



**Add value.
Inspire trust.**



CHALLENGE

SUSTAINABILITY
AT TÜV SÜD 2021

About this Sustainability Report

GRI 102-45
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GRI 102-54

Open and transparent communication is the bedrock of sustainable action. In this publication we report on the ecological, economic, and social impacts of our business operations.

This Sustainability Report 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 Report complements the Annual Report. It is updated annually. An English translation is also available. In the event of discrepancy, the original German version shall prevail.

The report was produced on the basis of the GRI Standards' "Core" option, issued by the Global Reporting Initiative (GRI). The GRI Content Index in the Annex provides an overview of the GRI standards and/or their relevant content areas examined in this report.

The reporting period covers financial 2021 (January 1, 2021, to December 31, 2021). Financial 2020 was taken for comparison. The content of the report was produced in cooperation with the various responsible corporate functions and legal entities of TÜV SÜD Group.

The scope of consolidation presented in the Sustainability Report corresponds to that in the consolidated financial statements. Details given refer to all fully consolidated subsidiaries in the financial report; any exceptions are identified in the relevant section.

Because of rounding, in the Sustainability 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 Report includes statements by TÜV SÜD concerning the future, they are based on current expectations, plans, goals and targets, and forecasts and estimates by the Board of 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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AXEL STEPKEN



Dear Readers,

GRI 102-14

“ONE Challenge” is the banner over all of TÜV SÜD’s corporate publications on the challenging past year of 2021. Climate change, military conflict, pandemic, social cohesion: these are problems that currently beset us all, and can only be solved by an alliance of state, society, and business. Coordinated action is needed to deliver innovative approaches, intelligent ideas, and commitment to guaranteeing a future worth living – also for the generations to come.

We must find the courage to take decisive action today to benefit the world of tomorrow. At TÜV SÜD, we are very clear in our mission to confront the challenges of our time and contribute to developing future-proof solutions. To do so, we focus on the sustainability of our actions. Our objective is clear-cut: for TÜV SÜD to become the most sustainable company in its sector of industry, and the impartial and independent partner of choice for all issues related to sustainability and future-facing solutions.

For TÜV SÜD, this perspective is nothing new. We have been fulfilling our social responsibility to protect people, the environment, and assets from technology-related risks for over 150 years, creating the conditions necessary for technological progress to flourish. By purposefully focusing on sustainability, we are taking this objective and our associated social responsibility into the future, preparing the ground for sustainable action in the spheres of business and society. In short, we are accepting responsibility today for the world of tomorrow.

Our methods and processes are set out in this year’s Sustainability Report, our first to be produced on the basis of the GRI Standards’ “Core” option issued by the Global Reporting Initiative (GRI). By adopting these standards, we improve the quality of our reporting, establish comparability in our approach, and thus lay the foundations for the perpetual driver of our success from the outset: people’s trust in our services, in the quality of our certificates and certification marks, and – first and foremost – in the integrity of our employees throughout the world.

Our portfolio of services reflects this objective. Climate change and renewable energy sources, sustainable building, reliable supply chains, sustainable transport and infrastructure – day by day, our experts at TÜV SÜD help make the world more future-proof, more sustainable. We are currently engaged in further expanding this broadly based portfolio and will thus become the partner of choice for our customers in all sustainability-related issues.

In parallel, we are determined to continue along our own path toward improving resource conservation as a company. Here, our areas of focus include climate protection, where we have the target of net-zero operation by 2025. We are working with dedication on creating energy savings and avoiding emissions. In this process the full range of our processes and activities are under scrutiny, from the vehicle models in our company vehicle fleet to our consistent use of energy from renewable sources. The advancement of digitalization is key in paving the way to achieving our goals; today many tasks that once involved time-consuming on-site testing and inspection can be completed remotely, saving our customers time and money, and benefiting the environment by cutting down on travel and the associated carbon emissions.

Our commitment is also demonstrated by our construction projects in Munich and Singapore, which fulfill the strictest standards of sustainability and energy efficiency in buildings. We have good reason for setting ourselves ambitious goals in this respect: by reflecting the most advanced and sustainable standards and the state of the art, the buildings we complete today will effectively minimize the environmental impact of their operation for many decades to come.

We create an attractive working environment for our employees, in which mutual respect and appreciation reign and prejudice has no place. We ensure the integrity of our actions with an extensive compliance management system. The TÜV SÜD Trust Channel, a whistleblower platform, enables concerned individuals to share even the slightest doubts or information around the clock in 17 languages.

Our business partners and suppliers also become part of our commitment to sustainability in the form of our new TÜV SÜD Supplier Code of Conduct. We expect them to make their own contribution to increasing sustainability. When it comes to shaping the future, there can be no spectators – only active players.

All these aspects demonstrate the seriousness with which we take our commitment as we pursue a clear drive to lead. It is vital for us to master this ONE Challenge, which concerns us all: the creation of a future worth living, here and now!

TÜV SÜD is ready to tackle this challenge. And I welcome your interest in accompanying us on our journey.

Kind regards,



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

TÜV SÜD AT A GLANCE

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Company portrait

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GRI 102-4
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“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, certainty, 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 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 government. 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. 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.

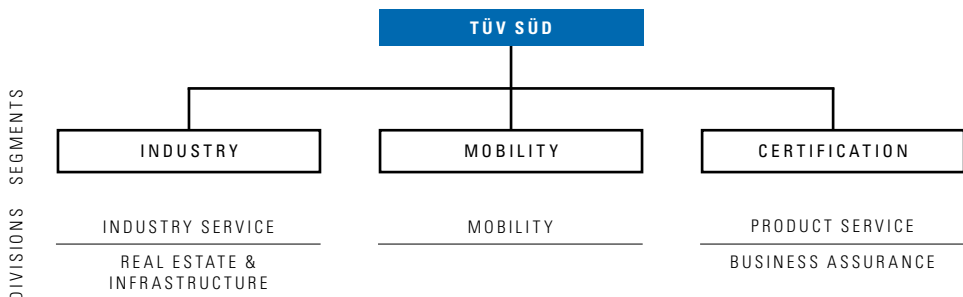
For more information about TÜV SÜD and the company’s economic and financial situation, see the latest Annual Report.

2021 ANNUAL REPORT
[ANNUALREPORT.TUVSUD.COM](https://www.tuvsud.com/annualreport)

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.

TÜV SÜD structure

01



Legal structure

Our specific 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.

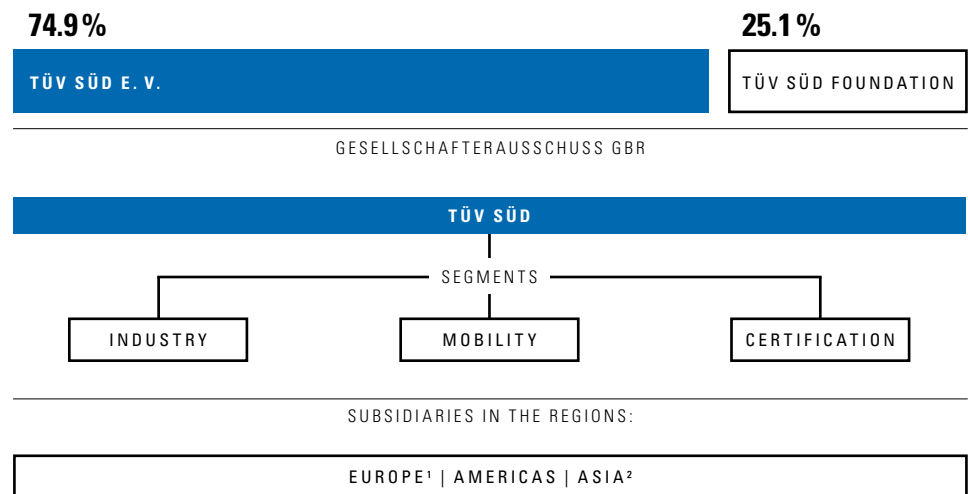
The beneficial owners of the TÜV SÜD shares are TÜV SÜD e.V., Munich, and the TÜV SÜD Foundation, Munich. Both have transferred their shareholders' rights to the independent TÜV SÜD Gesellschafterausschuss GbR, a shareholder committee with registered offices in Munich. The purpose of this civil law association 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.

GRI 102-1
GRI 102-3
GRI 102-5

Legal structure

02



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

Our strategy

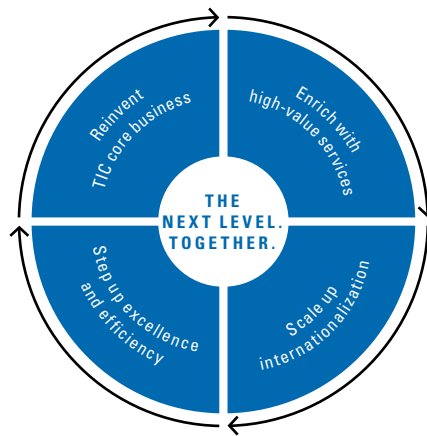
GRI 201/103-1-3

With our strategy “The Next Level. Together.”, we aim to reach the next level in the development of our company and make the most of the opportunities arising from new trends and developments, both for us and for our customers. In this, we focus particularly on digital transformation and sustainability in all its many facets.

In 2021, we conducted a status review of our strategy implementation, benchmarking our progress against current market developments, and honed and advanced our “2025+” strategy on this basis. As part of this move, we extended the timeframe of the strategy to 2026. Our findings showed that our vision and the general direction of TÜV SÜD have proved to be the right ones. They have thus been retained without change.

