supervisory Board of TÜV SÜD AG take their guidance from the provisions of the German Corporate Governance Code (DCGK) for capital-market-oriented companies, thus laying the foundations for a common understanding of responsible, transparent, and value-oriented corporate leadership at all levels of the company.

Our management structure is designed to establish TÜV SÜD as an agile, efficient, transparent, and future-facing organization. The Board of Management of TÜV SÜD AG has three members. Including the roles of Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer (COO), the Board of Management is responsible for running the company and manages its business. It is bound to act in the interest of the company and to increase its long-term enterprise value. It discharges its management duties as a collegial body with joint responsibility for managing the company.

The Supervisory Board of TÜV SÜD AG comprises 16 members. In accordance with German law, half of the members are employee representatives and half are shareholder representatives. TÜV SÜD's strategic direction is coordinated closely between the Board of Management and Supervisory Board of TÜV SÜD AG.

Further information on the corporate governance of TÜV SÜD and the Board of Management and the Supervisory Board can be found in the 2020 Annual Report.

Compliance

Compliance with all applicable laws and international rules and dealing fairly with our business partners and competitors are among our company's most important principles. Ethical principles are an integral part of our corporate culture. The corresponding principles are set forth in the TÜV SÜD Code of Ethics which is binding for all our employees.

Our customers rely on the integrity of TÜV SÜD. To ensure the services they receive offer the maximum safety, security, and objectivity, TÜV SÜD takes a preventive approach to compliance and endeavors to achieve a corporate culture that proactively excludes potential breaches and risks from the outset by raising employee awareness, educating the workforce, and establishing appropriate processes.

TÜV SÜD's compliance management system provides the organizational basis for compliance with valid law. It is based on the principles of the IDW AsS 980 auditing standard, is continually improved, and comprises the following seven elements:

COMPLIANCE COMMUNICATION

- TÜV SÜD employees receive information on the compliance program during their induction and later undergo more in-depth training on the topic. E-learning courses and webinars have been a complementary part of our training portfolio since 2014. All TÜV SÜD employees worldwide undertake to participate in regular e-learning courses on compliance, and further compliance training is held at local level by local compliance officers. In 2020 10,340 employees successfully completed e-learning training on the subject of compliance. In addition to this training, in 2020 TÜV SÜD employees in Europe received data protection and data privacy training.

COMPLIANCE CULTURE

- Our compliance culture is the bedrock of our compliance management system. Its shaping principles are "tone from the top" and our brand message of "Add value. Inspire trust." We are deeply aware that our success is materially dependent on our customers' trust in our impartiality and integrity. Because of this, compliance holds a particularly important status in TÜV SÜD's culture. We follow the precept that compliant conduct generates trust.

The Board of Management impresses the topic of compliance on employees from the earliest opportunity, at the Welcome Days for new company members; heads of corporate functions and TÜV SÜD subsidiaries are likewise instructed to address the subject regularly within their spheres of responsibility.

COMPLIANCE ORGANIZATION

- Our compliance organization is headed by our Chief Compliance Officer, who reports directly to the Chairman of the Board of Management. The Chief Compliance Officer acts autonomously without instructions from above. In addition to the Chief Compliance Officer, there is a Group Compliance Office to which our full-time Corporate Compliance Officers belong; a Regional Compliance Officer for each region; and a Local Compliance Officer for each company in which TÜV SÜD has a holding of more than 50%. This organizational structure enables us to maintain compliance at global level throughout all our companies.

COMPLIANCE PROGRAM

- TÜV SÜD introduced its Code of Ethics in 2008. The Code is the core of our compliance program and sets out the ground rules for compliance at TÜV SÜD. In addition, the Board of Management of TÜV SÜD issues an annual slavery and human trafficking statement based on the British Modern Slavery Act of 2015. Beyond its Code of Ethics TÜV SÜD has established a total of eleven compliance-based guidelines designed to guarantee fair, responsible, transparent, and value-oriented conduct within and outside the company.



Our compliance program includes guidelines

... for conduct in response to invitations and gifts,
 ... for relations with business partners,
 ... for avoidance of conflicts of interest and corruption,
 ... for relations with competitors,
 ... for trade and export control laws,
 ... for data protection and privacy,
 ... for relations with US subsidiaries,
 ... for secure treatment of information,
 ... for treatment of donations and sponsorships,
 ... for archiving documents, and
 ... for the correct procedure in cases of compliance violation.

These principles are regularly reviewed and aligned to new findings, amendments to laws, and national and international standards where necessary. By taking this action, we strengthen the trust placed in our work by our customers, our employees, and the public.

COMPLIANCE RISKS

- We regularly perform Group-wide compliance risk analyses to identify risks that may result in violation of relevant regulations, and thus in failure to meet our compliance objectives. In a globally operating company like TÜV SÜD, all functional areas need to be closely networked. Given this, compliance is also examined in the risk assessments of our risk management procedures.

The Compliance Committee, whose members comprise executives of the Group, meets regularly to discuss compliance developments in the Group and evaluate potential new risks. Risk assessments are taken as a starting point for drawing up basic principles and actions aimed at reducing compliance risks and avoiding violations.

COMPLIANCE MONITORING AND IMPROVEMENT

- The TÜV SÜD compliance program is regularly reviewed and tested for appropriateness and effectiveness. These procedures are performed by the Group Compliance Office itself as well as by internal and external stakeholders. As standard procedure, our internal Auditing department holds audits in high-risk countries to verify adherence to compliance rules. Suspected violations of the rules are followed by additional special audits performed by the Internal Audit corporate function and external auditors. Violations of laws or internal guidelines incur appropriate sanctions and may result in disciplinary consequences for the employees involved or even dismissal.

TÜV SÜD uses legal tech to implement statutory trade restriction and anti-terrorism provisions based on automated analysis of creditors and debtors, and of its employees.

At the end of each calendar year, the Chief Compliance Officer calls for annual reports from all local and regional compliance officers worldwide. Their response forms elicit details of the type and number of infringements of the TÜV SÜD Code of Ethics for each area of responsibility, the corrective actions initiated, and any compliance actions planned or already performed. In 2020 the management bodies of the companies and heads of the corporate functions again issued personal declarations of compliance with the TÜV SÜD Code of Ethics and with the data protection and privacy regulations. Their declarations provided confirmation of their compliance, and the compliance of the employees under their supervision, with the TÜV SÜD Code of Ethics, the compliance guidelines, and the data protection and privacy regulations (GDPR and guidelines).

In 2020 various cases were reported to the Global Compliance Office and local compliance officers. 55 of those reports led to investigations carried out by the compliance organization at local or global level and by the Internal Audit department; where grounds for investigation were confirmed, appropriate disciplinary action was taken. The standard procedure in such cases is to examine process adjustments, communication measures, and training courses and implement any changes as required in individual cases. These actions are designed as preventive measures to counter breaches of compliance regulations in the future.

Irrespective of their geographical location, employees and external third parties may report details of actual or suspected breaches to the TÜV SÜD Trust Channel. This is a web-based whistleblower portal set up in 2020 which is open to all TÜV SÜD employees, customers, suppliers, and other third parties. The TÜV SÜD Trust Channel enables whistleblowers to set up a protected electronic mailbox for anonymous and secure communication with the TÜV SÜD Corporate Compliance Team. Information reported to the portal cannot be traced, protecting the whistleblowers' anonymity at all times.

COMPLIANCE OBJECTIVES

- The objective of our compliance management system is to make compliant conduct universal among TÜV SÜD employees and the third parties we commission to perform our services. Our corporate compliance organization thus focuses on avoidance of corruption and violations of competition law and on adherence to data protection laws and compliance with export control laws. After December 31, 2020, global responsibility for data protection and privacy was transferred to TÜV SÜD Akademie GmbH by the Global Compliance Office.

Taxes

The cornerstones of our business operations are impartiality, integrity, and lawfulness. We pledge to observe them in our fiscal obligations, thus fulfilling the expectations of our customers, employees, and business partners, and the public.

TÜV SÜD AG is a legal entity with its registered office and central administration in Germany. As such, its entire global revenues are subject to unlimited tax liability. The subsidiaries of TÜV SÜD AG are subject to unlimited tax liability in the countries where their registered offices and central administration are located. In addition, cross-border business transactions may incur limited tax liabilities for TÜV SÜD or its affiliates.

Fulfillment of tax requirements requires internal processes which are complex and continually changing, making them subject to risks. To identify and minimize these risks, TÜV SÜD AG established a compliance management system for corporate taxation.

TAX PLAN

TÜV SÜD undertakes to comply with applicable national and international laws in all business decisions and actions. Furthermore, the company does not pursue aggressive fiscal policies. Tax structuring measures are only permissible in the presence of outweighing non-fiscal grounds and where no risk is posed to TÜV SÜD's reputation.

The main objective of TÜV SÜD's tax compliance management system is thus to establish fulfillment of statutory requirements as orientation for process-based and organizational requirements and thus guarantee complete, correct, and timely fulfillment of fiscal obligations. To rule out tax savings as a method of management incentivization, the expected tax rate is taken as a basis for calculating the earnings component in economic value added (EVA).

FISCAL GOVERNANCE, CONTROL, AND RISK MANAGEMENT

The tax compliance management system established by TÜV SÜD for specific tax types is based on the requirements of the IDW AsS 980 auditing standard and accompanying IDW guideline 1/2016. The tax compliance management system has been assessed by an external audit firm with respect to its concept, appropriateness, and in part also its implementation status.

Fulfillment of tax obligations is initially the responsibility of the representative bodies of the subsidiaries in question. If a company has more than one representative body, responsibility generally lies with the competent Chief Financial Officer.

In Germany responsibility for organizing corporate taxation is delegated to the Corporate Taxation department, which also oversees compliance with local tax obligations abroad. Responsibilities differ in cases where TÜV SÜD AG is not the direct or indirect sole shareholder of an affiliated company.

TÜV SÜD AG reports on its tax positions in detail in its Consolidated Financial Statement, in which the provisions of the International Financial Reporting Standards (IFRS) are implemented and assessed by the Group auditor.

Risk management

Careful handling of potential risks for our company is a high priority in our daily operations. Our risk management system is designed to identify risks, assess existing risks, and mitigate risks taken. The process is conducted by a dedicated Risk Committee made up of representatives from the divisions and corporate functions.

Our opportunities and risk management processes are continuously optimized and aligned to changing framework conditions. We used 2020 to investigate processes and implement improvements. Against this backdrop, we held a pre-assessment of TÜV SÜD's risk management system prior to an effectiveness review in accordance with the IDW AsS 981 assurance standard. The findings from the assessment were incorporated into our 2020 training cycle, attended by over 400 specialists with risk management responsibility.

Our revision of the relevant opportunity and risk management guideline incorporated our own considerations as well as findings from external audits. Changes included adjustment of reporting thresholds based on empirical results from previous years and further expansion of requirements concerning the structuring of local risk management organizations in TÜV SÜD organizational units.

TÜV SÜD conducts an annual assessment of risk-bearing capacity of the Group based on consolidated financial projections. Quarterly comparisons of identified risks with risk-bearing capacity were introduced in TÜV SÜD at the end of 2019 for the purpose of determining free risk-bearing capacity. To ensure opportunities and risks are identified to the fullest extent possible, regular risk workshops are held at business unit, regional, and corporate function level and backed by appropriate risk checklists. The results complement the existing quarterly risk reports and are included in reporting to the Board of Management and Supervisory Board.

For 2021 we plan to continue our training initiative and perform an effectiveness review of our risk management system. Our main focus in terms of content will be on IT security and on analysis and assessment of impacts and measures in connection with new or amended regulations, e.g. with statutory regulations concerning corporate due diligence in Germany and at European Union level.

DAM FAILURE IN BRAZIL

The tragic accident in January 2019 where a tailings dam burst at an iron ore mine in Brumadinho, Brazil, its probable causes, and their impact on the inhabitants and natural environment in the Brumadinho region continued to be addressed intensively by TÜV SÜD in 2020. Over two years after the accident, the cause has still not been finally clarified. We remain convinced that our engineers were without fault, and continue to support investigations into the accident in Brazil and Germany.

Operational excellence

Our customers' trust is the cornerstone of our success. We aim to earn it anew every day by upholding the highest quality standards and by placing reliability, safety, and certainty at the center of our service offerings. Irrespective of whether we provide services directly on our customers' premises, at one of our test laboratories, or elsewhere in our organization, we are a reliable partner wherever safety, security, and sustainability are paramount. Our solutions deliver tangible added value for our customers.

We have introduced an integrated management system for managing and monitoring our processes, which focuses on added value for our customers and applies the zero defects principle. It takes in our central business processes and services and defines how they are to be efficiently implemented and improved (e.g. by means of process audits). Where necessary, individual processes are defined in more detail in further-reaching provisions.

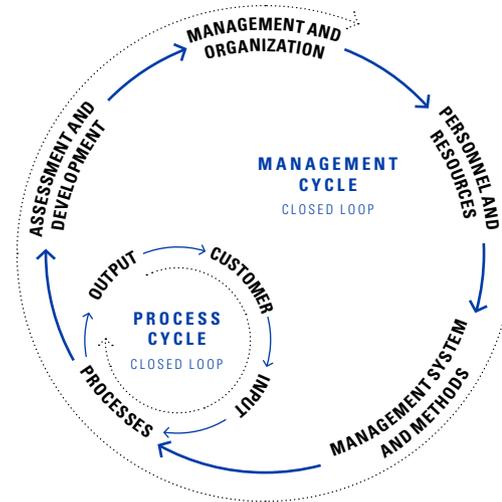
The individual regulations and instructions are described in detail in the TÜV SÜD Corporate Management Manual. The Manual can be accessed by all employees and is annually updated. The heads of the TÜV SÜD Group divisions, regions, and legal entities accept the binding nature of the Corporate Management Manual as amended and implement it in their areas of responsibility. This safeguards interoperability in the TÜV SÜD Group and ensures that clear, compatible framework conditions apply throughout the entire Group and that the applicable rules and processes are effectively implemented.

The Board of Management oversees implementation of the Integrated Management System and its ongoing development, assessment, and surveillance based on the PDCA (Plan-Do-Check-Act) process defining a continual cycle of improvement, development, and advancement. By doing so, TÜV SÜD follows the process-focused approach of the ISO 9001 standard and establishes the customer as a direct partner at the center of entrepreneurial actions.

Beyond that, the implementation, suitability, and effectiveness of the Integrated Management System is assessed by the Group's Internal Audit function, ongoing management reviews, and regular consultation by relevant working groups. These processes take place at both local and international level and drive the continual improvement process.

Integrated Management System – Process model

.ii 09



Quality management

Quality management is a core constituent of TÜV SÜD's Integrated Management System and is the mandatory prerequisite for all of TÜV SÜD's national, European, and international authorizations and qualifications that are essential for the company's recognition as a testing, inspection, and certification organization. It is based on regulations including the ISO / IEC 17000 family of international standards.

TÜV SÜD currently holds approx. 700 accreditations and further qualifications worldwide. These accreditations are evidence of the expertise underlying our services in areas including product testing and certification, management system certification, laboratory testing, and inspection and monitoring of technical systems, assets, and vehicles.

The integrated management system further includes occupational health and safety, safety and security management, data protection and data security, and physical safeguarding of assets.

The company-wide interaction of these management systems under our overarching Integrated Management System is a factor in our ability to provide our services at a consistently high level of quality and ensures long-term continual improvement of our quality standards.

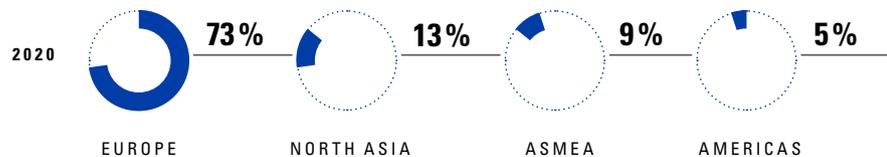
Sustainability across the supply chain

As a globally operating company, TÜV SÜD accordingly has an international supply chain. Our procurement department orders goods and services from over 10,000 suppliers in 33 countries, amounting to a global purchasing volume of approx. EUR 410 million in 2020 (2019: EUR 432 million), which was below the previous year’s volume due to the pandemic. Our global network of suppliers is developed and managed by our Global Procurement corporate function with 13 shared service organizations. This ensures that we receive goods and services to schedule, in the correct quantities and quality, and at competitive conditions—while simultaneously fulfilling our sustainability standards. Our procurement decisions take social and environmental criteria into consideration as well as ensuring ethically and legally flawless conduct and avoiding risks. To achieve this, we are increasingly turning to suppliers that have a similar philosophy of entrepreneurial responsibility to our own. By doing so, we enhance the stability, reliability, and performance of our supply chain, yet also make a concrete contribution to greater sustainability that extends beyond the boundaries of our own company.

10

TÜV SÜD purchasing volume by region

10



The actions we take to boost sustainability in our procurement operations also contribute toward the achievement of the United Nations’ Sustainable Development Goals (SDGs). Our primary focus is on three of these SDGs:



SDG 8 Decent work and economic growth



SDG 12 Responsible consumption and production



SDG 13 Climate action

Societal considerations such as respect for human rights and compliance with international minimum employment standards are paramount in our choice of suppliers. In addition to those societal aspects, we pay close attention to climate and resource protection in our goods, products, and services procurement. This means giving preference to long service life, low energy consumption, high repairability, upgradability or recyclability, environmentally responsible packaging, and optimized transport routes. As a ground rule, we aim to choose products that are certified as tested to recognized and verified sustainability standards, with sustainability marks such as the Blue Angel, EU Ecolabel, FSC, and PEFC. When choosing electrical appliances, our procurement officers undertake to observe the energy efficiency class (EU Energy Label) of the appliance, with energy class A as the recommendation.

To communicate our sustainability standards more clearly along our supply chain, we are currently drawing up a Supplier Code of Conduct. Scheduled to take effect in the third quarter of 2021, it will obligate our suppliers to comply with TÜV SÜD's sustainability requirements. Our suppliers will further be assessed for sustainability prior to receiving orders in the future. In this process, the business partners in question must furnish information on their sustainability management system currently in place, together with any certificates and ratings. We aim to continue firmly establishing our sustainability standards as part of our purchasing processes in 2021 and will outline these processes transparently on our website.

WORKING TOGETHER TO ENHANCE SUSTAINABILITY

We purposefully work with our suppliers on improving their sustainability performance, and made further progress in this respect in 2020. For example, we convinced an industrial laundry services provider to stop using individual plastic bags as packaging; this will avoid creating plastic waste, which is becoming an increasingly serious global problem.

Our purchasing operations for consumables pay close attention to minimum order volumes, reduction of shipments wherever possible, and efficient packaging units, all helping to conserve resources. In 2020 our office supplies company in Germany launched a range of environmentally friendly products which are clearly flagged as such in the electronic ordering system. This makes it easy to make an informed choice in favor of sustainable products.



ADVANCING SUSTAINABILITY THROUGH GROUNDBREAKING SERVICES

39 Sustainability-related services by TÜV SÜD

OUR OBJECTIVE

As a reliable partner for safety, security, and sustainability, we provide services and innovations that help to tackle global challenges.

Sustainability has been integral to our operations ever since our company was founded over 150 years ago. We fulfill our social responsibility to protect people, the environment, and assets from technology-related risks, and thus build public trust in technology, processes, and products. To ensure we live up to this obligation time and time again, we must continuously adapt our services to the state of the art of technology and knowledge, engage with new technologies at an early stage, and develop new and innovative services.

As part of our sustainability activities, we have established an individual field of activity dedicated to the development (and advancement) of innovative and sustainable services, with a clear objective: as a reliable partner for safety, security, and sustainability, we aim to help tackle critical challenges at global level while providing our customers, the environment, and society with measurable added value.

To achieve this, we ensure our services are permanently in harmony with ecological, economic, and social aspects. We make sure our services always fulfill rigorous quality standards and are performed with reliability, safety, and security. By doing so, we aim to confront global challenges in the field of sustainability in our capacity as pioneers in our industry, employing all our innovative strength and our drive to constantly learn and improve to this end.

Sustainability-related services by TÜV SÜD

Supplying testing and certification services and an extensive range of training options, we bring safety, security, and trust to virtually all areas of life. We support our customers by helping them to integrate aspects of sustainability into their companies, production processes, and supply chains. These activities play a proactive role in shaping sustainable economic development. **11**

TÜV SÜD Services – Our contribution to reaching SDGs

11



As a globally operating company, we are committed to the United Nations' Sustainable Development Goals (SDGs) and strive to contribute to sustainable development in economic, social, and ecological terms.

The following three SDGs have a particularly important position in our service portfolio:



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, AND MODERN ENERGY FOR ALL

Energy from renewable sources such as wind, sun, biomass, water, and the natural heat of the earth is playing an increasingly important role. By providing a broad range of services, we establish the conditions necessary for consistent expansion of energy from renewable sources and its efficient integration into the energy mix. Wherever energy is generated using renewable sources, our experts advise and support our clients in all issues concerning testing and inspection, safety and security, certification, and quality assurance. By doing so, TÜV SÜD builds the foundations for a more sustainable energy supply.

Our particular focus is on hydrogen as a fuel—the basic prerequisite for the success of the energy transition. By contributing our all-embracing expertise in hydrogen production, transport, storage, and utilization, we aim to support the development of safe, reliable hydrogen-based energy solutions and the associated technologies. In recent decades, our experts have accompanied numerous successful and innovative projects in this sector. Ludwig-Bölkow-Systemtechnik GmbH, an affiliated company of TÜV SÜD AG, is an expert consultant for sustainable energy and mobility. For over three decades, the company has supported international clients from the spheres of industry and politics in issues concerning technology, markets, strategy, and sustainability. Large-scale international companies rely on LBST's dependable assessments of new developments and innovations in the energy and mobility industries and value its wide-ranging expertise, particularly in hydrogen-related matters.

In the year of reporting, we concentrated our hydrogen production, transport, storage, and utilization services in the Group-wide HyTime project, establishing the basis for developing further services.

In 2020 we partnered with leading energy grid operator Open Grid Europe and consultancy Horváth & Partner to found evety GmbH, a joint venture based in Essen, Germany, that supports companies' transition into the hydrogen age. evety is the first company ever to provide a comprehensive portfolio of services for implementing hydrogen projects in various fields of application. Its objective is to unlock hydrogen-related opportunities and areas of potential for the business sector, drive green energy, and support decarbonization across all areas of industry.



ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

By providing testing and certification services, we foster transparency with respect to products' sustainability. Examples are:

- **Renewable raw materials**

The REDcert² standard developed by TÜV SÜD enables companies in the chemicals industry to provide proof of their use of renewable raw materials such as bioethanol, biomethane, and vegetable oil, and to market their products appropriately on this basis. The standard visibly demonstrates to customers that companies have replaced fossil fuels with calculated and adequate volumes of sustainable biomass, thus contributing to the reduction of harmful greenhouse gas emissions.

ISCC Plus certification, a voluntary extension of the ISCC certification system for areas including chemical applications, food, and feed, provides seamless end-to-end proof of product sustainability along the entire supply chain. Companies aiming to gain this certification can select specific modules to complement the minimum requirements, e.g. for prohibited chemicals, operating supplies, and environmental management.

- **Certification of sustainable wood and paper products**

TÜV SÜD's FSC and PEFC certifications contribute to ecologically sound, socially beneficial, and economically viable forestry management. The FSC and PEFC standards support sustainable forestry stewardship at global level. Their clear ecological, social, and economic criteria have set standards for forestry management.

- **Water Management – Responsible use of water**

Water shortage is one of the most serious global challenges. Hence, responsible use of water as a resource is becoming an increasingly important focus of sustainable company management. Here too, our experts support our customers in implementing efficient water management systems.

For example, a "product water footprint" quantifies the potential impacts of a product or service on the environment, human health, and resources in relation to water. Measurement covers the complete life cycle from raw materials procurement to final disposal of the product.

- **Promotion of the circular economy**

While disposal was long the sole practice associated with waste, it is now generally recognized as a source of valuable secondary raw materials that can effectively curb consumption of primary resources. Waste avoidance is thus concerned with efficient use of raw materials in order to reduce environmental impact.

This raises numerous questions and issues and gives rise to testing and inspection tasks. Here, TÜV SÜD is able to provide rapid expert assistance, encompassing preparations for reuse plus recycling and other product and waste recovery as well as testing, inspection, and confirmation of compliance with waste avoidance, documentation, collection, recycling, or recovery quotas. In addition to designing waste management schemes, we provide support in search and validation processes for innovative, sustainable methods of recycling and recovery to protect resources, close cycles, and cut emissions.

As one example, our Austrian legal entity developed a TÜV SÜD packaging recyclability standard within the European Union's Circular Economy Package. The standard defines concrete requirements concerning recyclability of packaging made from virtually all the key materials, from plastic and glass to wood, paper, and cardboard and extending to aluminum and ferrous metals.

The standard references Austrian, German, and European legislation but is globally applicable. Certification is awarded on a country-specific basis depending on the waste management structures in place in the country concerned (collection systems, sorting, separation, and processing plants).

Certified overall packaging types may also be awarded a certification mark on request, enabling our customers to provide transparent proof of their activities supporting the circular economy and convincingly display their commitment to waste management and recycling. The scheme builds trust in compliance with minimum recyclability standards, and thus lays the groundwork for a functioning circular economy. Initial certification procedures for customers are already in progress and will be completed during 2021.

- **Transparent supply chains**

Transparency and modern supplier management are vital cornerstones for a crisis-proof and sustainable supply chain. Providing supplier audits and a broad range of certification, we support our customers in developing trust-based and responsible supplier relations. Companies can choose ISO 28000 certification to document the performance of their supply chain, or complete an audit based on the Business Social Compliance Initiative (BSCI) code of conduct to prove their commitment to humane working conditions.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

Reduction of greenhouse gas levels is essential to prevent global warming. Increasing numbers of companies are pledging their support for the Paris Agreement climate targets. They are striving to cut their carbon emissions or eliminate them altogether. Support provided by TÜV SÜD includes systematic and coordinated carbon footprint quantification. This carbon accounting can be produced at corporate level as a corporate carbon footprint (CCF) covering all emissions throughout the value chain, or as a product carbon footprint (PCF) for the life cycle of a specific product or service. Its objective is to create transparency, identify emission drivers, and provide impetus for innovations that can reduce consumption of energy and raw materials.

Expanding electromobility is a key weapon in the battle to protect the climate. Organizations like TÜV SÜD—with a pedigree of over 100 years of experience in automotive safety—are particularly called upon to contribute to the goal, and it has been our consistent objective for many years. Over ten years ago, we opened one of the first testing laboratories for batteries used in electric vehicles—still very much a niche market at the time. Today we operate battery laboratories for all the main markets.

We provide global electromobility services for battery, fuel-cell, and hybrid vehicles and their infrastructures. Our experts work with producers of batteries and fuel cells, vehicle manufacturers, and infrastructure developers, thus ensuring compliance with the prevailing international standards and safeguarding smooth interoperability of products. By doing so, we establish greater safety and security, and thus build the foundations for customers' acceptance and trust when it comes to electromobility.

MEASUREMENT, CERTIFICATION, AND TRAINING IN SUSTAINABILITY TOPICS

In addition to the activities that directly pay into achieving an SDG, we have singled out the services in which we can offer strategic added value with respect to sustainability for our customers and partners, and made them our special focus. Examples are:

- **Management system certification and audits**

Companies are responsible for the world of tomorrow, by their sustainable business operations and careful use of resources and energy. At the same time, they increase their efficiency, reduce costs, lower risks, and safeguard their own long-term viability. To achieve this, sustainability needs to be managed in a systematic and professional manner.

TÜV SÜD proactively supports companies in establishing and implementing sustainability-focused operations, e.g. by testing and certifying the relevant management systems in accordance with recognized standards. Relevant standards for this process include ISO 14001 for environmental management systems and ISO 50001 for energy management systems. We also conduct energy audits in accordance with EN 16247-1 and supply comprehensive advisory services in the field of energy efficiency.

● DGNB
DGNB.DE

● BNB
BNB-NACHHALTIGESBAUEN.DE

● BREEAM
BREEAM.COM

● LEED
USGBC.ORG

● HCH
HAFENCITY.COM

● **Certification of sustainable construction practices**

Sustainability certification of buildings is of vital importance for property valuations and transactions. The process guarantees compliance with appropriate standards and provides impartial and visible proof of quality for tenants and investors, thus improving property values. At the same time, certification requirements can be used as an action plan for continual improvement of the building and its management and operating processes with respect to sustainability. We supply certification to standards including DGNB, BNB, BREEAM®, LEED®, and HCH to enhance sustainability of new or existing properties. We also provide inspection and advisory services for customers in the field of green due diligence, examining sustainability aspects of their existing properties.

● **Training**

TÜV SÜD offers a wide range of sustainability-related training. Continuing training and awareness programs support manufacturers, suppliers, and consumers in developing and implementing processes that reflect the principles and values of the circular economy. In addition, TÜV SÜD offers training courses that help to tackle current challenges, e.g. on efficient planning and implementation of digital and sustainable urban models that focus on new technologies, sustainable energy generation, or energy efficiency programs.