The Next Level. Together.

.11 03



We are thus continuing to pursue our four strategic directions:

- **Step 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. To achieve this, we consistently embrace digital transformation to strengthen our internal and customer-side processes in areas such as e-business.

- **Reinvent TIC core business:**

Our expertise in almost every industry, combined with our knowledge of the possibilities of digitalization, enables us to develop data-based, continuous, and automated testing services and also shape standards for new fields of technology. In doing so, we prioritize the development of services that enable us to provide our customers with even more effective support along their own journey to enhanced sustainability.

GRI 102-2
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GRI 102-7

- **Enrich with high-value services:**

Based on our expertise, we aim to offer technical advisory services in selected focal areas in order to provide our customers with optimum support across all project phases.

- **Scale up internationalization:**

We aim to be market leaders in our core countries. Our focus is always on offering services and skills that are close to our customers while transcending national borders. By doing this, we plan to establish increasingly global relationships with our customers and expand our business activities around the world.

The key trends and challenges we face retain their relevance. However, as our strategy update has shown, the pace of their progress varies, with digital transformation and the urge for greater sustainability across virtually all industries showing particularly dynamic development. Against this backdrop, we have launched a broadly based portfolio of strategic initiatives designed to make the most of the emerging opportunities.

In this respect we focused on the advancement and strengthening of our strategy with respect to sustainability, paying particular attention to the topics of decarbonization and circular economy. To make the most of market opportunities, we defined strategic focal areas that will be consistently pursued by our divisions in the coming years. At the same time, our goal is to continuously increase our own sustainability as a company and convince our stakeholders through our actions.

We aim to take our role as partner of choice for safety, security, and sustainability solutions for our customers into the future – in both the physical and digital world. We aim to continue boosting our revenue and our profitability over the long term. 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.

Our services

Today, TÜV SÜD is the partner of choice for customers all around the world seeking solutions for quality, safety, security, and sustainability. Offering a comprehensive portfolio of services in testing, inspection, and certification (TIC), auditing, and technical advisory services, we have been delivering added value for our customers and partners for 150 years.

All our services are governed by our technical compliance regulations, which apply across the company.

Our services – An overview

Our corporate purpose is to protect people, the environment, and assets from technology-related risks. By supplying our services, we thus pursue the goal of contributing to health, the environment, safety, and security. We continuously align them to the state of the art and implement ongoing improvement.

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, certainty, quality, and profitability throughout the value chain.

PRODUCT TESTING AND CERTIFICATION

TÜV SÜD has established its status among the world's leading independent 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 issues that could block market access for a product. 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 target 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 cyber-threat landscape, TÜV SÜD works with its customers around the world to ensure they unlock the full potential of their digital future.

PROFESSIONAL TRAINING

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 field, 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 safety, security, 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 digitalization 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 technology-related 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 inspection 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 in order to reduce 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 and market shares are lost.

GRI 102-2

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

Our certification marks and certificates inspire trust in technologies and technological progress. They stand for third-party verification performed in accordance with defined criteria. Our certification mark of a blue octagon 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. Certification marks are used in inspection, certification of products, processes, and services, certification of management systems, and validation and verification of expert opinions and appraisals. 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

In addition, our online Certificate Explorer provides information about the most common forms of the TÜV SÜD certification marks. 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 Explorer 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 (EUIPO) 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 brand code.

● TÜV SÜD, BLACKLIST
TUVSUD.COM

SUSTAINABILITY MANAGEMENT AT TÜV SÜD

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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 society's 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 certainty as we fulfill our mission 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, with the goal of becoming the most sustainable company in our industry and the independent and impartial expert of choice for all sustainability-related issues.

GRI 102-18
GRI 102-19
GRI 102-20

OUR MANAGEMENT APPROACH

Guided by our corporate strategy, “The Next Level. Together.”, our corporate purpose, and our vision and mission, we continue to drive the systematization of our sustainability activities. Against this backdrop, in 2021 we undertook a materiality analysis to review and, where necessary, expand our fields of action. The results serve as a basis for the Board of Management's decision-making over the fields of action of most relevance for our company. .ii 05

During this decision-making process, the Board of Management also defined the ambition levels and goals for the individual fields of action and drew up concrete action plans for achieving them. Management of this process is based on specific non-financial key performance indicators (KPIs). .ii 04

● CORPORATE LEADERSHIP – ANCHORED
IN RESPONSIBILITY,
SUSTAINABILITY ACROSS THE SUPPLY
CHAIN
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● EMPLOYEES
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The corporate functions support implementation of the required actions and develop individual activities for achieving the goals and targets. In 2021, numerous guidelines were harmonized or established at Group level, including TÜV SÜD's new Supplier Code of Conduct as well as many guidelines in the field of human resources.

The regional and local management bodies in the national entities are responsible for managing and implementing these actions locally. They may also add their own activities to complement actions specified groupwide.

Sustainability Management

ih 04

STRATEGIC PILLARS	ENVIRONMENT ECOLOGICAL SUSTAINABILITY	SOCIAL AND HUMAN CAPITAL EMPLOYEES AND SOCIETY	CORPORATE GOVERNANCE CORPORATE EXCELLENCE
FIELDS OF ACTION	 ENVIRONMENT	 SERVICES	 SOCIETY
	 EMPLOYEES	 LEADERSHIP	
SDGS	 13 CLIMATE ACTION	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	 8 DECENT WORK AND ECONOMIC GROWTH
	 7 AFFORDABLE AND CLEAN ENERGY	 5 GENDER EQUALITY	 3 GOOD HEALTH AND WELL-BEING
KEY TÜV SÜD THEMES	Careful and efficient use of resources Reduction of emissions, e.g. by use of renewable energy sources and climate-friendly mobility	Protection from technological and digital risks Respect for human rights Enabling technological and digital progress Employee development Work-life balance Attractive employer Adding value Diversity & inclusion Occupational health and safety, preventive health care & management	Quality and trust Qualified employees Compliance & integrity Responsibility & transparency Sustainable technologies Risk management
GOALS / ACTIONS	Net zero by 2025 ¹ Reduction of energy consumption Greater use of renewable energy sources Sustainable green investments	Enhancement of diversity in the company Promotion of continuing training for employees Reduction of accidents	Focus on compliance training for employees Tracking of compliance incidents Choice of SCoC ² signatories as suppliers
KPIs	CO ₂ e emissions [tCO ₂ e] Energy consumption/revenue [MWh/€] Proportion of green electricity [in %] Expenditure on green investments [in €]	Women in senior positions [in %] Average continuing training hours per employee per year [Øh/year] Measured as LTIR ³	Participation rate [in % of active employees] Number of compliance incidents tracked Expenditure on suppliers with SCoC [as % of total expenditure]

1 _ Scope 1, Scope 2, and business travel
2 _ TÜV SÜD Supplier Code of Conduct (SCoC)
3 _ LTIR: Lost time incident rate

GRI 102-11

An ESG (Environmental, Social, Governance) management guideline provides a system for classifying all TÜV SÜD activities in those areas and establishes a binding framework for action, including definition of roles and responsibilities in all phases of the management cycle for ESG activities. In addition, the guideline affirms TÜV SÜD’s commitment to the precautionary principle. By doing so, we both express our responsibility for the generations to come and set out our own fundamental position with regard to risks of all kinds. The guideline will come into effect in 2022.

Our principles for the individual fields of action

05



Our sustainability organization

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 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 their respective work area.

As part of a Group-wide project under the responsibility of the Chief Financial Officer, the 2020-established Sustainability Committee is laying the foundations for a targeted approach and Group-wide reporting on the subject of sustainability. This includes 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 working group are regularly reported to the Board of Management.

06

The Sustainability Committee met four times in 2021, focusing on the following topics on their agenda:

- Our customers' requirements concerning ESG assessment of TÜV SÜD, e.g. by EcoVadis or NQC. These requirements were communicated to us as part of our regular dialogue with our strategic customers and key accounts.
- The status of ESG policies within the Group, particularly HR policies, a sustainable procurement policy, the TÜV SÜD Supplier Code of Conduct (SCoC), and the environmental policy.
- Introduction of green financing by concluding a syndicated loan agreement including sustainability components.
- Mandatory training for all TÜV SÜD employees in IT security, compliance, and quality management, and status reports of the sustainability awareness and data protection training measures currently being established.