SMART SOLUTIONS FOR THE NEW NORMAL

There is no doubt that the Covid-19 pandemic is presenting enormous challenges for the economy and society as a whole. To tackle these challenges, we worked with official authorities and our customers to devise solutions that act as “accelerants” to speed up digitization across the entire business sector and promote the advancement of TÜV SÜD.

At the end of 2020 we set up a “restart portfolio,” a collection of all the services we had provided to support our customers in their post-lockdown ramp-up of business activities that could serve as a blueprint for the future. The portfolio was augmented with new services such as our Covid-19 hygiene app for companies.

The activities in the portfolio are primarily designed to replace on-site personal inspection visits with smart IT solutions. By eliminating the need for travel, they also help to reduce greenhouse gases and thus contribute to climate protection.

For example, TÜV SÜD China and Global Risk Consultants in the USA use smart glasses that enable our customers to follow testing and inspection processes virtually without needing to attend in person. At the same time, our experts are able to call in colleagues to provide specific expertise remotely.

We also develop solutions for continuous monitoring and smart maintenance of systems, complementing or even partly replacing our previous on-site tests and inspections. An example of one such solution is asset health monitoring for plants and systems in the chemicals and process industry, in which low-cost sensors are teamed with artificial intelligence.

EMPLOYEES

- 49** Recruiting
- 51** Compensation and benefits
- 53** Human resource development and continuing training
- 56** Diversity management
- 59** Work-life balance
- 61** Occupational safety and health management

OUR OBJECTIVE

We are shaping our business success of tomorrow by continuing to strengthen and empower our employees amid a state-of-the-art environment founded on trust.

2020 ANNUAL REPORT,
MANAGEMENT REPORT,
NON-FINANCIAL PERFORMANCE
INDICATORS, EMPLOYEE REPORT
SEE PAGES
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Over 25,000 people work for our company all over the world, around half of them outside Germany. All of them play a crucial role in TÜV SÜD’s successful business development. The motivation, expertise, and skills of our employees lay the foundation for the long-term development of the company.

The composition of our workforce is as international as our business: TÜV SÜD’s workforce comprises more than 100 nationalities. The 278 executives (senior management) are from 29 countries, about 60% of them from Germany.

Regular employee surveys paint a clear picture: people enjoy working for TÜV SÜD and appreciate the opportunities offered to them by our company. Our intention is to continue building on this strength. As part of our HR Strategy 2025, we aim to promote a culture of collaboration at TÜV SÜD, and nurture it into tangible added value for our employees and managers. In light of this, we launched a wide-ranging culture initiative in 2019. As our markets change, our way of working has to change too—across all borders and hierarchical levels, toward a corporate culture that is embraced by all employees worldwide. The basis for this change is a vision drawn up jointly in 2019 by around 600 members of our company attending almost 40 workshops. In the next step, we presented our executives and HR employees with a portfolio of actions enabling them to address the topic of cultural change in their local areas of responsibility. 11 12

Corporate culture – Statement of objectives 11 12

EVERY DAY WE ...



...GIVE OUR BEST
for our customers
and society

- ... add value for our customer and create results
- ... contribute to safety and sustainability through independent and impartial decisions
- ... invest in ourselves to further develop our competencies and expertise



...EXPLORE and ADAPT
to capture new
opportunities

- ... understand customer needs and explore innovations
- ... are open-minded and see change as a chance
- ... focus and look for opportunities to scale



...CREATE
an impact together

- ... act as one team and share knowledge and experience
- ... show appreciation and support each other
- ... embrace diversity and act with honesty and integrity

The solidarity that is a feature of our company proved particularly valuable in 2020 as the Covid-19 pandemic struck. Once again, the high level of trust between employees and executives was demonstrated, forming the basis for rapid actions such as organizing remote working for a large proportion of our workforce. Thanks to the close and transparent communication in place between executives and their teams, the necessary health protection measures were quickly set up across the board.

In addition, a working group was initiated to address the topic of “The Future of Work” with the aim of carrying the flexibility gained from the crisis situation over to the future, developing new forms of collaborative working, and entering the phase of “the new normal” with new strength. The aim is to work together on designing Group-wide guidelines that cater to widely differing regional and task-related requirements.

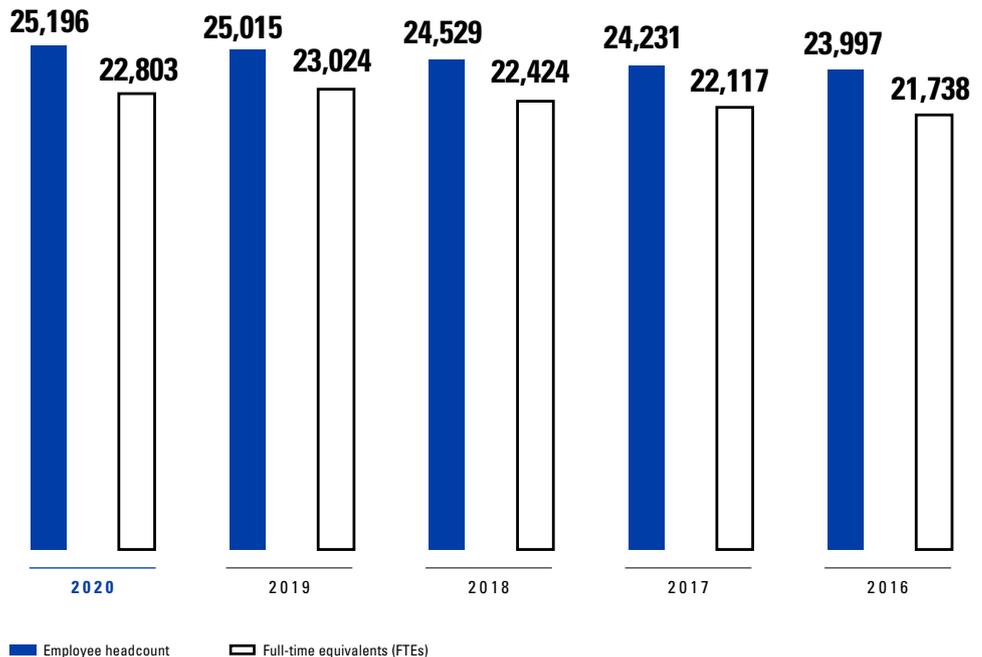
These activities are particularly important with respect to the further development of our company. TÜV SÜD will continue to grow in the years to come, with a workforce expansion target of up to 3%; even taking normal employee churn rates into consideration, this will mean large numbers of new recruits joining our company in the coming years. The tasks of identifying these people, attracting them to TÜV SÜD, and integrating them and their skills and abilities into our company present key challenges for our Human Resources operations. Accordingly, our sustainability activities with respect to “Employees” focus on the following areas: recruiting, compensation and benefits, continuing training and development, diversity management, work-life balance, and occupational health and safety.

13/14/15

Employee development

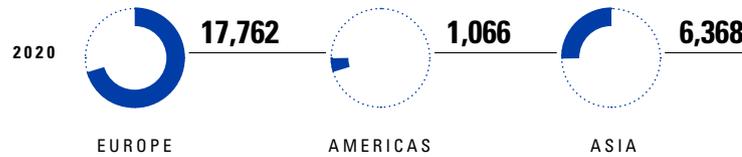
13

EMPLOYEE HEADCOUNT AND FULL-TIME EQUIVALENTS ON AN ANNUAL AVERAGE

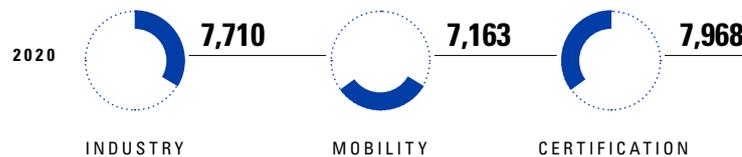


Employee headcount by region

.14

**Employee headcount by segment**

.15



In 2020 the Covid-19 pandemic impacted particularly strongly on the volume of employment and the number of employees affected by a reduction in working hours. Viewed on an annual basis, these impacts were most severe in the second quarter. However, to date no workforce cutbacks due to Covid-19 have been necessary. In Germany TÜV SÜD implemented collective bargaining agreements protecting jobs and introducing short-time allowances.

ORGANIZATION AND MANAGEMENT

The majority of HR administration operations at TÜV SÜD are concentrated in shared service centers. This structure frees up capacity for HR business partners and enables them to act as strategic partners and provide comprehensive advisory services to the senior experts and executives in their care. We systematically embrace the possibilities offered by digitization in order to ease the burden of routine work on staff in HR and offer management a reliable basis on which to make decisions in HR matters. Against this backdrop, we continuously develop and advance the HR Dashboard, a tool that enables executives to view the main HR parameters and access information on successor planning or the Group-wide talent pool. These high levels of data transparency allow potential problems to be detected at an early stage or even avoided altogether.

To support more precisely targeted planning and decision-making, we are currently establishing an integrated planning process for Human Resources; appropriate pilot projects are already in progress. This systematic process, taking in both relevant internal data and external market data, forms the foundation of needs-based anticipatory planning through which appropriate employee recruitment and retention measures can be launched in good time.

TÜV SÜD prioritizes respect for human rights, diversity, and equality of opportunity within the company. Close collaboration with workers' representatives has been a key pillar of our corporate culture from our earliest beginnings. Inclusion of our employees in codetermination processes and establishment of employee representatives at intracompany level and above takes place in accordance with German law.

In Germany approximately 10,000 employees of the Group were covered by union-agreed working conditions as at year-end 2020. The interests of TÜV SÜD's German employees are additionally represented by the Group Works Council under the company's codetermination process.

All parties to these agreements have always focused on working together to enable and support flexible and trust-based collaboration, facing the future and the new world of "Work 4.0" in the fourth Industrial Revolution and driving digitization and innovation in the company while protecting the individual rights of our employees.

The value of smooth collaboration between all sides was highlighted particularly clearly in the pandemic, not least with respect to its effects on working routine. In a spirit of cooperation, the company and its workers' representatives mastered the challenges thrown up by the year 2020 and devised rapid solutions to enable operations to continue.

In this process they focused on occupational health and safety and on bringing spatial and temporal flexibility to the world of work. As a result, in 2020 an array of works agreements were concluded in Germany for various TÜV SÜD companies, the majority addressing remote and mobile working. Thanks to such agreements, a more flexible pattern of working that is largely independent of location is now reality for a total of over 5,000 employees in Germany. In addition, a Group works agreement governing reintegration management for employees returning after lengthy periods of sick leave has been in place since 2020.

Recruiting

To reach our growth objectives, we need to attract qualified talents to TÜV SÜD across the world. Our HR Strategy 2025 sets out corresponding goals and targets to achieve this aim. Optimized recruitment processes based on integrated HR planning and supported by digital technologies will likewise contribute. More than 20 countries have now introduced a central platform offering an extensive range of positions to interested candidates. In 2018 we began to counter the impending shortage of specialist skills by setting up focused recruiter hubs to support executives at cross-regional and cross-division level in their search for new recruits.

In 2020 we significantly expanded the information opportunities provided for external candidates. Our new global careers website is now their source of authentic information from various areas of the company, but also fulfills an internal role as a template for local career websites, which will go online during the course of 2021.

A key role in the success of these activities is played by the strategic target-group-oriented positioning of TÜV SÜD as an employer. For this purpose, in 2019 we developed "Future In Your Hands" as a cutting-edge professional employer brand designed to appeal to a range of different target groups around the world. This brand profile is now communicated by appropriate campaigns at local and international level.

49 Recruiting

- 51 Compensation and benefits
- 53 Human resource development and continuing training

56 Diversity management

- 59 Work-life balance
- 61 Occupational safety and health management

In Germany TÜV SÜD has been one of the top-ranked employers for many years. The company is held in particularly high esteem by engineers, technical experts, and technical graduates, as our consistently good results in relevant surveys and rankings clearly show. For example, in 2020 TÜV SÜD emerged as the best rated company in the Services category of Best Recruiters, the largest independent scientific recruitment study in German-speaking countries.

In recent years we have also built up an outstanding reputation abroad, which is confirmed time and again with awards and distinctions—such as the array of prizes won by TÜV SÜD in China in 2020 for its HR management.

≡ 01/02

New employees

≡ 01

| | | 2020 | 2019 |
|--|--------|--------|--------|
| Headcount | Number | 25,196 | 25,015 |
| | Number | 3,053 | 3,764 |
| New employees during the reporting period, total | % | 12.1 | 15.0 |
| | Number | 1,648 | 2,160 |
| Thereof joined in the EUROPE region | % | 6.5 | 8.6 |
| | Number | 1,160 | 1,335 |
| Thereof joined in the ASIA region | % | 4.6 | 5.3 |
| | Number | 245 | 269 |
| Thereof joined in the AMERICAS region | % | 1.0 | 1.0 |

Employee churn ¹

≡ 02

| | | 2020 | 2019 |
|---|--------|-------|-------|
| Employee churn during the reporting period, total | Number | 1,420 | 1,762 |
| | % | 5.7 | 7.0 |
| | Number | 588 | 683 |
| Thereof in the EUROPE region | % | 2.4 | 2.7 |
| | Number | 741 | 942 |
| Thereof in the ASIA region | % | 3.0 | 3.8 |
| | Number | 91 | 137 |
| Thereof in the AMERICAS region | % | 0.4 | 0.5 |

1 _ Voluntary churn

TRAINING AND QUALIFICATIONS – SAFEGUARDING THE FUTURE

Training and qualifications for young people are traditionally a cornerstone of TÜV SÜD, serving to meet the company's future requirements for skilled employees. TÜV SÜD's permanent aim is to offer positions to as many of its graduates as possible and to continue their training as testing engineers or officially approved experts. 167 trainees embarked on their careers at TÜV SÜD in Germany in 2019 (127 in the previous year). Many trainees choose to combine theoretical and practical training in work/study programs (Duales Studium), primarily in the areas of mechanical, electrical, and vehicle engineering.

Compensation and benefits

TÜV SÜD champions fair, reasonable pay for its employees that sufficiently reflects living costs. Clearly defined pay policies are the foundation for an array of processes in Human Resources and accompany our employees throughout their entire period with our company.

Particularly in the current times, which are challenging for us all, we aim to provide security and certainty in the form of reliable structures and a framework of shared and living standards. This is both a central tenet of our corporate mission and the bedrock of our pay policy.

This policy is based on binding rules that apply equally to all employees in the company. Pay is not influenced by nationality, origins, or gender. Our global, regional, and local payment policies and rules thus reflect the principle of equality of treatment and opportunity. We are currently working with our regions to develop pay standards that will represent a globally uniform procedure, thus further enhancing the sustainability of our pay policy principles.

Our aim is to foster a corporate culture based on collaborative and innovative cooperation. To achieve this, an integrated picture of employees' performance is gained by means of annual objective setting and achievement reviews. In addition to individual goals and targets, employees are assessed in terms of their performance and its reflection of our corporate values and competence model. Conduct that reflects our values impacts both on the level of actual variable pay elements and on pay development in the future.

In areas covered by collective bargaining agreements and collective bargaining law, pay and bonuses are agreed with the bargaining partners. In areas not covered by collective bargaining agreements, TÜV SÜD strives for competitive basic pay rates at market levels plus market-oriented target bonuses. External market data from regional employment markets are collected annually; compensation and benefits are based on the applicable market levels.

As early as 2019, we introduced pay scales for all countries in which TÜV SÜD has a presence, thus laying the foundations for firmly rooted and sustainable compensation policies. The next decisive step came in 2020 when we introduced a globally uniform process for pay review processes. Pay-related decisions are now taken on the basis of standard guidelines, irrespective of gender, origins, or nationality. Pay is determined within standard market ranges, while objectively verifiable salary development is guaranteed by the Pay for Performance principles.

In 2021 a new global pay guideline will embed TÜV SÜD's pay rates more firmly in the company's organization. It will ensure that pay decisions are approached under consideration of regional differences but without recourse to subjective factors, and will thus promote objectively equal treatment for all members of the company.

Taking our global bonus plan for top executives as a basis, we are currently working with our regions on harmonizing local variable pay programs. Here too, our objective is to establish uniform structures and standards to ensure our employees' individual performance is rewarded under a comparable global system, while taking regional market characteristics into consideration and depending on the performance of the company in question. We are also working to integrate concrete sustainability goals into our executive pay structure. Our goal of increasing sustainability is thus intended to determine our actions and also become an explicit element of incentivization for our executives.

Our plans for 2021 also include driving the TÜV SÜD Performance Enablement Cycle with the aim of turning our employees' continuous development into a lived and living annual process and rewarding it in pay and bonus reviews. By doing so, we are turning the spotlight on our employees' ongoing professionalization and demonstrating how they can directly influence the development of their bonus and pay levels.

COMMITMENT TO COMPANY PENSION SCHEME

We have a responsibility to our employees that extends beyond their active working life with us. As a member of the German nonprofit association *aba Arbeitsgemeinschaft für betriebliche Altersversorgung e.V.* (Association for Occupational Pensions), we and over 1,100 further companies work to maintain and expand Germany's company pension system. By providing a range of pension plans, we help our employees to make provisions—including financial ones—for their retirement. For more information on the type and scope of pension schemes and similar provisions, see the Notes on the Consolidated Financial Statement of the TÜV SÜD 2020 Annual Report.

The TÜV SÜD Pension Trust, founded in 2006, today manages the pension claims of over 6,000 active and former employees of the company in Germany. It is structured as a contractual trust arrangement (CTA) with plan assets currently totaling approx. EUR 1.6 billion. Comparable models are also in place for current and former members of TÜV Hessen GmbH and TÜV companies in the UK. The board of TÜV SÜD Pension Trust has established clearly defined sustainability criteria for capital investments under the CTA. These include minimum standards for selecting capital investments, e.g. asset managers that are signatories to UNPRI (UN Principles for Responsible Investment); exclusion criteria also apply to prohibit investments in specific sectors and areas. Continual improvement is made in the transparency of ESG ratings of individual titles and the overall rating of all liquid assets. New investments for public funds are primarily made in classified investment funds in accordance with Articles 8 and 9 of the EU Sustainable Finance Disclosure Regulation (SFDR). The board of the Pension Trust has further imposed targets requiring the percentage of sustainable investment in public funds to be continually increased in the coming years. Similar requirements apply to investments in illiquid asset classes, e.g. investments in infrastructure or private debt funds as well as in real estate.

Against this backdrop, the Pension Trust also financed the new premises of TÜV SÜD PSB in Singapore and the Newton building in Munich, both constructed to the highest standards of sustainable building. Long-term rent agreements with TÜV SÜD companies and external tenants provide for stable rent revenues, safeguarding the financial sustainability of the investments in addition to their environmental sustainability.

Human resource development and continuing training

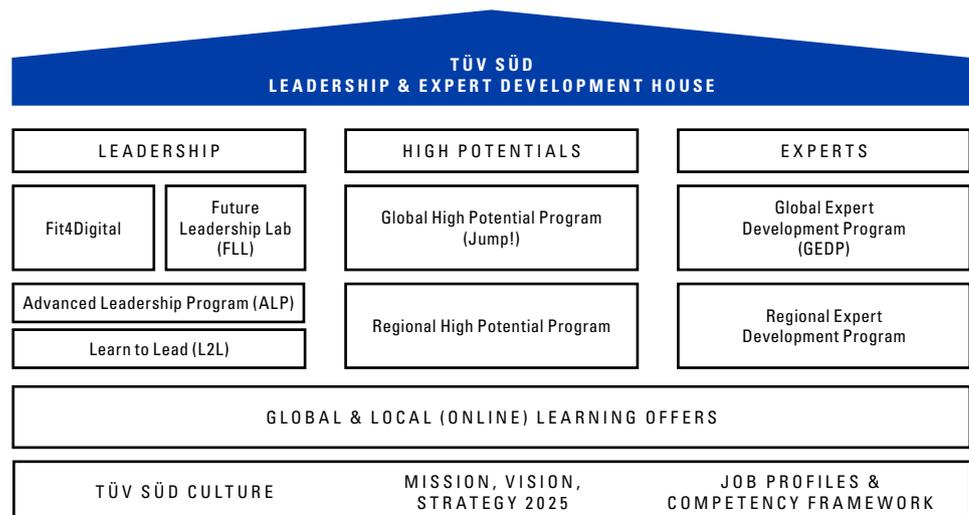
Technological progress, digital transformation, and an increasingly close-meshed and complex global economy are drivers of continuous change in the tasks we face as a service provider, and thus in the requirements we ask our employees to meet. We aim to empower our employees to master new challenges by providing wide-ranging qualification and continuing training offers. By doing so, we fulfill the most important condition for successful implementation of our corporate strategy.

Our objective is to provide all of our employees with the optimum opportunities for their development based on their responsibilities, position, training, and knowledge. To achieve this, we aim to establish flexible possibilities for our employees' continuing specialist and multidisciplinary training and development. We regard maximum levels of personalization as a key factor for the success of these offerings.

In spite of pandemic-related restrictions, in 2020 TÜV SÜD employees around the world completed approximately 54,400 days of initial and continuing training (previous year: 67,700 days). A total of EUR 20 million was invested in external training costs (previous year: EUR 18 million); however, given the pandemic situation only EUR 14 million of these funds could be used.

As well as offering training that is open to all employees, we also focus on targeted development of our executives and experts with the goal of enabling them to continuously grow their talent and knowledge—the bedrock of our success. Our longstanding “Leadership & Expert Development House” programs (LED House, see diagram) have placed systematic and continuous human resource development of specialists and executives at the heart of our international human resource operations for some years. This commitment has also received acclaim from external sources; in 2020 TÜV SÜD America was honored by research and analyst firm Brandon Hall for its excellence in leadership development. 16

Optimizing development opportunities for all 16



DIGITIZATION AS A LEARNING OBJECTIVE

Human resources have a key role to play amid the advancement of digitization. In this context, centralized human resource services in Germany, assisted by the employee academy, must work hand in hand with support at managerial level, with the common goal of supporting employees along the way to digital transformation and the new business areas unlocked by the process.

Global human resource operations provide a range of programs designed to achieve “digital maturity.” Middle and top management levels can take part in the global programs “Future Leadership Lab (FLL)” and “Fit4Digital.” The FLL training workshop enables participants to experience the complexities of leadership in a VUCA world—one driven by volatility, uncertainty, complexity, and ambiguity—while Fit4Digital focuses on learning and applying a digital mindset and working methods that can be used to develop and adapt new business ideas. The Global Expert Development Program (GEDP) is targeted at the senior technical experts in our company and prepares them for the coming challenges in key areas of core competence. Here the focus is on innovation, product development, and customer orientation, but also on change management and exchange of knowledge. The international program has been a success, completed by around 100 senior technical experts since 2014.

Due to the restrictions imposed during the pandemic in 2020, global programs had to be cancelled or were converted to virtual formats at short notice. As soon as attendance events are possible again, training courses to build expertise for the digital world will resume.

Further, all global employees can access the Digital Learning Page, where they can explore and learn about core topics in digitization. The Intranet offers resources including Learning Nuggets and a multilingual web-based training course providing insight into selected digital projects at TÜV SÜD and practical information on topics such as highly autonomous driving and IT security. We work with partners including TÜV SÜD Digital Service GmbH to select and provide new learning content on an ongoing basis, including as part of a global digital learning campaign offering live online events and further study content on artificial intelligence, Internet of Things, and digital collaboration.

HOLISTIC PERFORMANCE ASSESSMENT

We aim to assess the performance of our employees with the maximum possible objectivity in accordance with uniform corporation-wide standards. To achieve this, we have established a global structured process for target agreements, feedback, and assessments, further supported in some countries by a standardized IT-based procedure. The online process enables executives and employees to compare goals and targets against their achievement at any time. But the process extends far beyond agreeing and assessing targets. Wherever they are in the world, our employees always have the chance to discuss their performance status and development opportunities with their supervisors. This includes on-the-job development or training for comparable or higher positions, but also—and primarily—measures such as job rotation and working abroad, which can enable employees to expand personal knowledge and skills and gather international experience within the company.

Many countries in which TÜV SÜD operates engage in performance assessment that is explicitly and/or implicitly based on performance and conduct benchmarks. With continuous advancement, sustainability, and strengthening collaboration in mind, we take a holistic view of performance; this goes beyond specific targets to take in the development and application of skills and competencies and the practice of TÜV SÜD values. Regular dialogue between employees and executives strengthens and supports our strategic objectives of continuous further development, qualification, and preparation for constantly changing and new roles and challenges.

SUPPORTING HIGH POTENTIALS – EVEN IN TIMES OF PANDEMIC

Identification and encouragement of high potentials is a further key strand of our human resource strategy. We use dedicated measures and programs to support these employees in their professional and personal development and strengthen their loyalty to our company, thus preparing them for cross-division and cross-regional leadership roles.

Spring 2020 saw the fifth year of “JUMP!”—our global high potential scheme with 18 participants from seven countries. The scheme is made up of several modules held at various TÜV SÜD locations worldwide, each addressing vital areas of core competence: Leadership & Business, Team, and Culture. In addition to the participants’ routine responsibilities, they spend the interim periods between modules working in international teams on projects of high strategic importance. Furthermore, mentoring and digital learning provide support for the participants as they progress their personal and skills development.

TÜV SÜD’s CHAMP (Corporate High Achievers’ Management Program) also offers regional high potential schemes for the support and advancement of employees to prepare them for high-level responsibilities. CHAMP programs have already been enormously successful in Asia and the Americas. In 2021 the program will be held in Europe for the second time. The program focuses on three areas of development: Leading Self, Leading Team, and Leading Business. It combines face-to-face modules and digital elements, interactive simulations, learning projects, and mentoring.

Since 2017 TÜV SÜD’s PEP! program has offered talents with leadership potential the opportunity to explore their skills and advance their personal development. It is designed for employees with the potential to take on their first functional or disciplinary leadership role in the next one to three years.

In the global pandemic in 2020, all programs were modified and held virtually. As part of this, members of the CHAMP Asia and JUMP! programs presented their projects at virtual management conferences to great acclaim. Plans for 2021 include a personal module to conclude the JUMP! program if business travel is permitted to resume by then. In addition, the next round of CHAMP Europe and CHAMP US will launch.

Diversity management

● DIVERSITY@TÜV SÜD
#FUTUREINYOURHANDS

● CHARTA DER VIELFALT –
FOR DIVERSITY IN THE WORLD OF WORK
CHARTA-DER-VIELFALT.DE

● COMPLIANCE
SEE PAGES
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TÜV SÜD promotes diversity and equality of opportunity. The members of our company are from over 100 different countries, are in varying age groups, lead different lifestyles, have differing skillsets, and hold different views. We are convinced that it is precisely this diversity that plays an important role in TÜV SÜD's success.

We signed the German Diversity Charter (Charta der Vielfalt) as early as 2017 and pledge to uphold its principles of creating a working environment that is free from prejudice. At TÜV SÜD all employees deserve to be appreciated, regardless of their gender, nationality, and ethnic origin, religion or worldview, physical and mental ability, age, and sexual orientation and identity. TÜV SÜD does not tolerate any form of discrimination. All members of our company should have equal opportunities for personal and professional development. Our goal is to nurture a corporate culture of appreciation in which our individual employees can fully develop their personal talents and thus contribute jointly to the success of our company.

To ensure this while complying with the requirements of the German General Equal Treatment Act (AGG), a complaints body in the HR central function has been set up for employees of TÜV SÜD AG who believe they are experiencing discrimination on the grounds of one of the protected characteristics. They can also contact their line manager or Works Council directly or make use of the TÜV SÜD Trust Channel: this portal also allows them to report problems anonymously using a protected electronic mailbox. All cases are naturally treated with utmost confidentiality.

We work ceaselessly to optimize our diversity management and root its themes even more firmly in our company. We have made great strides in advancing the topic of diversity within the company, particularly in the past two years; new reports and performance indicators have been introduced in HR management and diversity factors have been added to existing observation parameters to ensure our progress is quantifiable.

We believe that successful diversity management begins with commitment from the top management level and is reflected in corporate values and corporate culture. At the same time, we aim to create appropriate framework conditions and strong structures in the fields of recruitment, human resource development, and working conditions. High levels of transparency are a primary factor in the success of these measures.

In 2019 the five-day DiversityParcours® provided our employees with an opportunity to gain hands-on insight into the topic of diversity. Although the pandemic in 2020 forced us to transfer our diversity campaign to the digital arena, employees were able to show their support of diversity within the company in visual form on Pride Day by attending video conferences and posting on social media channels. In addition, TÜV SÜD initiated an expert discussion with Prof. Dr. Frohn, scientific director of the Institute of Diversity and Anti-Discrimination Research (Institut für Diversity- und Antidiskriminierungsforschung, IDA), Cologne, on the topic of "Out at the Office?! What does sexual and gender identity have to do with work and performance?" A series of videos of the discussion was made available to all employees to foster debate on the subject within the company.