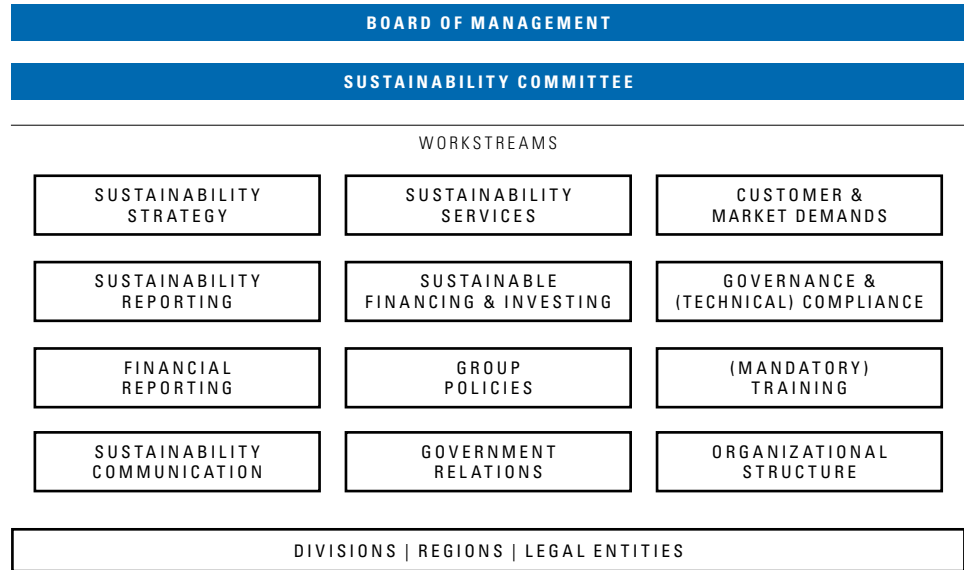
These topics were likewise discussed by the Board of Management. Other subjects addressed by the Board were the strategy and classification of sustainability services and the definition of ESG KPIs. The Board of Management approved the environmental policy including the environmental target of net zero, as well as the various HR and procurement policies. The syndicated loan agreement with sustainability component was likewise approved by the Board and also submitted to the Supervisory Board.

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● SUSTAINABILITY MANAGEMENT
AT TÜV SÜD
STAKEHOLDER DIALOGUE
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Sustainability Organization

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


Our management approach to sustainability and corresponding organizational structure support a streamlined and effective approach that enables us to advance our business on a sustainable basis and thus set our company on course for continued successful development in the future.

In addition, we ensure our activities in our defined fields of action are targeted to achieve the highest impact. The defined performance indicators serve as quantifiable parameters that enable TÜV SÜD's sustainability performance to be assessed. They are incorporated into our external reporting.

We have further commissioned regular assessments by EcoVadis since 2020 and reached Silver status in 2021. These results will likewise be incorporated into further amplification of our sustainability activities and their accompanying reporting.

Our sustainability activities also support the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The following SDGs are particularly relevant for our company:

GRI 102-43
GRI 102-46

	Good health and well-being
	Gender equality
	Affordable and clean energy
	Decent work and economic growth
	Responsible consumption and production
	Climate action

The following sections of this report explain how we are striving to fulfill the individual SDGs and describe our concrete contributions.

STAKEHOLDER SURVEY – LAYING THE GROUNDWORK OF MATERIALITY ANALYSIS

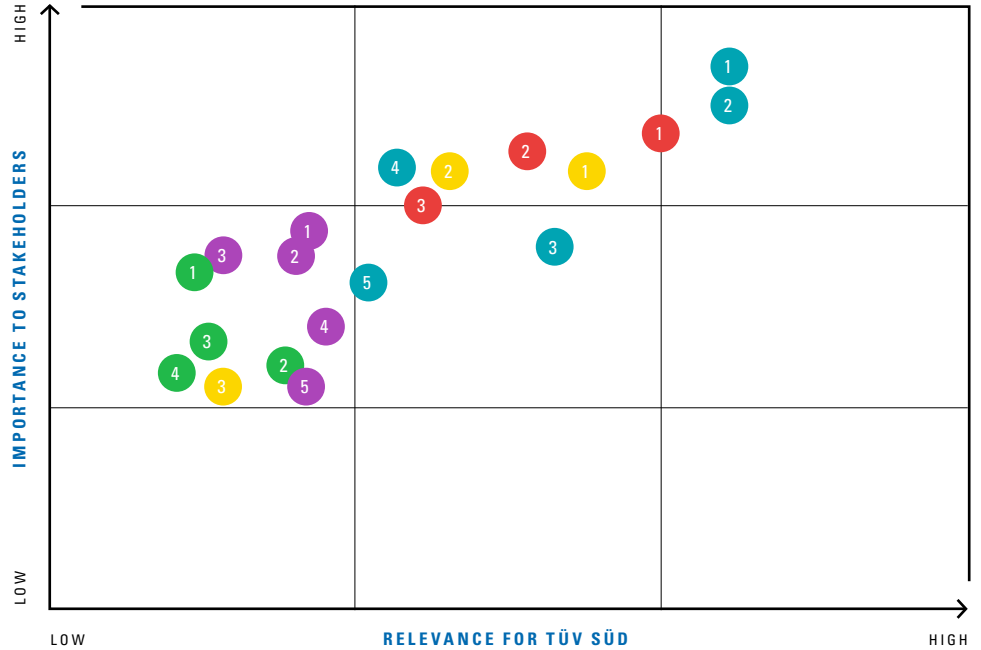
Our materiality analysis and the resulting definition of our fields of action were based on an extensive stakeholder survey, conducted in the first six months of 2021 and delivering a broad picture of the opinions of our employees and executives, key accounts, and selected experts from the worlds of academia, auditing, and professional and industry associations. The survey focused on the stakeholders’ requirements for the corporate responsibility of TÜV SÜD. In addition, the participants were asked for their assessment of the relevance of the respective fields for our company. A total of 529 respondents gave their views. The themes we defined now impact on the strategic directions we pursue in our sustainability management activities and our individual fields of action.

In 2021 a complementary survey focused on our end-customers in the MOBILITY segment in Germany, returning 1,211 responses. This survey gave particular weight to the fields of action “Employees” and “Corporate leadership”, while all other fields of action were ranked roughly equal. The result once again confirmed the importance of “Employees” as a priority topic 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. At the same time, the survey underlined the paramount importance of our focus on responsibility, integrity, and transparency in our actions and activities.

Materiality matrix

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GRI 102-44
GRI 102-47



● 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. Diversity & inclusion

● ENVIRONMENT

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

Our stakeholders

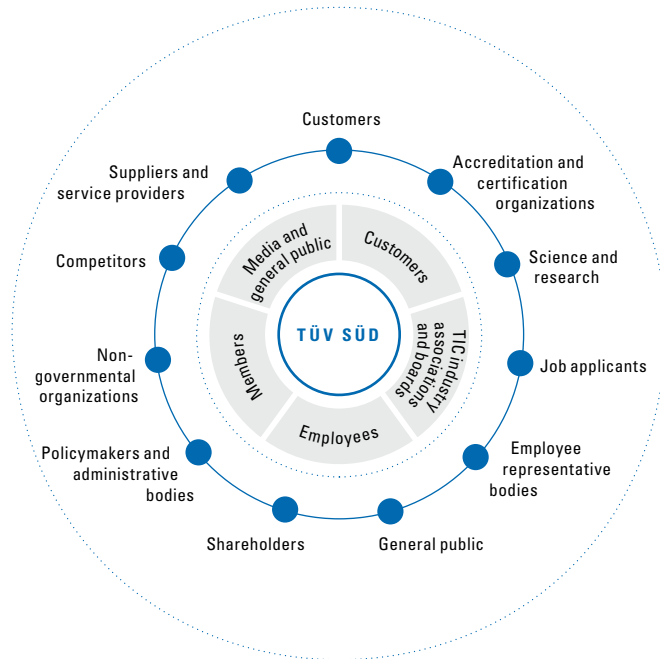
IDENTIFYING OUR STAKEHOLDERS

In preparation for our materiality analysis, a working group identified TÜV SÜD’s internal and external stakeholders. These stakeholders comprise all internal and external individuals or groups that impact on, and/or are impacted by, TÜV SÜD’s decisions or activities.

GRI 102-40
GRI 102-42

Overview of key stakeholders

08



Stakeholders were classified based on the significance of their roles for our fulfillment of our social mandate and for our company’s success, and the type of impact they have on the company. Five particularly relevant stakeholder groups were identified.

STAKEHOLDER DIALOGUE

Systematic stakeholder dialogue helps us to familiarize ourselves with the needs, expectations, or ideas of our stakeholders. This regular exchange of ideas further assists us in determining the orientation of our sustainability strategy, regularly reviewing this strategy, and confirming the foremost sustainability-related topics.

Our stakeholder dialogue thus primarily focuses on the five stakeholder groups that play the most significant roles for our company's success and for fulfilling our social responsibility. Targeted dialogue with key stakeholder groups takes place in a variety of communication formats involving varying media channels, timeframes, and frequency.

Dialogue with our employees

- **Information and dialogue platforms:**

Internal communication plays a particularly important role in our dialogue with our employees. The goal is to ensure that industry- and country-specific features of the individual legal entities are as clearly visible as is the corporation as a whole. The cornerstones of our dialogue with our employees are the global corporate intranet, with daily reports on news from the TÜV SÜD Group, and TÜV SÜD IN, a cross-media publication comprising a quarterly magazine flanked by a digital platform on the Internet with accompanying email newsletter. Regular employee surveys ensure that TÜV SÜD IN always matches the interests and expectations of the target group. The platform also serves as a focal point for the key topics of corporate strategy, sustainability, and health, and provides employees with a central point of contact for their questions on those topics.

- **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. In the reporting period, the COVID-19 pandemic prevented these in-person events from taking place. An innovative digital event was organized instead. During the roughly 90-minute event, which was held during working hours, the Board of Management provided an overview of the main developments in the company. The majority of the time was reserved for questions from employees, which could be submitted in advance on the intranet, in the chat box during the event, or live via video link. Entitled "One for all", this dialogue event was a huge success and attracted around 2,000 signups. The topics addressed at the event, the speeches by the Board of Management members, and the main questions and answers were posted on the intranet afterwards and could be accessed by all employees. This form of event also enabled employees who were unable to attend the live event to share in the comprehensive information provided about the company. In our regions and operational units, employee dialogue also takes the form of employee information bulletins and information events, generally organized by local management.

Questions asked by employees at the 2021 “Let’s Talk about TÜV SÜD” event included the following topics:

GRI 102-44

Topics at the 2021 “Let’s Talk about TÜV SÜD” event			
TOPICS	QUESTIONS	ANSWERS / ACTIONS	PAGE
 COVID-19	Are any local on-site vaccination and testing services for colleagues planned?	Employees / Health and safety management	82
	Mobile working – perspectives for the future?	Employees / TÜV SÜD – Attractive Employer	60
 SUSTAINABILITY	Does TÜV SÜD intend to set itself environmental targets in future?	Environment / Our goals and targets	84
	Why has there been no funding of company hybrid / electric vehicles yet?	Environment / Environmental impacts from business operations	92 – 93
	What support measures is TÜV SÜD offering in the area of female talent development?	Employees / Diversity and inclusion	66 – 69
	Are there any plans to boost the quota of women in senior positions?	Employees / Our goals and targets	69
 COMPLIANCE	What is the current status of the Brazil dam failure?	Corporate leadership – anchored in responsibility / Risk management	40
	How has Trust Channel, the compliance platform, been received?	Corporate leadership – anchored in responsibility / Compliance	35
	How many reports have been sent to Trust Channel?	Corporate leadership – anchored in responsibility / Compliance	35

EMPLOYEES
HEALTH AND SAFETY MANAGEMENT
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● **Special information during the COVID-19 pandemic:**

As in the previous year, in 2021 dedicated COVID-19 newsletters were sent out and an information site provided all employees with regular 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. In 2021 the event was held online due to the pandemic. The agenda included a presentation of TÜV SÜD’s sustainability policy and various examples of TÜV SÜD’s sustainability-related services.

Dialogue with our customers and the public

● Customer events:

We prioritize a targeted customer approach. Given this, our local companies are primary points of contact for the majority of our customers. We are making increasing use of digital marketing and e-commerce in this area. Large-scale international customers are in the care of our Strategic & Key Account Management department.

The same approach applies to our stakeholder dialogue. An array of events and activities helps 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 setters.

● Corporate magazine ABOUT TRUST:

Our corporate magazine, ABOUT TRUST, is published three times a year in German and English. With a print run of around 40,000 copies, it is distributed free of charge to members of TÜV SÜD e. V., interested customers, media, and employees. The site abouttrust.tuvsud.com, which can be accessed through the TÜV SÜD website, contains the contents of the printed edition plus additional information. The magazine is printed in a climate-neutral process on paper sourced from sustainable forestry management.

● Annual Report:

Our Annual Report is committed to the high standard of reporting on our activities with the same transparency as is required of a capital-market-oriented company and includes all mandatory elements of corporate financial statements. The in-depth financial report is complemented by a magazine presenting our strategic directions and interesting projects from the reporting period in a highly readable style. All content is available in print and on the Internet.

● Sustainability Report:

Our annual Sustainability Report delivers transparent information about our commitment, our goals and targets, and the further progress of TÜV SÜD with respect to sustainability. The Report was produced on the basis of the GRI Standards' "Core" option, issued by the Global Reporting Initiative (GRI). It is published in German and English and can be found online.

● 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. They deal with a wide range of subjects, ranging from strategic topics from the TÜV SÜD Group to specialist subjects for an expert audience as well as practical consumer advice.

GRI 102-44

● 2021 ANNUAL REPORT
ANNUALREPORT.TUVSUD.COM

● SUSTAINABILITY REPORT
ANNUALREPORT.TUVSUD.COM

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 expert opinions with other industry players. We are members of numerous national, European, and international boards and committees, proactively contributing our knowledge, experience, and technology.

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 stakeholders to work for effective solutions that protect the public, facilitate trade, and support innovation. It emphasizes the added value of the use of TIC services for society and the associated benefits in the areas of safety, 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. Every year, the members of the TIC Council must confirm their implementation of the compliance program by submitting documentary evidence for examination by an independent external auditing organization.

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 committee addresses issues of conformity assessment, developing guidelines and publishing conformity assessment standards. However, it does not perform conformity assessment.

GRI 102-44
GRI 102-13

 TIC COUNCIL
TIC-COUNCIL.ORG

 MANAGEMENT SYSTEM STANDARDS
ISO.ORG

GRI 102-13

 TUEV-VERBAND
TUEV-VERBAND.DE/EN

Prof. Dr.-Ing. Axel Stepken, Chairman of the Board of Management of TÜV SÜD, represented the company in the Verband der TÜV e.V. (TÜV-Verband) in his capacity as vice-chairman of its board in 2021. This umbrella organization of leading German testing, inspection, and certification providers and industrial companies oversees technical and scientific exchange of experience and represents the political and professional interests of its members in the political, governmental, business, and public spheres 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 transformation.

The individual TÜV SÜD entities are represented in various initiatives, associations, and working groups, including CITA (International Motor Vehicle Inspection Committee) and EUROLAB Deutschland (an Association of German Conformity Assessment Bodies), and also collaborate with other stakeholders on the advancement of ecological, economic, and technological topics.

TÜV SÜD also participates in various exchanges of experience and ideas, including the European Exchange of Experience of Notified Bodies in the Field of Medical Devices and the exchange of experience forum for Authorized Inspection Agencies (AIAs).

CORPORATE LEADERSHIP — ANCHORED IN RESPONSIBILITY

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- 43 Sustainability across the supply chain

OUR OBJECTIVE

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

Our goals and targets




GOALS AND TARGETS	ACTIONS
Focus on compliance training for employees	Regular training for all our active employees will be held
Tracking of compliance incidents	We will continue with our end-to-end tracking of all reported compliance incidents
Choice of SCoC signatories as suppliers	By 2026 all of our procurement needs will be sourced from SCoC signatories

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 policies and regulations that apply throughout the company. We regularly review these principles and adapt them in line with new developments, changed or new 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 and continuously develop 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.

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 the Supervisory Board of TÜV SÜD AG.

Further information on the corporate governance of TÜV SÜD and the Board of Management and Supervisory Board can be found in the 2021 Annual Report.

GRI 102-16
GRI 205/103-1-3
GRI 206/103-1-3
GRI 307/103-1-3
GRI 419/103-1-3

● TÜV SÜD CODE OF ETHICS
TUVSUD.COM

● TÜV SÜD SUPPLIER CODE OF CONDUCT
TUVSUD.COM

Compliance

Compliance with all applicable laws and international regulations and dealing fairly with our business partners and competitors are priorities in our company’s philosophy. Ethical principles are an integral part of our corporate culture. They are set forth in the TÜV SÜD Code of Ethics, which is binding for all our employees. It is supplemented by the Compliance Guidelines set out in the TÜV SÜD Corporate Management Manual and by Codes of Practice on individual subjects, including instructions on the correct way to deal with gifts and invitations and correct anti-trust-compliant conduct at events. Furthermore, all TÜV SÜD contractual documents refer to the company’s Code of Ethics or Supplier Code of Conduct. In addition, all contractual partners must contractually agree to take and maintain suitable and appropriate measures to prevent breaches of compliance.

PRINCIPLE OF PREVENTION

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 avoid potential breaches and risks from the outset by raising employee awareness, educating the workforce, and establishing appropriate processes. All employees undertake to comply with laws and regulations in their conduct and to report breaches immediately.

COMPREHENSIVE COMPLIANCE MANAGEMENT SYSTEM

TÜV SÜD’s compliance management system (TÜV SÜD CMS) provides the organizational basis for compliance with valid law. It anchors the principles of independence, integrity, and lawfulness in our actions and spans all hierarchical levels. It is based on the principles of the IDW AsS 980 assurance standard, is continually improved, and comprises the following seven elements:

1. 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 conflicts of interest, corruption, and violations of competition law and on adherence to export control laws.

2. Compliance organization

The Board of Management holds overall responsibility for the TÜV SÜD compliance management system and for establishing the compliance organization. Compliance organization at TÜV SÜD is based on the principle of separation of responsibilities and executive activities. Overall responsibility is held by our Chief Compliance Officer (CCO), who reports directly to the Chairman of the Board of Management. The Chief Compliance Officer acts autonomously without instructions from above.

GRI 102-17

The duties of the CCO include development of the TÜV SÜD CMS decision-making concerning the final position of TÜV SÜD's compliance organization in high-ranking, risk-related business affairs, and reporting to the Board of Management and further stakeholders concerning the status of the TÜV SÜD CMS and other key internal and external compliance-related issues. The CCO may wholly or partly delegate these duties to the Head of Compliance while retaining accountability for them. In addition, the CCO is at the disposal of the Board of Management, the Supervisory Board, and any other stakeholders to clarify issues of doubt or advise on compliance with relevant regulations in conflict situations.

The Head of Compliance (HoC) is responsible for the strategic and operational management of the compliance organization. Duties of the HoC include definition, implementation, monitoring, and continual improvement of TÜV SÜD's compliance strategy. The HoC maintains an overview of issues concerning anti-corruption, anti-competition, and antitrust law, export controls, and related areas, and supports TÜV SÜD's global ESG program, thus contributing to the company's goal of a sustainable future. The HoC also establishes the position of TÜV SÜD's compliance organization on critical matters of business management (e.g. compliance-based recommendation for or against a business proposition) and deals with compliance topics and cases of central or Group-wide importance. In doing so, the HoC may draw on external legal resources where necessary. The HoC has the role of contact partner for all employees, and particularly executives, where compliance-related issues or conflict situations require clarification. The officer may also be called in by the Board of Management, the Supervisory Board, or other stakeholders if the situation requires.