We provide proactive support for networks set up as individual employee initiatives aiming to foster diversity and equal opportunity in our company. Networks play various roles, including representing the interests of the employees who are their members, providing them with a common voice, and serving as strengthening influences and demonstrations of appreciation. TÜV SÜD currently has two such employee networks:

- Founded in 2019, prOut provides a center for general LGBTIQ+-focused dialogue and activity planning at TÜV SÜD. The Group is open to anyone interested in the topic or in providing support.
- At the same time, as a company we support the international Women’s Network, founded in 2017 as an individual initiative. A center for dialogue and organizer of regular meetings and a mentoring program launched in 2018, the network enhances the visibility of relevant topics within the company.

|| 17

Fields of action promoting diversity within the company

|| 17

| DIVERSITY MANAGEMENT | | |
|--|--|--|
|  |  |  |
| <p>CREATING AWARENESS</p> | <p>FRAMEWORK CONDITIONS</p> | <p>STRUCTURAL MEASURES</p> |
| <p>e.g. educational videos on unconscious bias</p> | <p>e.g. flexible working hours</p> | <p>e.g. fine-tuning options in recruiting process</p> |

ADVANCEMENT OF WOMEN IN OUR COMPANY

In our capacity as employer, we have also designated the advancement of women in our company as a major priority. We face the challenge that in Germany especially, the proportion of women specialists and graduates in STEM (Science, Technology, Engineering, Mathematics) subjects is relatively low, but that TÜV SÜD recruits the majority of its workforce from these areas.

In the Group’s Gender Balance initiative, which is a cornerstone of our efforts to promote diversity at the company, we have been working since 2016 to significantly increase the proportion of women in specialist and management careers.

More information on equality of opportunity and particularly on the advancement of women in our company can be found in the 2020 Annual Report.

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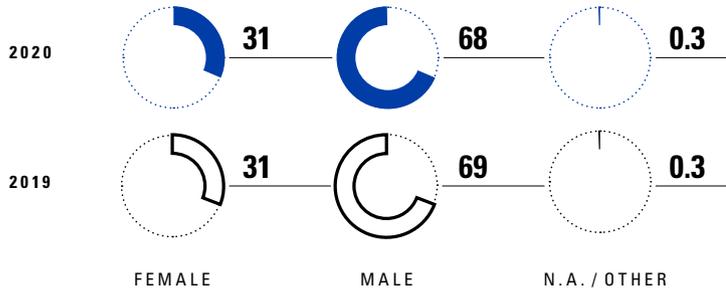
● 2020 ANNUAL REPORT,
MANAGEMENT REPORT,
DECLARATION ON THE EQUAL
REPRESENTATION OF WOMEN AND
MEN IN MANAGEMENT POSITIONS
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Employees by gender

il 18

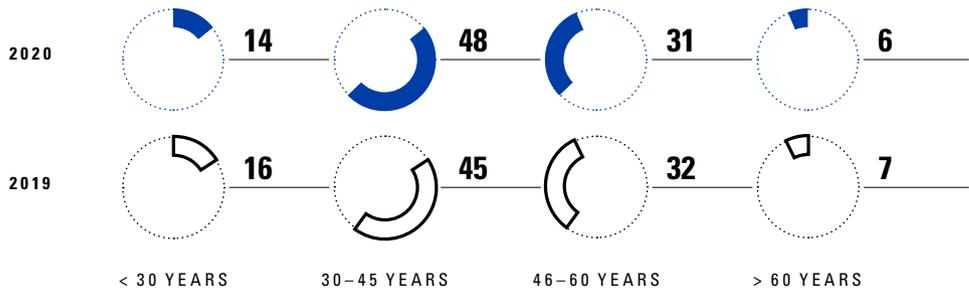
Group, in %



Employees by age

il 19

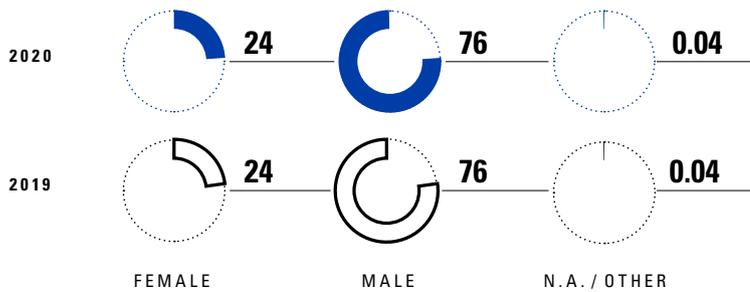
Group, in %



Management executives by gender

il 20

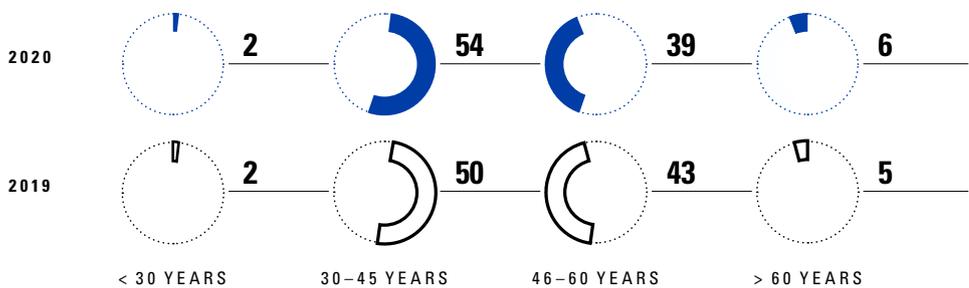
Group, in %



Management executives by age

il 21

Group, in %



Work-life balance

Reconciling the demands of career and family is a key element of our corporate culture and simultaneously an important aspect of our corporate social responsibility. We seek to establish optimum conditions for this by providing a wide range of working hours models and opportunities for teleworking. To this end, for some years now we have offered our employees a wide range of programs and services, which is continually expanded and spans generally accessible information as well as specific support with childcare or family care needs.

Employees can access this range of offerings through a dedicated online portal. We have extended our programs and services by adding specific offers for home carers, catering to growing demand from employees seeking possibilities to combine caring with professional duties. To do so in Germany, we embarked on a partnership with a company specializing in home care support, which provides our employees with information and practical assistance services at all times.

Since 2009 we have regularly participated in the “berufundfamilie” (career and family) audit to safeguard the high quality of the services we offer; the audit took place for the fourth time in 2018, the next re-audit is scheduled for 2021. ≡ 03

Reconciling the demands of career and family¹ ≡ 03

| | 2020 | 2019 |
|---|-------------|-------------|
| Employees on parental leave | 828 | 801 |
| Percentage of employees in part-time employment during parental leave | 26.3 % | 25.1 % |
| Total percentage of employees in part-time employment | 22.3 % | 19.6 % |
| Average duration of parental leave | 3.8 months | 4.0 months |
| Thereof women | 12.0 months | 14.7 months |
| Thereof men | 1.3 months | 1.3 months |
| Total number of employees on parental leave | 828 | 801 |
| Thereof women | 344 | 332 |
| | 41.6 % | 41.5 % |
| Thereof men | 484 | 469 |
| | 58.5 % | 58.6 % |

¹ _ Germany only

YOUTH EXCHANGE AND INTERNSHIP PROGRAMS

We marked our company's 150th anniversary in 2016 by launching the successful international youth exchange program "Horizonte" (Horizons). Since then, every year we have invited children of our employees aged 14 to 18 to experience the variety of different cultures in the countries where TÜV SÜD operates. The program is designed to boost these young people's personal development and build links between our employees and their families beyond all borders. TÜV SÜD covers the costs of the exchange and works with AFS Interkulturelle Begegnungen e.V., a nonprofit intercultural relations organization, to provide professional program management and support for the program, in which almost 40 families can take part every year.

Students from employees' families aged between 18 and 25 can also join the "Explore" program, where they complete a paid internship of up to eight weeks at an international TÜV SÜD location. The arrangement provides the opportunity for them to gain work experience in an international setting. 15 students took part in the program in 2019, around one-third of whom came from Germany and two-thirds from our international locations.

The global pandemic caused these programs to be put on hold in 2020, but their continuation is planned as soon as the situation allows.

Occupational safety and health management

As a responsible employer, we ensure that our employees around the world can work in a safe and healthy occupational environment without fearing exposure to health risks in the course of their work. To achieve this, we focus on all aspects of their responsibilities, from classic desk-based duties to physically challenging activities and work with complex equipment or hazardous materials.

At the same time, we rely on our employees to take personal responsibility for their health and aim to raise their health-consciousness in professional and private settings by offering a broad range of measures. Specific prevention-based services improve our employees' motivation and performance and help to counteract sickness-related absenteeism and the consequences of demographic change. The measures we provide often extend far beyond the requirements of the law.

GLOBAL HEALTH & SAFETY POLICY PROVIDES THE FRAMEWORK

Reflecting the internationalization strategy of our company, our corporate health management (CHM) follows an international approach by combining the concepts of statutory healthcare (including occupational health and safety) and voluntary health promotion. We pledge to uphold the principles of the Luxembourg Declaration on Workplace Health Promotion in the European Union, which we signed in 2013.

In 2017 we passed our Global Health & Safety Policy to serve as the basis for our actions. Applying globally to all TÜV SÜD companies, this policy sets forth the organization of occupational health and safety, company-wide minimum standards, and key indicators in areas including first aid and emergency management, risk assessment, and workplace hygiene. It is thus complementary to our corporate health works agreement developed in 2014 with our Group Works Council.

Local TÜV SÜD legal entities are responsible for implementing occupational health and safety measures in compliance with the legal framework in place in their country. Under central coordination and management, over 30 Regional Health & Safety Managers are in charge of workplace health and safety and implement our healthcare management principles at local level. Working with specialists in occupational health and safety and occupational physicians, they perform hazard assessments for all areas of work, develop concrete measures based on their findings, and oversee their implementation. They are also responsible for regional campaigns and provide support for Group-wide healthcare programs by organizing appropriate local activities. Before taking up their positions, all Health & Safety Managers receive appropriate training to establish an understanding of strategy, goals, and tasks that is consistent throughout the Group.

Our local employee representatives are always part of our CHM activities; with their assistance, we initiated measures including a mental health risk assessment process in Germany in 2019. The Covid-19 pandemic revealed the toll that mental stress can take. In response, occupational mental health consulting services were temporarily dedicated to consulting for pandemic-related issues.

Occupational health management performance is tracked by applying the Health Index, a performance indicator determined from the regular global employee surveys which delivers ratings between 1 (top) and 7. The Health Index is fleshed out with local performance indicators and indexes such as accident and sickness rates and health program participation rates.

Given the widely differing conditions at our locations all over the world, Group-wide collection of performance indicators continues to be a challenge. We are nevertheless working on establishing a standardized reporting procedure for occupational health and safety. Until we are able to provide an overall view from an international perspective, we will continue to focus our reporting on Germany, where more than half of our employees are based.

» 22

Fields of action and measures

» 22

in Corporate Health Management at TÜV SÜD



OCCUPATIONAL SAFETY

Workplace inspections

Risk assessments

Safety training and instruction

Skin protection and personal protective equipment

First aid and emergency management



OCCUPATIONAL MEDICINE AND PSYCHOLOGY

Health check-ups

Workplace ergonomics

Occupational mental health support and emergency mental health care

Travel medical advice and support (incl. vaccinations)



PREVENTIVE HEALTH CARE AND HEALTH PROMOTION

Risk factor screening

Executive health check

Sports activities, e.g. fun run entries

Nutritional consulting

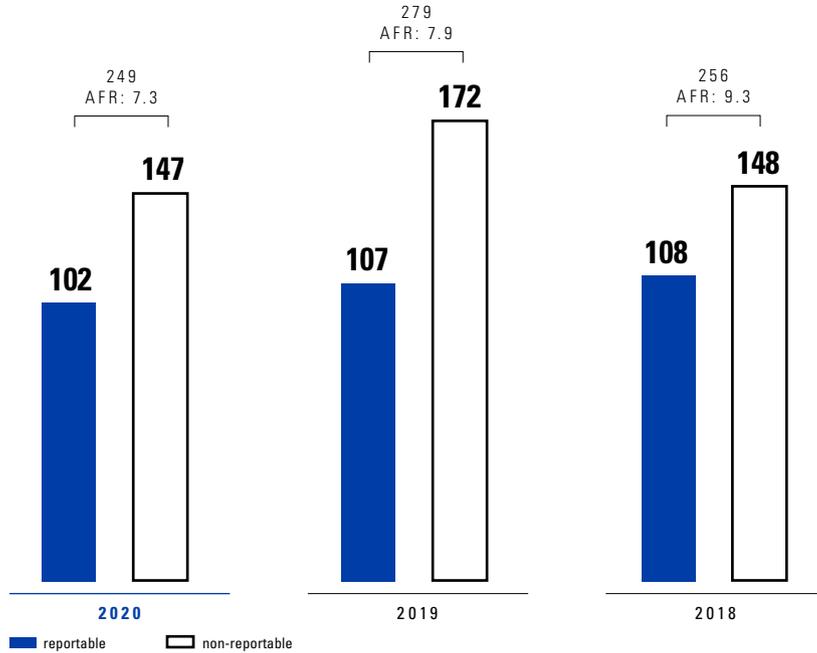
Addiction prevention and stress management

Work-life balance webinars

Reportable accidents¹

it 23

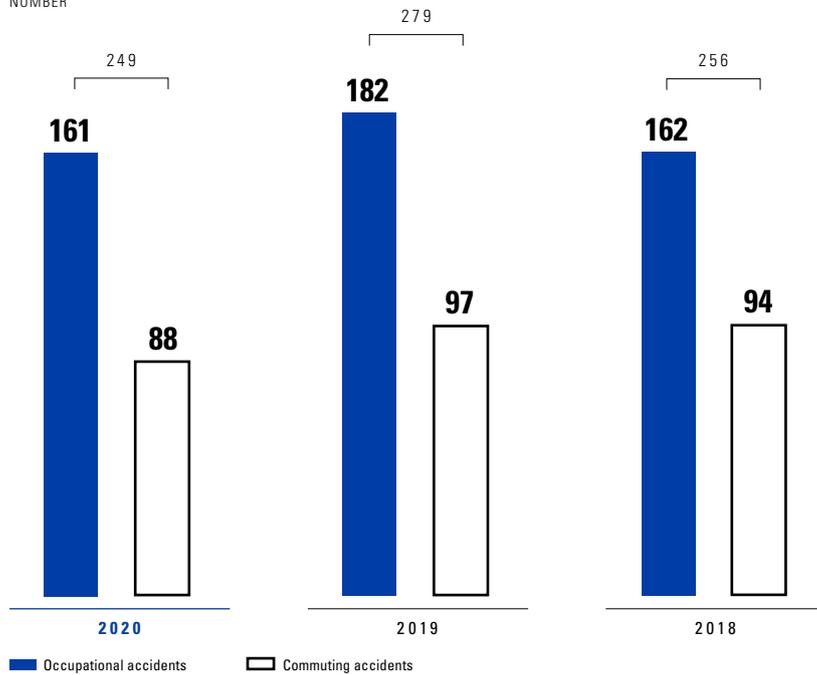
NUMBER AND AFR²



Commuting and occupational accidents¹

it 24

NUMBER



1 _ Company doctors and safety engineers from ias health & safety GmbH provide services for the majority of our subsidiaries. These figures therefore focus on this cooperation. Individual companies also use local service providers to tailor services more closely to their individual needs. These cases are not yet included in the figures. Our objective is to establish a general reporting system that takes in all TÜV SÜD employees in Germany.

2 _ AFR = Accident Frequency Rate: relative frequency of accidents per thousand FTEs relating to all reportable accidents.

OCCUPATIONAL SAFETY

As a technical service provider, we supply our customers with day-by-day support with certification, including the areas of occupational safety and health management. We are familiar with the requirements and also follow them in our own activities, although we are naturally not permitted to certify ourselves. At our customers' request or where required by law—for example, in sub-areas of Industry Service, Chemical Service, Product Service, or Automotive—our laboratories, processes, and management systems are certified in compliance with the relevant standards.

All our employees receive occupational medical care, which is supplied at our individual locations by an external service provider. An occupational medical outpatients' clinic is also available to employees at our Munich location.

In Germany a centrally coordinated first aid and emergency management system was set up in 2016 to ensure safety in all procedures along the emergency response chain and efficient management of first-aider appointment and training. Our engagement in proactive emergency response management extends beyond the requirements of the law. For example, automated external defibrillator (AED) sets have been installed at many of our German locations, as well as an additional 145 at vehicle testing centers in 2020 alone.

In addition to providing occupational mental health consulting in cases of stress or workplace conflict, we set up an emergency mental health service for employees in 2013. The telephone hotline is available 24/7 and can be called by all employees experiencing a mental health emergency.

We also set high standards for the safety of our employees during business travel. We further emphasized our commitment by signing the 2017 Singapore Declaration of the International SOS Foundation. Since then, all TÜV SÜD employees traveling on business have been able to rely on a global network of assistance centers providing fast professional help for medical emergencies or security-relevant issues. They operate around the clock and are currently available in around 70 countries and over 90 languages.

Further occupational health and safety figures ¹

| | 2020 | 2019 | 2018 |
|--|--------|--------|--------|
| Employees surveyed in Germany (full-time equivalents) | 11,445 | 11,276 | 10,807 |
| Average days of absence per accident | 11.3 | 7.2 | 10.6 |
| Percentage of trained first aiders at TÜV SÜD locations in Germany | 9.4 % | 9.5 % | 7.6 % |

Participation rates for selected healthcare campaigns in Germany

| | 2020 | 2019 | 2018 |
|-----------------------------|--------|--------|--------|
| Flu vaccination | 13.5 % | 7.8 % | 8.7 % |
| Colorectal cancer screening | 35.0 % | 37.0 % | 35.0 % |

¹ _ Company doctors and safety engineers from ias health & safety GmbH provide services for the majority of our subsidiaries in Germany. These figures therefore focus on this cooperation. Individual companies also use local service providers to tailor services more closely to their individual needs. These cases are not yet included in the figures. Our objective is to establish a general reporting system that takes in all TÜV SÜD employees in Germany.

HEALTH PROTECTION

We promote personal preventive healthcare by launching Group-wide health campaigns. Despite the restrictions imposed by the pandemic, we were able to continue offering pared-back versions of these measures in 2020. Well-established offers of influenza vaccination, colorectal cancer screening, and health campaigns in individual countries have had high employee take-up rates for many years. Our activities have also been recognized outside the company time and again.

2020 saw the continuation of our diabetes prevention campaign in Germany, launched in 2019. Around 3,300 employees accepted the offer of an online Findrisk test to identify their personal risk levels. 3.6% of the respondents subsequently used our free test kits to have their blood sugar levels laboratory-tested and were able to receive medical advice in cases where the test results showed cause for concern.

In November 2020 we held our first Virtual Health Week, a five-day event where employees could access 15 lightning talks and 35 consulting meetings to explore a wide range of health topics. The documentation from these events is now available on the Intranet. The health program was rounded off by daily relaxation sessions in lunch breaks and exercise suggestions for a “lunch-break workout,” which were used by a total of 1,400 employees.

Given this positive response, virtual health weeks are now planned for the spring and fall of 2021. The next global health campaign will be launched in parallel with the spring event. Over its two years, it will focus on the topics of sleep and resilience. Issues like “Tapping into Energy Sources” and “Resilience During a Crisis” take on particular relevance amid the Covid-19 pandemic. The events are held in German and English and are open to all our employees worldwide.

A further global campaign aimed at cancer prevention pursues unusual methods to attract employees’ attention—an online game developed especially for TÜV SÜD provides a play-based setting communicating information about the most frequent forms of cancer and their preventive measures. The game forms part of a team challenge, designed to create a fun approach to this most serious of topics.

TÜV SÜD subsidizes individual health prevention measures. As well as funding participation in certified healthcare activities throughout Germany, in 2017 cycle leasing schemes were set up for employees in Germany and the UK, enabling them to boost their personal fitness while making a contribution to the environment at the same time.

CONSISTENT ACTION AGAINST THE PANDEMIC

The Covid-19 pandemic continues to present challenges for our society and the world of business. TÜV SÜD took purposeful action to combat the pandemic at an early stage, always focusing on the goal of protecting its employees and their families as effectively as possible.

Drawing on the well-established international structures of our corporate health management organization, we were able to concentrate the necessary skills and expertise within a short time and introduce appropriate measures to limit the consequences of the Covid-19 pandemic.

Throughout the pandemic, TÜV SÜD has used a Covid-19 dashboard to keep the company-relevant progress of infection in view. The dashboard is updated weekly and contains information including details of cumulative and active cases of infection and the number of recoveries among employees in the individual regions.

An emergency response team was promptly set up in February 2020 to oversee and coordinate all actions, with duties assigned to the heads of the relevant departments and business units, the operational companies and regions, and the Board of Management. The team comprised up to 25 members of the company during the peak phase of pandemic response, and now convenes at regular intervals. In addition, a separate team under the control of Global Procurement and the central Corporate Health Management function organized the supply of personal protective equipment and rapid testing facilities for employees.

Our actions in this area were based on a pandemic emergency plan drawn up during the 2009 H1N1 (“swine flu”) pandemic. This plan is primarily aimed at ensuring employees and their families are protected at all times, but also supports effective crisis management that reduces impact on the company as much as possible and enables operations to normalize rapidly once the pandemic is over.

All measures taken prioritize the health of our workforce. The rules implemented by TÜV SÜD often extend beyond government requirements; as early as the end of January 2020, TÜV SÜD issued a travel warning for business travel to Asia and imposed a 14-day quarantine period for employees returning from high-risk areas. Rotating shift models have also been introduced worldwide to ensure office spaces are occupied by only one employee at a time. Employees that are able to work from home can continue to do so, particularly if they fall into an at-risk category. Business travel outside national borders and to Covid-19 high-risk areas continues to be subject to strict conditions. Cleaning cycles in our premises have naturally been adjusted to reflect the situation, and additional measures have been set in place in line with our cleaning and sanitation plan.

A dedicated email address was set up at the start of the pandemic as a central point of contact for executives, where all suspected and confirmed cases of infection can be reported and rapid answers to urgent questions given in line with corporate specifications. Internal communication channels are used to supply all the relevant information to employees and are supplemented by newsletters and videos to mark specific topics or occasions. These have included statutory and internal regulations, but also hygiene and conduct recommendations, details of how to contact liaison officers, and comprehensive tips on mastering daily routine work while working from home or returning to the office.

TÜV SÜD’s cutting-edge IT architecture has played an important role in dealing with the challenges. All employees whose work is not bound to a specific location now have access to the technology they need, eliminating the need for permanent physical presence in the office. To achieve this, the number of VPN (Virtual Private Network) access points worldwide was significantly increased; in Germany alone simultaneous VPN connections grew during the lockdowns from around 2,500 to their present number of around 7,000 per day. The Covid-19 pandemic is thus indirectly driving TÜV SÜD’s transformation into a more agile and globally connected organization.

ENVIRONMENT

68 Environmental commitment

69 Environmental impacts of our business operations

OUR OBJECTIVE

We aim to contribute to climate and resource protection and thus minimize the negative environmental impacts of our business activities.

Environmental commitment

● ADVANCING SUSTAINABILITY THROUGH
GROUNDBREAKING SERVICES
SEE PAGES
38 – 44

Providing services and innovations, we help our customers to drive environmental and climate protection in line with our corporate purpose. At the same time, we strive to make our own business activities as eco-friendly as possible and minimize negative environmental impacts. Although our ecological footprint as a technical service provider is considerably smaller than that of companies in other industries, we are nevertheless determined to contribute toward climate and resource protection and to take responsibility for the ecological consequences of our business activities.

To do so, we aim to systematically track TÜV SÜD's positive and negative environmental impact, develop goals and actions to foster climate and environmental protection in the company, and implement them successfully in the years to come. To further systematize our activities, we also plan to gain environmental certification for as many of our locations as possible. In addition, sustainability certification (BREEAM, LEED, DGNB) is sought for new buildings from a specific size. Our new Singapore premises underwent Breeam pre-assessment in 2019, and the planned new building on the premises of our Group headquarters in Munich is designed to comply with the most rigorous sustainability standards.

GREENHOUSE GAS INVENTORIES DRAWN UP FOR ALL GERMAN TÜV SÜD COMPANIES

Against this backdrop, in 2020 we embarked on the task of collecting the most relevant environmental indicators for all fully consolidated subsidiaries located in Germany and their employees, and used these data to compile a greenhouse gas inventory. As energy consumption and the associated CO₂ emissions account for the greater part of our ecological footprint, our climate protection activities likewise focus on this aspect. Our greenhouse gas inventory covers more than half of all employees throughout the world. We collected the appropriate data in line with the GHG Protocol and ISO 14064-1, albeit without striving for full compliance at this stage. Collection of international data continues to be our objective.

The available figures include direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions caused by energy consumption in the form of electricity and district heat (Scope 2). With respect to further indirect emissions (Scope 3) from upstream and downstream processes, we have collected data on business travel and materials purchasing and consumption.

In 2020 TÜV SÜD's CO₂e emissions in Germany totaled 25,667 t, or around 1.9 t CO₂e per employee (headcount). ≡ 06

TÜV SÜD: Greenhouse gas emissions¹ in Germany ≡ 06

| IN t CO ₂ e | 2020 | 2019 | 2018 |
|-----------------------------------|---------------|---------------|---------------|
| Scope 1 | 16,560 | 17,562 | 15,968 |
| Vehicle fleet | 9,649 | 10,537 | 8,205 |
| Heating | 6,911 | 7,026 | 7,762 |
| Scope 2 | 2,726 | 3,144 | 3,975 |
| Electricity | 1,944 | 2,267 | 3,005 |
| District heat | 783 | 877 | 970 |
| Scope 3 | 6,381 | 13,234 | 13,957 |
| Business travel | 6,173 | 12,990 | 13,703 |
| Paper & water | 208 | 244 | 254 |
| Total | 25,667 | 33,940 | 33,899 |
| Intensity of GHG emissions | | | |
| Per employee (headcount) | 1.9 | 2.6 | 2.7 |
| Per employee (FTEs) | 2.2 | 3.0 | 3.1 |

1 _ To enable comparisons to be made between emissions of different greenhouse gases (GHGs), emission volumes are expressed as CO₂ equivalents (CO₂e). The emitted unit of a GHG and its climate impact—i.e. its contribution to the greenhouse effect—is thus placed in relation to the climate impact of carbon dioxide. Using CO₂e as the unit enables the greenhouse effect of various gases to be compared.

This record of our environmental parameters and initial greenhouse gas inventory enables us to identify relevant emission sources and thus reveal previously untapped potential for savings. The figures collected thus form the basis for developing a climate strategy and reduction target.

Environmental impacts of our business operations

We need resources like energy, heating, paper, and water in our offices and in the operations of our laboratories and testing facilities. These points of use can be categorized by consumption as

- Office locations,
- Technical service centers, and
- Laboratory facilities with a range of testing equipment.

As our operations are highly regionally organized to ensure proximity to our customers, we have extremely numerous points of use, which impedes consistent collection of data. Given this, we base our calculations on estimates and extrapolations to a certain extent.

ENERGY

Energy consumption roughly at prior year's level

In 2020 TÜV SÜD noted energy consumption of 75,378 MWh in Germany, around 35,767 MWh of which was accounted for by electricity. The reduced personal presence of our workforce at our locations during the Covid-19 pandemic made little impact on consumption; the base load of factors such as heating and lighting fell only slightly. ≡ 07

Our laboratories and technical service centers continued to operate throughout the pandemic to enable us to fulfill our social responsibility. To ensure compliance with general hygiene requirements, workflows were adjusted, shift operations introduced, and personal staffing levels at the locations reduced. However, as this resulted in longer operating hours, consumption levels did not fall from the prior year's level.

TÜV SÜD in Germany: Heating energy and electricity consumption ≡ 07

| | 2020 | 2019 | 2018 |
|---------------------------------|----------|----------|----------|
| Total energy consumption in MWh | 75,378.0 | 74,428.1 | 78,113.9 |
| Electricity | 35,767.4 | 34,236.3 | 33,790.5 |
| Heating energy | 39,610.7 | 40,191.8 | 44,323.5 |

Heating energy – virtually free from fossil fuels

Our heating energy is drawn from environmentally friendly sources wherever possible, particularly district heat. Our Munich headquarters—which is also our largest office building—receives district heat from the local utility company. When carrying out conversion or technically essential replacement of heating systems, we always select the most sustainable alternative which is technically feasible. Our new laboratory in Garching, opened in 2013, is heated using district heat from the local geothermal heat provider. Only a few independently managed locations in Germany still use oil heating systems.

Numerous technical service centers for periodic vehicle inspections have been modernized in recent years, with measures including efficient infrared “dark radiators.”

Green power out ahead

In 2020 86% of the power used by TÜV SÜD in Germany was “green” power, accompanied by the appropriate proof of origin certification. The remaining percentage concerned small-scale properties and was not verifiable. This uncertified consumption was shown in our greenhouse gas inventory as electricity from a conventional energy mix (“gray” electricity).

Our offices primarily use electricity for the operation of computers, IT infrastructures, and lighting systems as well as for standard technical building services (HVAC systems, cooling, elevators) and, at larger locations, for canteens and kitchenettes.

Electricity consumption at our technical service centers falls into the following categories of significant energy use: exhaust testing equipment, brake test rigs, lifting platforms, air compressors, office workstations, printers. In addition to computer workstations and their associated infrastructure, laboratories operate numerous items of decentralized testing equipment and the necessary infrastructure, e.g. for generation of heating or cooling.