The Group Compliance Office performs the function of central management and control body for compliance issues. Alongside the CCO and HoC, it comprises the full-time Corporate Compliance Officers and, since the start of 2022, the newly created function of Global Human Rights Officer (GHRO). The GHRO primarily provides support for topics and projects arising in connection with due diligence obligations for avoidance of human rights breaches against the backdrop of the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG), which will come into effect on January 1, 2023.

There is a Regional Compliance Officer for each region, and a Local Compliance Officer for each operational company in which TÜV SÜD has a holding of more than 50 percent. These actions enable us to implement our compliance management system at global level and throughout all our companies. The corporate functions also have a Local Compliance Officer.

3. **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 independence 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 employees. Heads of corporate functions and the CEOs of TÜV SÜD subsidiaries are likewise instructed to address the subject regularly within their spheres of responsibility and to act as role models.

GRI 205-2
GRI 412-2

4. Compliance communication

TÜV SÜD employees receive information on the Code of Ethics and the compliance program during their induction and later undergo more in-depth training on the topic. Amendments to guidelines are communicated throughout the Group and taught in appropriate training courses. Compliance e-learning courses have been a complementary part of our training portfolio since 2014. All TÜV SÜD employees undergo mandatory compliance e-learning courses at regular intervals, with particular focus on relevant compliance topics. Further compliance training is held at local level by local compliance officers.

In 2021 all TÜV SÜD employees (including members of management and governing bodies) were invited to take part in the compliance e-learning course. 24,767 employees successfully completed the training, a success rate of approximately 95 percent.

Against the backdrop of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), which will come into effect on January 1, 2023, the Global Compliance Office is currently working with other specialist departments to develop specific training courses focusing on human rights and human-rights-related environmental protection obligations within the meaning of the LkSG.

To fulfill our responsibilities, in 2021 we defined a concrete goal and associated performance indicator. Our aim is to provide regular training on current compliance topics for all our active employees.

5. 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 TÜV SÜD Board of Management issues an annual slavery and human trafficking statement based on the British Modern Slavery Act of 2015. Alongside the Code of Ethics, TÜV SÜD has established a total of 13 further compliance-based policies designed to guarantee fair, responsible, transparent, and value-oriented conduct within and outside the company.

Our compliance program includes policies

- specifying conduct in response to invitations and gifts,
- for relations with business partners,
- for avoidance of conflicts of interest and corruption,
- specifying compliance with competition and antitrust law,
- concerning trade and export control laws,
- for secure treatment of information,
- for treatment of donations and sponsorships,
- for the correct procedure in cases of compliance violation, and
- for compliance communication.

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

GRI 205-1

6. Compliance risks

We regularly perform Group-wide risk analyses to identify risks that may result in violation of relevant laws and 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 breaches.

Group risk analysis has identified individual countries and entities at increased risk of corruption compared to other entities. These risks of corruption are primarily due to their type of business operations, the projects they carry out, and the stakeholders involved. Appropriate actions have been taken to combat these higher risks.

7. Compliance monitoring and improvement

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

TÜV SÜD uses modern technology (Legal Tech) to implement statutory trade restriction and anti-terrorism provisions based on automated analysis of creditors and debtors.

At the end of each calendar year, the Chief Compliance Officer calls for annual reports from all local and regional compliance officers worldwide. Their feedback must provide details including 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 2021, 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. Their declarations provided confirmation of their compliance, and the compliance of the employees under their supervision, with the TÜV SÜD Code of Ethics and the compliance policies in 2021.

GRI 102-17
GRI 205-3
GRI 206-1

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, available in 17 languages, 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 Global Compliance Team. Information reported to the portal cannot be traced through technological means, protecting the whistleblowers' anonymity at all times unless the whistleblower's identity is clear from the description of the factors and the nature of the reported concern. In addition, employees always have the option of reporting concerns to their line manager or Local Compliance Officer or to the Global Compliance Office directly.

Investigations at local or global level are carried out by the compliance organization for all concerns reported, calling in the Internal Audit department where necessary. All reports are treated with strict confidentiality. Following the need-to-know principle, they are only shared with individuals who require the information within the scope of their investigations or subsequent implementation of actions. Protection of the whistleblower and the individual(s) affected is paramount in all such investigations. Hence, information concerning the facts of the case must be requested in such a way that no conclusions can be drawn as to the identity of either party. If a reported concern is confirmed to be correct, appropriate disciplinary measures are imposed and criminal or civil action may additionally be taken where necessary. TÜV SÜD operates a zero-tolerance policy toward breaches of compliance regulations. In confirmed cases, standard procedure 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 such breaches in the future.

The TÜV SÜD Trust Channel received 32 reports of concerns and ten inquiries in 2021. Investigations by the compliance organization were carried out at local or global level for all concerns reported, calling in the Internal Audit department where necessary. Appropriate disciplinary action was taken in confirmed cases and suitable preventive actions examined and implemented.

In 2021, we established monitoring and investigation of compliance incidents as a concrete target. As in the past, we will continue to seamlessly investigate and deal with all of our compliance incidents.

There were no confirmed cases of corruption or corruption-related termination of contracts with business partners in the year of reporting, neither were there any cases of legal action on grounds of anticompetitive conduct or antitrust law violations involving TÜV SÜD.

PURPOSEFUL ADVANCEMENT OF COMPLIANCE MANAGEMENT

The following actions are planned for 2022 as part of continual advancement and alignment of our compliance management system:

GRI 412/103-1-3

- Review of the compliance management system in line with the IDW AsS 980 assurance standard,
- Organization of regular compliance e-learning courses for all employees worldwide,
- Expansion of reporting on concerns received by the TÜV SÜD Trust Channel and their processing status.

Furthermore, the Global Compliance Office will integrate the topic of human rights and environmental protection obligations related to human rights within the meaning of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) into TÜV SÜD's compliance program as a new focal area. By doing so, TÜV SÜD is keeping abreast of the new due diligence obligations that will be introduced when the Act comes into effect in Germany from January 1, 2023.

UPHOLDING HUMAN RIGHTS – AT ALL TIMES, IN ALL PLACES

TÜV SÜD champions respect for human rights worldwide, both within its immediate area of responsibility as a company and in its associated supply chains. This applies particularly to prohibition of forced labor and child labor, purposeful combating of all forms of discrimination, fair employment standards, and payment of market-based wages providing a secure livelihood.

Overall responsibility for compliance with human rights rests with the Board of Management of TÜV SÜD AG.

Compliance with the duty of care to avoid human rights infringements will be anchored in TÜV SÜD's Group-wide compliance management system as a focal area from 2022 onward. The Compliance department defines TÜV SÜD's compliance strategy in terms of human rights and environmental protection obligations related to human rights within the meaning of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). The department further drives continuous improvement and ensures its implementation by the responsible corporate functions in question.

While employment-related human rights topics and risks are a focus for the HR function, the Procurement corporate function ensures that human rights are respected along the supply chain. Safeguarding against environmental risks related to human rights within the meaning of the LkSG is the particular responsibility of the Real Estate function.

Consistent respect for human rights is also anchored in the relevant guidelines and policies, foremost among them the TÜV SÜD Code of Ethics, the TÜV SÜD Supplier Code of Conduct, and the respective policies for our Procurement and Human Resources corporate functions, specifically the policies concerning respect for human rights in working environments and diversity and inclusion.

● EMPLOYEES
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● CORPORATE LEADERSHIP –
ANCHORED IN RESPONSIBILITY,
SUSTAINABILITY ACROSS
THE SUPPLY CHAIN
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GRI 412-1
GRI 418/103-1-3

TÜV SÜD
TRUST CHANNEL

TÜV SÜD, DATA PROTECTION
TUVSUD.COM

In advance of the obligations arising under the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), due to come into effect in Germany in 2023, a working group was established in 2021. The group has already developed initial risk analysis approaches for TÜV SÜD's own business operations and for its supply chain. The aim for the future is to conduct regular assessments of human rights and environmental risks concerning TÜV SÜD's own operations and those of its direct suppliers, and to use the assessment results as a basis for implementing appropriate action to generate continual improvement in the situation concerning human rights.

The TÜV SÜD Trust Channel accepts complaints or concerns with respect to potential human rights violations worldwide around the clock; reports can be submitted to TÜV SÜD anonymously if desired. In 2021, we received two reports of potential human rights violations, which were investigated in depth by the respective Local Compliance Officer but could not be corroborated. Despite this, preventive action was taken in one of the cases.

DATA PROTECTION

As a technical services provider, data protection and data security are among our foremost priorities. Our Cyber Security Services function supports our customers with a wide range of services.

The topic is also at the core of our own organization. TÜV SÜD'S Global Data Protection Coordinators and the Local Data Protection Coordinators worldwide work towards implementation of the applicable relevant data protection regulations in the TÜV SÜD subsidiaries and corporate functions around the world. The corresponding internal data privacy policies are accessible to all TÜV SÜD employees on the intranet.