Consistent pursuit of greater efficiency in buildings

We began to drive efficiency enhancement and modernization programs for building management many years ago and have implemented measures in these areas consistently and purposefully ever since. Refurbishment measures are taken as opportunities to optimize the energy efficiency and environmental compatibility of our existing buildings. For example, during roof refurbishment at our Group headquarters we not only installed improved insulation, but also added extensive greening as an additional contribution to environmental and climate protection.

Regular energy audits—most recently in 2019 for all locations in Germany—identify areas where action is needed and opportunities for optimization, while also documenting the improvements in energy efficiency already reached. Furthermore, we are currently introducing a software program for comprehensive energy controlling, which will deliver more accurate data and detect further potential for making savings. Wherever possible, we seek to switch to sustainable and eco-friendly technologies. To give one example, in 2020 the complete lighting system in use along high-traffic routes and function rooms at our Group headquarters in Munich was changed to LEDs with motion sensors.

BEES@TÜV SÜD

After undergoing refurbishment and extensive greening, the roof of our Group headquarters in Munich is now home to three beehives. The idea was proposed by a member of the Facility Management department and quickly gained widespread support. Over 30 amateur beekeepers from all over the Group are now actively involved in the project and take care of the bees in their spare time, with the support and expertise of an experienced beekeeper to assist them. The bees have access to plentiful food sources on the heavily greened roof and in the neighboring Westpark, and produced around 400 jars of honey by the end of 2020. The honey was sold inhouse to employees and the proceeds—plus a top-up donation from the company itself—went to the Munich branch of the nonprofit children's foundation "Die Arche," which supports socially disadvantaged children and young people.

SOLAR POWER AT STRAUBING EMC LABORATORY

Bringing power generation inhouse and reducing the need for electricity from external sources was the objective of a new photovoltaic system delivering around 94 kW, which went into operation in the summer of 2020 at TÜV SÜD's electromagnetic compatibility (EMC) laboratory at the Bavarian town of Straubing.

In addition to EMC and radio testing, the laboratory also performs electrical safety tests and environmental simulation tests for industry, rail, and automotive products as well as testing electric vehicle charging stations and the vehicles themselves.

These testing procedures are highly energy-intensive by their very nature. All the power generated by the new photovoltaic system is used in testing, cutting energy consumption from external sources by around 8%.

BUSINESS TRAVEL

Our employees are constantly on the move. To perform testing of industrial plants and systems, cable cars, amusement park facilities, elevators, and other systems, personal on-the-spot presence is essential. In 2020 our employees at TÜV SÜD legal entities in Germany traveled a total of almost 100 million kilometers on business, either driving (company, private, or hired car), by rail, or by air. This is equivalent to around 7,400 kilometers per employee. Given this, a significant share of our CO₂ footprint is accounted for by employee travel and the indirect emissions it incurs (Scope 3).

The Covid-19 pandemic caused the majority of business travel to be canceled, so that the emission data for this item are significantly lower than the prior year's results. This was made possible by changes to the framework conditions introduced by our accreditation body, Deutsche Akkreditierungsstelle (DAkkS), in response to the challenges thrown up by the pandemic. These included broadening the possibilities for use of remote auditing, which enabled the amount of travel carried out by our employees to be slashed.

Driving accounted for the greatest amount of business travel by far, at 93.5%; this represented a considerable rise from the previous year. Our greenhouse gas inventory includes our fleet of almost 3,000 leased company cars and 100% of kilometers driven, in addition to travel in rented cars and business travel in private cars.

Only 4% of total mileage—around 4.2 million kilometers—was covered by air, with around 2% covered by rail. Both these figures are significantly lower than in the prior year due to the effects of the pandemic.

≡ 08

TÜV SÜD in Germany: Business travel in kilometers¹

≡ 08

| BUSINESS TRAVEL | | 2020 | 2019 | 2018 |
|---------------------------------------|-------------------|------------|-------------|-------------|
| | km in total | 98,591,855 | 139,433,152 | 127,465,213 |
| Travel/employee | km/employee | 7,389.0 | 10,675.5 | 10,279.5 |
| | Share of total km | 58.3 % | 44.0 % | 36.0 % |
| Leasing fleet | km | 57,483,012 | 61,220,185 | 45,789,237 |
| | Share of total km | 4.0 % | 4.3 % | 5.5 % |
| Rental car | km | 3,927,335 | 5,956,185 | 6,955,699 |
| | Share of total km | 31.2 % | 23.6 % | 25.4 % |
| Business travel in private cars | km | 30,882,835 | 32,893,379 | 32,338,548 |
| | Share of total km | 2.2 % | 7.6 % | 7.4 % |
| Rail | km | 2,130,826 | 10,636,743 | 9,435,100 |
| | Share of total km | 4.2 % | 20.6 % | 25.8 % |
| Flights (short/medium & long haul) | km | 4,167,847 | 28,726,660 | 32,946,629 |

¹ _ Employees at TÜV SÜD legal entities in Germany

NEW POLICY AIMED AT LOWERING EMISSIONS

TÜV SÜD is planning to revise its company car policy for Germany in 2021 with the aim of further reducing the indirect emissions generated by business travel and thus helping to protecting the climate. The company plans to introduce changes to the framework conditions that result in emission reductions.

In 2018 we passed a Works Agreement driving the continuous expansion of e-charging points at our locations and thus enabling our employees to charge their electric vehicles free of charge. By 2020 TÜV SÜD's six largest locations had electric vehicle charging stations. We plan to vigorously expand this infrastructure in the future.

To allow our employees to keep emissions as low as possible when they commute between home and work, a range of offers such as reduced-price public transport tickets have been available for many years. In addition, our "Company Bike" campaign, launched 2017, provides employees at various German locations with the option of hiring a bicycle. The scheme has the dual purposes of protecting the environment and encouraging fitness among the employees. Over 1,000 have already joined up. A similar initiative to "Company Bike," "Cycle to Work," was launched at TÜV SÜD locations in the UK in 2017, where it has received similar enthusiasm.

MATERIAL

Focus on paper consumption

In 2020 TÜV SÜD Germany consumed around 163 tonnes of paper for printers and photocopiers, around 16.5% less than the previous year. In Germany we use only FSC-certified paper from sustainably managed forests.

To continue keeping our use of paper as low as possible, all printers have two-sided printing as their default setting. Furthermore, more and more processes are being digitized, resulting in greater savings on paper consumption. We have introduced inhouse cloud solutions for document exchange and are turning to digital archiving for more and more materials. Internal forms and records, e.g. pay or travel expense accounts, are increasingly being provided in digital form.

≡ 09

TÜV SÜD in Germany: Paper consumption 2018 – 2020

≡ 09

| PAPER CONSUMPTION IN TOTAL | | 2020 | 2019 | 2018 |
|----------------------------|-------------|-------|-------|-------|
| Total printing paper | t | 163.0 | 195.2 | 204.7 |
| kg/employee | kg/employee | 11.1 | 13.8 | 15.1 |

WATER

Every drop counts

While we use relatively little water in our company, we nevertheless aim to be prudent in our consumption of this resource. In 2020 our German companies used a total of approx. 86,000 m³ of water, equivalent to annual per capita consumption of approx. 6.5 m³.

At TÜV SÜD water is infrequently used in testing processes; the majority of consumption involves service water at office premises. At our laboratories and technical service centers, where testing processes can contaminate water, oil separators and other cleaning methods are used. Once cleaned, the water passes into the sewerage system and returns to the water cycle.

PROSPECTS FOR THE FUTURE

We aim to collect more extensive information on the main environmental impacts of our operations to enable us to take more closely targeted action in the future. To do so, we are continually expanding the scope, precision, and level of detail of the data we gather, with the primary objective of expanding systematic monitoring to cover international locations and companies and of increasing our collection of more Scope 3 data. These plans are based on the assumption of a consistent, cohesive approach to data collection that will allow data to be compared over time.

As part of introducing systematic methods in our sustainability activities, we are working on concrete goals and measures to further grow our environmental commitment. Against this backdrop, TÜV SÜD is preparing an environmental guideline containing concrete specifications for the relevant fields of action and including a concrete environmental target for TÜV SÜD. The guideline is scheduled to be passed by the Board of Management during 2021 and will then apply across the Group.



COMMITMENT TO SOCIETY

76 The TÜV SÜD Foundation

77 Social engagement

OUR OBJECTIVE

By promoting and implementing charitable projects, we provide wide-ranging support for societal issues and contribute to the general good.

As a company, we seek to play a proactive role in the sustainable development of our society with multitudinous forms of engagement, ranging from donations and collaborations to self-initiated projects. We can also point to extensive activities supporting education in technology and natural sciences for young people, focusing on the opportunities and challenges of digitization. These projects are initiated by the TÜV SÜD Foundation as well as directly by Group companies.

Inspiring passion for technology – The TÜV SÜD Foundation

The TÜV SÜD Foundation is one of the two owners of TÜV SÜD AG. Its work funds an array of projects throughout Germany focusing on education and training for young people in STEM (Science, Technology, Engineering, Mathematics) subjects. All activities of the Foundation are directed toward the overarching goal of generating enthusiasm for modern technology and natural sciences among young people.

Since its establishment in November 2009, the TÜV SÜD Foundation has invested a total of approximately EUR 4.5 million in these projects. The majority of the Foundation's funding is derived from dividends from TÜV SÜD AG and donations from companies in the TÜV SÜD Group.

Its projects serve to open up cutting-edge technologies for young people, improve educational equality, and drive technological change, offering funding in a wide range of areas. The Foundation plays an active role in furthering continued economic success in Germany. The scope of its project funding in 2020 spanned primary and secondary school projects, activities in technical and commercial training, support for new methods of training student vocational teachers, and guest professorships at German universities for scientists of international repute. The TÜV SÜD Foundation also coordinates the youth training and education activities funded by the TÜV SÜD member companies if it is requested to do so, based on its dedicated experience in the sector. The TÜV SÜD Foundation funded around twenty projects in 2020, allotting over EUR 1 million to their realization. Due to the restrictions imposed on many educational institutions by the Covid-19 pandemic, funding carryover was higher than normal.

For further information on the projects, activities, and allocation of funding of the TÜV SÜD Foundation, visit the website or see the latest Annual Report of the TÜV SÜD Foundation.

● LEGAL STRUCTURE
SEE PAGE
09

● TÜV SÜD STIFTUNG
TUEV-SUED-STIFTUNG.DE

Social engagement by TÜV SÜD

In the pandemic year of 2020 we stepped up our support of initiatives for improving the situation of sick people in need, and voluntary work. In addition, projects with close links to our role in society as a technical service provider continue to form the central pillar of our social engagement at TÜV SÜD. We provide targeted funding for educational and training activities in the field of technology and science and support initiatives designed to improve safety and security and minimize risks. In 2020 TÜV SÜD AG and its member companies invested approximately EUR 0.4 million. We also contributed EUR 0.3 million to a newly established external foundation with the aim of fostering and advancing social cohesion and solidarity. Its purpose is to support education and promote science and technology, youth aid, and civic involvement. A key objective of the foundation is to strengthen the voluntary sector and support the socially disadvantaged.

All donations and company funding from the TÜV SÜD Group are systematically recorded and transparently summarized in an annually issued report. We apply a donation allocation policy to ensure that implementation of our social engagement activities is effectively coordinated and legally compliant.

COMMITMENT TO HEALTH – INITIATIVES IN SINGAPORE AND GERMANY

The Covid-19 pandemic has starkly demonstrated the enormous significance of healthcare and medical research for the wellbeing of us all. In response, in 2020 TÜV SÜD supported numerous initiatives in the field of health and medicine and funded projects to assist sick people in need. As part of a donation drive launched by TÜV SÜD in Singapore, numerous employees and executives voluntarily donated personally to Covid-19 aid schemes. As announced in advance, our company pledged to double the amount of private donations. One of the beneficiaries was the Sayang Sayang Fund in Singapore, which helps children, the elderly, homeless, migrants, and social enterprises adversely affected by the pandemic. In addition, the initiative supports major medical research projects on coronaviruses and emergency preparedness activities.

In Germany TÜV SÜD stepped up its engagement in the fight against cancer. In 2020 we supported “Aktion Knochenmarkspende Bayern,” a campaign to encourage more people in Southern Germany to sign up as bone marrow donors for leukemia sufferers. Stiftung Hochschulmedizin, our university medicinal foundation, also funded the work of the university clinic in Dresden, enabling advancements to be made in areas including new surgical methods for tumor treatment. To enable children, young people, and their families to recover fully from severe cancer, we supported the work of Katharinenhöhe rehabilitation clinic in the Black Forest. We also contributed funds to children’s hospices in Germany that support severely ill children along their journey; one such institution receiving funds in 2020 was the Karlsruhe Children’s Hospice.

● SAYANG SAYANG FUND
CF.ORG.SG/SAYANGSAYANGFUND

● AKTION KNOCHENMARKSPENDE BAYERN,
AKB.DE

● STIFTUNG HOCHSCHULMEDIZIN,
STIFTUNG-HOCHSCHULMEDIZIN.DE

● REHABILITATIONSKLINIK
KATHARINENHÖHE,
KATHARINENHOEHE.DE

● KINDERHOSPIZ KARLSRUHE,
HOSPIZ-IN-KARLSRUHE.DE

TAFELN – FOOD BANKS HELPING THOSE IN NEED IN GERMANY

● TAFEL DEUTSCHLAND
TAFEL.DE

● FILDERTAFEL
KREISDIAKONIE-ESSLINGEN.DE

Every day many tonnes of perfectly edible food are thrown away in Germany—while at the same time many people live in poverty. Die Tafeln, a charitable organization operating throughout Germany, seeks to counter this deplorable situation. Its volunteers collect top-quality waste food that would otherwise be disposed of and distribute it to people in need. In 2020 TÜV SÜD companies supported the work of Tafel Deutschland as the umbrella organization as well as the regional Fildertafel food bank in the state of Baden-Wuerttemberg.

JOBLINGE – OPPORTUNITIES FOR YOUNG PEOPLE

● INITIATIVE JOBLINGE
JOBLINGE.DE

Joblinge is a successful project promoting equality of opportunity and participation. The non-profit initiative supports young people who have a difficult start in life, with the aim of providing them with genuine job opportunities and ensuring their sustainable integration into the employment market and society as a whole. By supporting tailored qualifications and providing voluntary mentoring schemes, and assistance during training, the initiative is achieving success rates well above the average, with over 70% of young people going on to gain training qualifications as a promising start to a career. TÜV SÜD provides a wide variety of support to the Joblinge initiative; as a long-standing shareholder of the nonprofit joint stock company Joblinge Munich, TÜV SÜD provides financial support, and over 20 TÜV SÜD employees all over Germany are currently acting as mentors for young people undergoing training. Some years ago we also joined forces with a partner to establish “Kfz-Joblinge” in the automotive sector, which offers disadvantaged young people the chance to train for the attractive career of mechatronics technician. This successful approach was recently expanded to include “Technik-Joblinge” with training for careers in electrical engineering and information technology as well as in sanitary and HVAC (heating, ventilation, and air conditioning) engineering.