In addition, compliance with the applicable relevant data protection regulations and internal data privacy policies is confirmed on an annual basis by the management bodies of the TÜV SÜD legal entities and the heads of corporate functions, who furnish personal declarations of their compliance. These declarations include confirmation of their support of their Local Data Protection Coordinators to assist those officers in implementing the applicable relevant data protection regulations. A 100 percent return rate for these declarations of compliance was registered for the year of reporting.

To date, organization and holding of data protection training courses in line with local statutory regulations have been the responsibility of the individual TÜV SÜD subsidiaries, with support from the TÜV SÜD Local Data Protection Coordinators where necessary. Standardized central data protection training for all TÜV SÜD employees within the territory covered by the European General Data Protection Regulation (GDPR, EU/EEA) is slated to be implemented in 2022 and repeated regularly in the future.

Taxes

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

TÜV SÜD AG is a legal entity with its registered office and central administration in Germany. As such, its entire global revenue is 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 regulations 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 additional non-fiscal grounds and where no risk is posed to TÜV SÜD's reputation. These goals are in accordance with TÜV SÜD's Code of Ethics.

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 assurance standard and accompanying IDW practice statement 1/2016.

The internal tax compliance framework is set out in the Corporate Policy – Taxes. It is supplemented by further corporate policy documents in the Corporate Management Manual and by concrete instructions pertaining to individual fiscal issues.

GRI 102-13
GRI 207-2
GRI 207-3

2021 ANNUAL REPORT,
NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS,
INCOME TAXES
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The tax compliance management system is based on continuous assessment with respect to its appropriateness and effectiveness to ensure prompt identification and implementation of necessary improvements. In 2020, the system was assessed by an external audit firm with respect to its concept, appropriateness, and in part also its implementation status. In addition, TÜV SÜD aims to conduct an effectiveness review of the compliance management system with respect to corporate taxation and is planning further measures to strengthen the control environment.

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. Responsibilities differ in cases where TÜV SÜD AG is not the direct or indirect sole shareholder of an affiliated company.

In Germany, responsibility for organizing corporate taxation is delegated to the Corporate Taxation department, which also oversees compliance with local fiscal obligations abroad.

Alongside this, the Corporate Taxation department is involved in tax committees at a range of institutions, including the German tax law digitalization body, Institut für Digitalisierung im Steuerrecht e.V. (IDSt), and the Bavarian Business Association, Vereinigung der Bayerischen Wirtschaft e.V. (vbw).

TÜV SÜD AG reports on its tax positions in detail in its Consolidated Financial Statements, 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 dedicated Risk Committees 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 2021 to investigate processes and implement improvements. Actions included the planned effectiveness review of TÜV SÜD's risk management system in accordance with the IDW AsS 981 assurance standard. The review was passed without qualification.

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 at each TÜV SÜD organizational unit. The revised guideline came into effect in the first quarter of 2021.

TÜV SÜD conducts an annual assessment of the risk-bearing capacity of the Group based on consolidated financial projections. On this basis, quarterly comparisons of the overall risk position against the risk-bearing capacity of the Group are made to determine 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 2022, we aim to continue our training initiative and implement improvement measures identified in the course of the effectiveness review of our risk management system. Our main focus in terms of content will continue to 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.

See the Annual Report for further information on risk management in the TÜV SÜD Group and on the risks and opportunities identified for TÜV SÜD.

● 2021 ANNUAL REPORT,
MANAGEMENT REPORT,
OPPORTUNITY AND RISK REPORT
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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 2021. Over three 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 testing facilities, or elsewhere in our organization, we are the partner of choice 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 Global Quality Platform is a key constituent of this management system. It is a platform for all management system officers at TÜV SÜD to share information and engage in dialogue, as well as serving as a reporting hub for all main topics of relevance to risks, opportunities, and prevention. Results are centrally processed, consolidated, and discussed with the Board of Management twice a year.

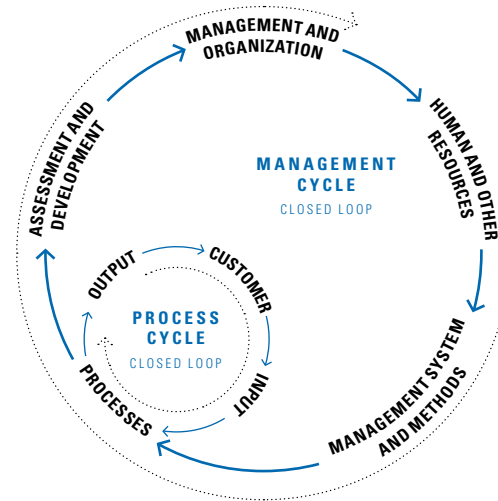
The individual regulations and instructions are described in detail in the TÜV SÜD Corporate Management Manual. The Manual can be accessed by all employees and is updated annually. The CEOs of the TÜV SÜD Group divisions, regions, and legal entities accept the binding nature of the Corporate Management Manual as amended and implement it in their spheres 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 cycle of continual 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 are assessed by external audits conducted by accreditation bodies and official authorities, by internal audits, and by the Group's Internal Audit function as part of ongoing management reviews. These processes form the foundations of a continual improvement process, which is further supported by regular consultation with relevant working groups at both local and international level.

Integrated Management System – Process model

.10



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 (TIC) 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, validation and verification, and inspection and monitoring of technical systems, assets, and vehicles. Our 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.

In 2021, a global online training program was held to enhance awareness of the enormous relevance of the quality management system among employees, executives, and experts at TÜV SÜD. The program comprises a compulsory module for all employees, an additional compulsory module for all executives, and eight elective modules. Available in 17 languages, the compulsory employee module was placed online in the TÜV SÜD Learning Campus for access by all employees. It has now been completed by over 90 percent of the workforce. New employees likewise receive access to all modules as part of their onboarding process. The elective modules are available to all employees online for a five-year period, enabling them to develop and advance their skills on an ongoing basis.

Sustainability across the supply chain

GRI 102-9
GRI 204-1
GRI 204/103-1-3
GRI 308/103-1-3
GRI 414/103-1-3

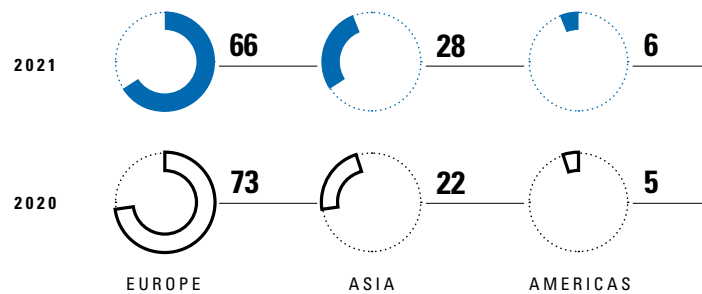
As a globally operating company, TÜV SÜD accordingly has an international supply chain. Our Procurement function orders goods and services from over 10,000 suppliers in more than 70 countries. We focus on the addressable spend volume, considering suppliers with annual revenue of over EUR 4k. TÜV SÜD's global purchasing volume reached approx. EUR 500 million in 2021 (prior year: approx. EUR 490 million), or around 19 percent of total Group revenue.

Our supplier selection is actively directed toward suppliers that meet our high standards and offer financial stability and reliability as well as high quality and security of supply. At the same time, we seek to maximize the benefits of local sourcing wherever possible. To achieve this, we use regional or local suppliers for around 90 percent of our procurement needs. This enables us to respond rapidly and flexibly to changes in framework conditions, while the short transport routes contribute to climate protection. At the same time, our use of local suppliers supports local employment markets and local infrastructures. We thus 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.

TÜV SÜD purchasing volume by region

11

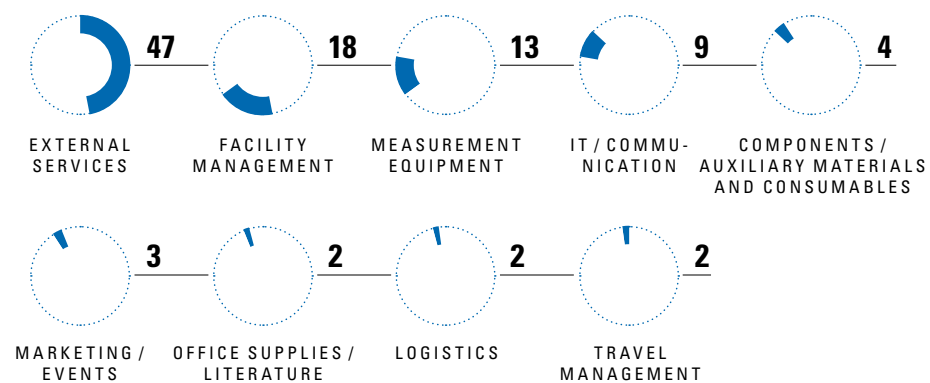
IN %



Expenditure by goods and services category

12

IN %



The actions we take to boost sustainability in our procurement operations are aimed at contributing toward the achievement of the United Nations' Sustainable Development Goals (SDGs). Our primary focus is on these SDGs:

GRI 102-9
GRI 308-2
GRI 407-1
GRI 414-2



Decent work and economic growth



Responsible consumption and production



Climate action

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 on 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.

Social 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 social aspects, we pay close attention to climate and resource protection in our procurement of goods, products, and services. This means giving preference to long service life, low energy consumption, high reparability, 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.



SUPPLIER CODE OF CONDUCT NOW IN EFFECT

To achieve our social, ecological, and ethical goals and targets and fulfill TÜV SÜD's corporate responsibility, in 2021 we worked with our Global Compliance Office to set out the principles of this responsibility in the new TÜV SÜD Supplier Code of Conduct. The Code came into effect in the same year. It is available on the Internet in German and now a further thirteen languages.

Our Supplier Code of Conduct (SCoC) is the core expression of our sustainability- and compliance-based procurement philosophy. It shapes the expectations and requirements we make of our suppliers and implements consistent standards among all partners we work with at TÜV SÜD. The sustainability-related aspects of the Code were incorporated into our procurement policy and procurement manual and the associated processes. In parallel with the SCoC's implementation at internal level, it is communicated to our suppliers to ensure sustainability aspects are firmly anchored in our supply chains.

In preparation for the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), this year we launched a risk assessment process in our procurement operations. The findings from the assessment are also reflected in the SCoC. Next year we will oversee the implementation and application of the procurement policy and the SCoC and identify potential risks. On this basis, we will develop actions and training courses as preventive safeguards at potential weak points along the supply chain.

SUPPLIER AUDIT AND EVALUATION

Before being contracted to provide goods or services, suppliers are audited and evaluated from a sustainability perspective. As part of this, our potential business partners must accept our SCoC, provide information on the sustainability management system currently in place in their operations, and supply details of any existing certification and ratings from sustainability agencies. In addition, from 2022 onward our strategic suppliers will undergo annual auditing and evaluation with respect to compliance with specified sustainability criteria as part of our global supplier evaluation program.

With this in mind, specific sustainability requirements (category-specific sustainability labels) are currently being developed for the individual goods categories in our procurement operations. They are designed to ensure compliance with ESG requirements for specific goods categories as part of global supplier selection in the future.

GRI 308-1
GRI 414-1

To maximize efficiency and focus in our management of these activities, in 2021 we drew up concrete goals and targets and corresponding performance indicators and began to collect these data in full in 2022. For example, by 2026 our aim is to source 100 percent of our procurement needs from suppliers that have signed declarations of compliance with the SCoC. To track achievement of this target, we calculate the ratio of procurement from SCoC signatory suppliers to TÜV SÜD's total procurement volume.

We also investigate a host of further sustainability-related parameters to measure and evaluate sustainability performance in our procurement activities. A comprehensive ESG report is currently in preparation by the Procurement corporate function. The transparency thus created will allow us to leverage opportunities for improving our sustainability performance at an early stage while also enabling us to take timely action to mitigate risks.

CONSISTENT ACTION DELIVERS SUCCESSFUL RESULTS

Our establishment of the SCoC in 2021 marked an important milestone in our work on improving our sustainability performance, side by side with our suppliers. Since September 2021, over 70 percent of key procurement processes (i.e. those with a volume over EUR 0.5 million) have been carried out in accordance with the requirements set forth in the SCoC.

At internal level, too, our procurement organization is dedicated to boosting our sustainability performance. 29 activities in this field have been initiated this year alone, including the launch of green product lines in electronic catalogs, use of sustainable packaging, and provision of carbon footprint information in flight booking procedures.

The background is a solid teal color. On the left side, there are two overlapping circles. The larger one is a darker teal, and the smaller one is a lighter teal, partially overlapping the larger one from the right.

SERVICES THAT ADVANCE SUSTAINABILITY

48 Sustainability-related services by TÜV SÜD

OUR OBJECTIVE

As the partner of choice 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 a field of activity dedicated to the development of innovative and sustainable services, with a clear objective: as the partner of choice 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. As pioneers in our industry, we confront global sustainability challenges. To this end, we employ all our innovative strength and our commitment to continuous learning and improvement.

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.

As a globally operating company, we are committed to the United Nations' Sustainable Development Goals (SDGs) and contribute to sustainable development in economic, social, and ecological terms. The following three SDGs have a particularly important position in our service portfolio:



Affordable and clean energy



Responsible consumption and production



Climate action

● TÜV SÜD AT A GLANCE,
OUR STRATEGY
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In our updated 2025+ strategy, we grouped our sustainability-related services into strategic focal topics. This will enable us to proactively take advantage of market opportunities, for example by scaling up existing services and expanding internationally or by developing new and innovative services that provide our customers with added sustainability. On this basis, we plan to significantly increase our sustainability service business in the coming years.

Services

13



SUSTAINABLE ENERGY



NEW MOBILITY



GREEN BUILDINGS AND
INFRASTRUCTURE



SUSTAINABLE PRODUCTS



RESPONSIBLE BUSINESS
PRACTICES



CARBON
MANAGEMENT

SUSTAINABLE ENERGY

Energy from renewable sources such as wind and solar power, biomass, hydropower, and geothermal energy 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 customers 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.

For example, in 2021 TÜV SÜD developed a calculation model for the expansion of offshore wind energy in hurricane regions which simulates the impact of extreme wind situations on wind turbine generators (WTGs) and thus enables the suitability of specific WTG types for such locations to be assessed. The model is based on the international IEC 61400 standard for wind energy generation systems.

Hydrogen – Energy carrier of the future

A particular focus of TÜV SÜD is on hydrogen as an energy carrier – 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. We have concentrated our services in those areas into the Group-wide HyTime project, establishing the basis for developing further services.

To increase investment security for energy companies, in the 2021 financial year TÜV SÜD joined forces with a power plant construction company to draw up a guideline for defining H₂ readiness of power plants and launched an associated certification scheme. The guideline presents a roadmap for converting a conventional gas and steam turbine power plant to a hydrogen plant, while the three-stage H₂-Readiness certification process documents progress from concept design to completion of the transition.

NEW MOBILITY

Expanding electromobility is a key element in the endeavor 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 testing facilities in all the main markets.

We provide global electromobility services for battery-, fuel-cell-, and hybrid-electric 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.

TÜV SÜD engages in groundbreaking pilot projects to foster the use of hydrogen, particularly as an energy carrier in the transport sector. As part of this, TÜV SÜD Korea has been involved in a hydrogen-electric tram demonstration project carried out by the South Korean Ministry of Trade, Industry, and Energy (MOTIE) since the fall of 2021. TÜV SÜD's role as a member of the project network is to ensure maintenance of compliance with South Korean and European safety standards for the use of hydrogen in rail transport.

GREEN BUILDINGS AND INFRASTRUCTURE

Construction and infrastructure offer plentiful potential opportunities for reducing carbon footprint and making a meaningful contribution to climate protection. We supply technical monitoring, sustainability assessment systems, and energy audits that help to identify and leverage these areas of potential for buildings. Our services range from optimized building planning based on Building Information Modeling (BIM) and sustainable property construction and operation services to optimized facility planning and connection, energy audits, and building certification.

Sustainability certification of buildings is a crucial element in building assessment. 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.

TÜV SÜD is involved in a variety of global projects aimed at enhancing sustainability of buildings and infrastructure. One such is the showcase district of “Neue Weststadt – Klimaquartier” in Esslingen, which opened in the summer of 2021. It is the first urban district where production and use of green hydrogen have been realized at such a local level. The innovative and sustainable district has an area of 100,000 square meters and is home to around 450 apartments, office and commercial premises, and a new building for Esslingen University. TÜV SÜD provided technical safety support for the development and implementation of the project’s energy concept. Neue Weststadt is one of six lighthouse urban planning projects in Germany which receive funding from the German Ministry of Economic Affairs and Climate Action.

In 2021, TÜV SÜD Advimo GmbH published a White Paper entitled “Climate protection in the building sector – how to identify and implement optimization opportunities” which examines Germany’s climate policy goals and targets and the associated legal requirements imposed on the construction industry. Its central message is a warning that existing building stock urgently needs to be optimized if the targets set by the European Green Deal and Germany’s Climate Change Act are to be met. The White Paper presents concrete recommendations and actions to this end and can be downloaded from TÜV SÜD’s website.

SUSTAINABLE PRODUCTS

By providing testing and certification services, we foster transparency with respect to products' sustainability. For example, we help our customers to comply with international standards and practices and to optimize their processes in order to minimize resource consumption and reduce sustainability-related risks. The range of our services in this area extends from drawing up life cycle assessments (LCA) and measuring carbon or water footprints to environmental compatibility testing, compliance with environmental standards and directives, and corporate social responsibility audits. We thus assist our customers to win the public's trust in their sustainability performance and establish themselves as credible players in this area.

Carbon footprint in steel production

In this area, TÜV SÜD developed the veriX process, based on ISO/IEC 17029 and further international standards, which enables product-specific greenhouse gas emissions to be verified and defines a baseline as a robust foundation for further targeted decarbonization. As VERIsteel, the process was first employed in 2021 by a European steel manufacturer.



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 forms of product and waste recovery as well as testing, inspection, and confirmation of compliance with waste avoidance, documentation, collection, recycling, or recovery quotas.

This year TÜV SÜD introduced a new reference model for operational waste and recyclables management in the form of DIN SPEC 91436. This specification is aimed at minimizing non-recyclable waste, putting unavoidable waste to sustainable use, and evaluating the maturity level of waste and recyclable management processes. The new industry standard was developed by a consortium of NGOs and representatives from the worlds of science and business, with the participation of TÜV SÜD Management Service GmbH.

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.