UNIVERSITY SCHOOL DRESDEN – REINVENTING SCHOOL

● UNIVERSITÄTSSCHULE DRESDEN
UNIVERSITAETSSCHULE.ORG

The University School Dresden, which opened its doors in the 2019/2020 school year, brings together three educational institutions under one roof. It is home to a primary and secondary school for children in Dresden as well as a research center and a training and further education college of Technische Universität Dresden (TUD). The School provides the opportunity to develop innovative concepts for learning and teaching and trial them in scientific conditions. Innovative forms of teaching, learning, and coexistence are developed, tested, and scientifically evaluated. All students learn side by side in groundbreaking teaching/learning settings forming an individualized and collaborative environment. The individual learning processes are digitally driven by dedicated software, developed in previous years with funding from TÜV SÜD.

KISS MINT – INNOVATIVE EXPERIMENTS

● HTW DRESDEN
HTW-DRESDEN.DE

This STEM-based project (“MINT” is the German acronym for STEM) is a collaboration between Dresden University of Applied Sciences and further partners with funding from TÜV SÜD. It aims to inspire enthusiasm for scientific topics in school students and familiarize them with the basic principles of digitization. The project develops materials and experiments for use in schools which appeal to the students’ creative, playful, and experimental sides. The interdisciplinary materials are suitable for school projects as well as for complementary extracurricular work. During the pandemic year of 2020 the teaching concept was effectively transferred to the Internet; creative online projects and the web channel “Kiss MINT live” provided a digital setting where a playful approach to the technologies of the future was encouraged.

TECHNOSEUM MANNHEIM – THE THRILL OF ENERGY

● TECHNOSEUM MANNHEIM
TECHNOSEUM.DE

In summer 2020 a new permanent exhibition on the subject of energy opened at the TECHNOSEUM in Mannheim, one of the largest technology museums in Germany. The new exhibition invites visitors to experience the ways in which energy shapes life and work in our society. The exhibition designers have created a groundbreaking new concept based on research stations, and focus on interaction and conscious experience. They seek to communicate the need for care and awareness in using energy, particularly against the backdrop of climate change. The three new interactive stations on the topics of pump storage plants, heat and power generation, and the “Transparent Consumer” were realized with the support of TÜV SÜD.

STIFTERVERBAND – AN INITIATIVE FOSTERING EDUCATION, SCIENCE, AND INNOVATION

● STIFTERVERBAND
STIFTERVERBAND.ORG

TÜV SÜD has long served as a reliable partner in supporting the wide-ranging activities of the Stifterverband organization. Its core issues and fields of activity are education, science, and innovation. The organization actively promotes equal opportunities in education, excellent universities, and internationally competitive research institutions. The instruments it employs to do so range from extracurricular talent promotion and higher education structural programs to detailed analyses of scientific and innovation systems. In addition, a crowdfunding initiative entitled “Wirkung hoch 100” was launched in 2020 to drive innovative projects in Germany. TÜV SÜD is a member of the management board of the Stifterverband and has been involved in numerous education and innovation projects of the organization in recent years. We have supported the German Future Prize, a technology and innovation award presented by the President of the Federal Republic of Germany, for many years. The award is bestowed by the Stifterverband and honors outstanding achievements in technological research. In addition, since 2013 TÜV SÜD has funded the Foundation Chair for Reliability and Safety of Technical Systems at Tongji University, Shanghai.

● DEUTSCHER ZUKUNFTSPREIS
DEUTSCHER-ZUKUNFTSPREIS.DE

INNOVATIVE ROAD SAFETY EDUCATION AWARD – SAFE ROUTES TO SCHOOL

Bavarian schools apply imaginative approaches to make children's journey to school safer. The primary aim is to protect children going to and from school and increase their responsibility as road users. Landesverkehrswacht Bayern, Bavaria's road safety association, has organized the annual Innovative Road Safety Education Award since 2012. The objective of the award is to support and increase awareness of outstanding road safety education projects by schools and to inspire as many as possible to take up the ideas. The Award is funded by TÜV SÜD AG.

● [DEUTSCHE VERKEHRSWACHT BAYERN.](https://www.verkehrswacht-bayern.de)
[FÖRDERPREIS DER TÜV SÜD STIFTUNG](https://www.verkehrswacht-bayern.de)
[VERKEHRSWACHT-BAYERN.DE](https://www.verkehrswacht-bayern.de)

BE SMART CAMPAIGN: HANDS ON THE WHEEL – EYES ON THE ROAD

The "Be smart" campaign aims to highlight the risks of using smartphones while driving. It is carried out as a joint project by TÜV SÜD and the "Mobil in Deutschland" automobile club. When launched in 2015, the initiative was Germany's first nationwide campaign designed to create a new awareness of responsible cellphone use among drivers. This groundbreaking commitment has received multiple awards.

● ["BE SMART"](https://www.besmart-mobil.de)
[BESMART-MOBIL.DE](https://www.besmart-mobil.de)

The cover features a minimalist design with a light yellow background. On the left side, there are two overlapping circles: a smaller, solid yellow circle in the foreground and a larger, semi-transparent white circle behind it. The text 'GRI CONTENT INDEX' is centered horizontally and positioned between the two circles.

GRI CONTENT INDEX

GRI Content Index

This GRI Content Index contains information guided by the recommendations set forth in the GRI Sustainability Reporting Standards. This index cross-references the selected GRI Standards and disclosures listed below to related sections in TÜV SÜD's "One World – Sustainability at TÜV SÜD 2020", as well as other sources of information. The majority of the GRI disclosures listed below are reported almost in full, exceptions are identified accordingly either in the report or in the GRI Content Index.

≡ 10

GRI Content Index

≡ 10

| Disclosures | Comments | References |
|--|--|--|
| GRI 102: GENERAL DISCLOSURES 2016 | | |
| Organizational Profile | | |
| 102-1 | Name of the organization | Legal structure guarantees independence (p. 09) 2020 Annual Report (p. 20) |
| 102-2 | Activities, brands, products, and services | 2020 Company portrait (p. 08) Our services (pp. 11 – 13) Our certification marks and certificates (p. 14) 2020 Annual Report (pp. 22 – 26; 40 – 46) |
| 102-3 | Location of headquarters | Legal structure guarantees independence (p. 09) |
| 102-4 | Location of operations | Company portrait (p. 08) 2020 Annual Report (pp. 10 – 11; 155 – 157) |
| 102-5 | Ownership and legal form | Legal structure guarantees independence (p. 09) 2020 Annual Report (pp. 20 – 21) |
| 102-6 | Markets served | Company portrait (p. 08) Our services (pp. 11 – 13) 2020 Annual Report (pp. 22 – 23) |
| 102-7 | Scale of the organization | Company portrait (p. 08) Our services (pp. 11 – 13) Employees – Our objective (p. 46) 2020 Annual Report (pp. 47 – 55; 65) |
| 102-8 | Information on employees and other workers | Employees – Our objective (pp. 46 – 49) Diversity management (p. 58) 2020 Annual Report (pp. 74 – 77) |
| 102-9 | Supply chain | Sustainability in the supply chain (pp. 35 – 36) |
| 102-10 | Significant changes to the organization and its supply chain | 2020 Annual Report (pp. 110 – 112; 119; 124; 125 – 126; 130; 133) |
| 102-12 | External initiatives | Stakeholder dialogue (pp. 20 – 24) |
| 102-13 | Membership of associations | Stakeholder dialogue (pp. 20 – 24) |

| Disclosures | Comments | References |
|-------------------------------|---|--|
| Strategy | | |
| 102-14 | Statement from senior decision-maker | Foreword by the Chairman of the Board of Management (pp. 05–06) |
| 102-15 | Key impacts, risks, and opportunities | 2020 Annual Report (pp. 81–91) |
| Ethics and integrity | | |
| 102-16 | Values, principles, standards, and norms of behavior | Compliance (p. 27) Employees – Our objective (pp. 46–47) 2020 Annual Report (p. 36) |
| 102-17 | Mechanisms for advice and concerns about ethics | Compliance monitoring and improvement (p. 29) 2020 Annual Report (p. 36) |
| Governance | | |
| 102-18 | Governance structure | Corporate sustainability management (p. 19) 2020 Annual Report (p. 31) |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | Corporate sustainability management (p. 19) |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | Stakeholder dialogue (pp. 20–24) |
| Stakeholder engagement | | |
| 102-40 | List of stakeholder groups | Stakeholder dialogue (p. 20) |
| 102-41 | Collective bargaining agreements | Data currently available for Germany only. Expansion of the data presentation is under development. Employees (p. 49) |
| 102-42 | Identifying and selecting stakeholders | Stakeholder dialogue (p. 20) |
| 102-43 | Approach to stakeholder engagement | Stakeholder survey and materiality analysis performed (pp. 17–18) Stakeholder dialogue (pp. 20–24) |
| 102-44 | Key topics and concerns raised | Stakeholder survey and materiality analysis performed (pp. 17–18) |

| Disclosures | Comments | References |
|---|--|--|
| Reporting practice | | |
| 102-45 | Entities included in the consolidated financial statements | The consolidated Group presented in the Sustainability Status Report corresponds to that in the Annual Report. 2020 Annual Report (pp. 155–158) |
| 102-46 | Defining report content and topic boundaries | About this Sustainability Status Report (p. 02) Stakeholder survey and materiality analysis performed (pp. 17–18) |
| 102-47 | List of material topics | Stakeholder survey and materiality analysis performed (pp. 17–18) |
| 102-48 | Restatements of information | No new presentations of information from previous reports were used in the reporting year of 2020. |
| 102-49 | Changes in reporting | Stakeholder survey and materiality analysis performed (pp. 17–18) |
| 102-50 | Reporting period | About this Sustainability Status Report (p. 02) |
| 102-51 | Date of most recent report | July 9, 2020 |
| 102-52 | Reporting cycle | About this Sustainability Status Report (p. 02) |
| 102-53 | Contact point for questions regarding the report | Imprint (p. 87) |
| 102-54 | Claims of reporting in accordance with the GRI Standards | About this Sustainability Status Report (p. 02) |
| 102-55 | GRI content index | GRI content index (pp. 82–86) |
| 102-56 | External assurance | No external audit of this 2020 Sustainability Status Report was performed. |
| GRI 200: ECONOMIC | | |
| GRI 201: Economic Performance 2016 | | |
| 201-1 | Direct economic value generated and distributed | 2020 Annual Report (C2; pp. 40–49; 50–61) |
| GRI 205: Anti-corruption 2016 | | |
| 205-1 | Operations assessed for risks related to corruption | The regular Group-wide compliance risk analysis includes evaluation of corruption risks with reference to all operating locations. Compliance (pp. 26–30) |

| Disclosures | Comments | References |
|--------------------------------|--|--|
| 205-2 | Communication and training about anti-corruption policies and procedures | <p>The topic of corruption is among those dealt with in the Compliance e-learning module, which all employees must complete at regular intervals. Current topics are regularly communicated worldwide by executives (up to Board of Management level) and by the global Compliance organization. TÜV SÜD is currently reviewing expansion of the data presentation.</p> <p>Compliance (p. 27) 2020 Annual Report (pp. 36–37; 88)</p> |
| GRI 207: Tax | | |
| 207-1 | Approach to tax | Taxes (pp. 30–31) |
| 207-2 | Tax governance, control, and risk management | Taxes (pp. 30–31) |
| 207-3 | Stakeholder engagement and management of concerns related to tax | <p>Compliance with all tax-related obligations is a prime objective of TÜV SÜD's tax compliance management system. TÜV SÜD is in contact with the relevant official authorities and other stakeholders for this purpose.</p> <p>Taxes (pp. 30–31)</p> |
| GRI 300: ENVIRONMENTAL | | |
| GRI 301: Materials 2016 | | |
| 301-1 | Materials used by weight or volume | <p>Data on paper consumption currently apply to Germany only. Expansion of the data presentation is under development.</p> <p>Material (p. 73)</p> |
| GRI 302: Energy 2016 | | |
| 302-1 | Energy consumption within the organization | <p>TÜV SÜD uses coolants and steam for operating its equipment and systems. The company is currently reviewing the possibility of collecting data to determine the extent of this use.</p> <p>Energy (p. 70)</p> |
| GRI 305: Emissions 2016 | | |
| 305-1 | Direct (Scope 1) GHG emissions | Greenhouse gas inventory drawn up for all TÜV SÜD companies (pp. 68–69) |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Greenhouse gas inventory drawn up for all TÜV SÜD companies (pp. 68–69) |
| 305-3 | Other indirect (Scope 3) GHG emissions | <p>Data currently available for Germany only. Expansion of the data presentation is under development.</p> <p>Greenhouse gas inventory drawn up for all TÜV SÜD companies (pp. 68–69)</p> |
| 305-4 | GHG emissions intensity | Greenhouse gas inventory drawn up for all TÜV SÜD companies (pp. 68–69) |

| Disclosures | Comments | References |
|--|--|---|
| GRI 400: SOCIAL | | |
| GRI 401: Employment 2016 | | |
| 401-1 | New employee hires and employee turnover | TÜV SÜD is currently reviewing expansion of the data presentation. Recruiting (p. 50) 2020 Annual Report (pp. 74–79) |
| 401-3 | Parental leave | Data currently available for Germany only. Work-life balance (pp. 59–60) |
| GRI 403: Occupational Health and Safety 2018 | | |
| 403-1 | Occupational health and safety management system | Quality management (p. 34) Global Health & Safety Policy provides the framework (pp. 61–62) |
| 403-3 | Occupational health services | Occupational safety (p. 64) Health protection (p. 65) |
| 403-6 | Promotion of worker health | Health protection (pp. 64–65) |
| 403-8 | Workers covered by an occupational health and safety management system | Data currently available for Germany only. Group-wide data presentation is under development. Global Health & Safety Policy provides the framework (pp. 61–62) |
| 403-9 | Work-related injuries | Data currently available for Germany only. Group-wide data presentation is under development. Global Health & Safety Policy provides the framework (pp. 63–64) |
| GRI 404: Training and Education 2016 | | |
| 404-1 | Average hours of training per year per employee | TÜV SÜD is currently reviewing expansion of the data presentation. Human resource development and continuing training (p. 53) 2020 Annual Report (p. 78) |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Human resource development and continuing training (pp. 53–55) |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Compensation and benefits (p. 51) |
| GRI 405: Diversity and Equal Opportunity 2016 | | |
| 405-1 | Diversity of governance bodies and employees | Diversity management (p. 58) 2020 Annual Report (p. 35) |

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