For example, our Austrian legal entity developed a TÜV SÜD packaging recyclability standard within the European Union's Circular Economy Package. 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). The scheme builds trust in compliance with minimum recyclability standards, and thus lays the groundwork for a functioning circular economy. The first certificate was awarded in 2021 to one of Europe's largest suppliers of fresh chicken and poultry convenience products.

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 scheme 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.

RESPONSIBLE BUSINESS PRACTICES

Management system certification and audits

Companies are responsible for the world of tomorrow, by their sustainable business practices 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 auditing and certifying the relevant management systems in accordance with recognized standards. Relevant standards for this process include ISO 14001 for environmental management systems and EN 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.



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 certifications, 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.

GreenCompass – Enhancing sustainability

In recent years TÜV SÜD joined forces with the Singapore Economic Development Board (EDB) to develop the Smart Industry Readiness Index (SIRI) and establish it as a global standard for the Industry 4.0 transformation process. The experiences gained from this successful project served as the baseline for developing an approach that will be of particular assistance to production companies along their journey to enhanced sustainability. GreenCompass focuses on companies and their added value as well as their products comparable to the role of SIRI in Industry 4.0; the framework initiative helps to develop an appropriate management approach in order to identify, evaluate, and control actions.

Sustainability 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.

CARBON MANAGEMENT

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 greenhouse gas 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 greenhouse gas 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.

EMPLOYEES

- 59** TÜV SÜD – Attractive Employer
- 63** Compensation and benefits
- 66** Diversity and inclusion
- 71** Qualified employees and employee development
- 75** Work-life balance
- 77** Health and safety management

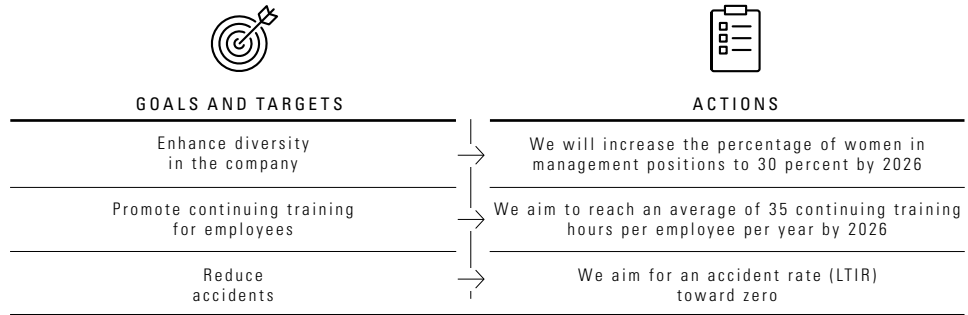
GRI 102-16
GRI 401/103-1-3
GRI 402/103-1-3

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.

Our goals and targets

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TÜV SÜD is a responsible employer – and therefore an attractive one. 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 development as a company, contributing their motivation, expertise, and skills as the foundation for our sustainable long-term advancement.

TÜV SÜD will continue to grow in the years to come, with a workforce expansion target of up to 3 percent. Even taking normal employee turnover 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.

15/16/17

Our Human Resource Strategy 2025+ is designed to support corporate development and foster a collaborative culture at TÜV SÜD, thus generating tangible added value for our employees and executives. Our primary focus is on these three SDGs:

2021 ANNUAL REPORT,
MANAGEMENT REPORT,
NON-FINANCIAL PERFORMANCE
INDICATORS
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Good health and well-being



Gender equality



Decent work and economic growth

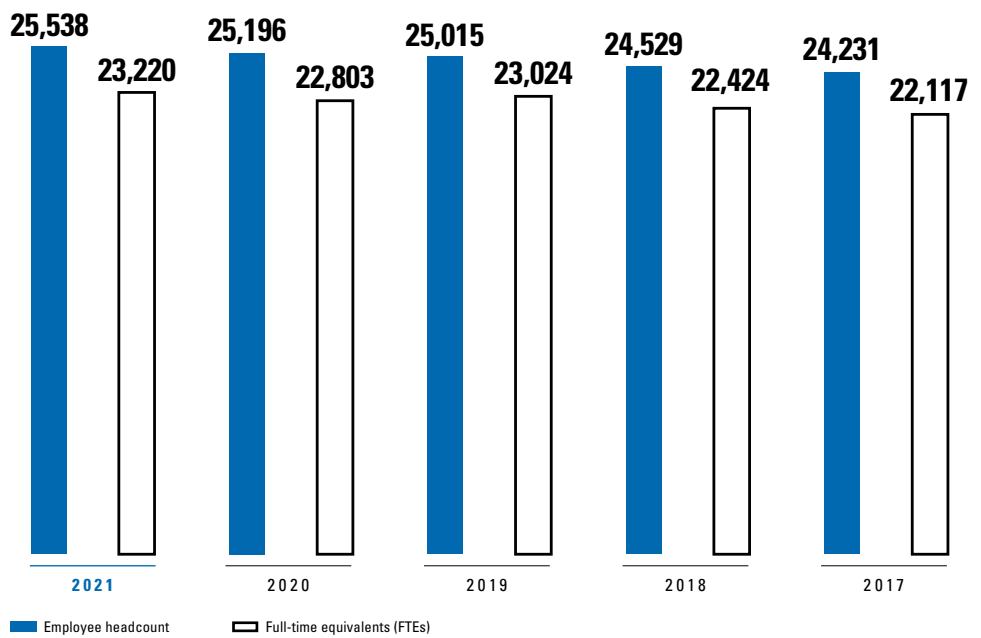
GRI 102-7

Involving our employees on the basis of equality, encouraging their personal and professional development, and supporting their physical and mental health are high priorities for us at TÜV SÜD. Our engagement in these areas contributes toward creating a more sustainable society while also securing our company’s success over the long term. In addition, employers’ corporate social responsibility is an increasing focus of public awareness and is taken as a benchmark in evaluating companies and their attractiveness as employers. = 02

Employee development

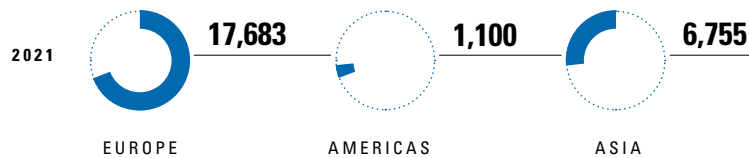
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EMPLOYEE HEADCOUNT (AS AT THE REPORTING DATE) AND FULL-TIME EQUIVALENTS (ANNUAL AVERAGE)



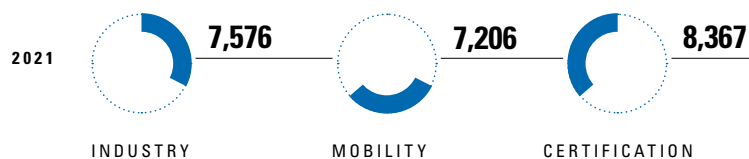
Employee headcount by region

|| 16



Employee headcount by segment

|| 17



GRI 102-8

Considering this, we made the most of the year 2021 to step up our systematic organization of sustainability activities in the “Employees” field of action. To do so, we drew up goals, targets, and management approaches for the individual topics and embedded them in an HR management system, so that they now serve as a roadmap for our future activities. Alongside regulatory requirements and associated certifications, the roadmap incorporates further-reaching goals and targets which we aim to fulfill by 2026 as part of our corporate strategy.

In the same year, we revised TÜV SÜD’s existing HR guidelines to create a Group-wide framework for our corporate social responsibility as an employer. It can be found in the Corporate Management Manual and accessed by all executives, for whom its implementation is binding.

Employees by type of employment contract (fixed-term/permanent)

≡ 02

		2021	2020
Permanent	Headcount	22,002	21,446
	Number	6,663	6,453
Thereof women	in %	30.3	30.1
	Number	15,255	14,927
Thereof men	in %	69.3	69.6
	Number	82	66
Thereof n.a./other	in %	0.4	0.3
	Number	16,299	16,170
Thereof in the EUROPE region	in %	74.1	75.4
	Number	4,645	4,336
Thereof in the ASIA region	in %	21.1	20.2
	Number	1,058	940
Thereof in the AMERICAS region	in %	4.8	4.4
Fixed-term	Headcount	3,536	3,750
	Number	1,516	1,478
Thereof women	in %	42.9	39.4
	Number	2,018	2,270
Thereof men	in %	57.1	60.5
	Number	2	2
Thereof n.a./other	in %	0.1	0.1
	Number	1,382	1,590
Thereof in the EUROPE region	in %	39.1	42.4
	Number	2,111	2,032
Thereof in the ASIA region	in %	59.7	54.2
	Number	43	128
Thereof in the AMERICAS region	in %	1.2	3.4

TÜV SÜD – Attractive Employer

“Attractive Employer” is an overarching management approach which takes in the central elements of the specific secondary management approaches “Diversity and Inclusion”, “Qualified Employees and Employee Development”, “Health and Safety”, and “Work-Life Balance”. Elements from the “Compensation and Benefits” approach are also included at relevant points of these management approaches.

GRI 401/103-1-3
GRI 402/103-1-3

HR management approaches and policies

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ORGANIZATION AND MANAGEMENT

Topic-specific Centers of Excellence are responsible for implementation of the individual management approaches. The Human Resources corporate function reviews the status quo and milestone achievements on a regular basis, evaluates need for change, and aligns its actions accordingly. Key findings from this process are incorporated into HR strategy and into the corporate strategy implementation process.

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, in their capacity as strategic partners, to provide comprehensive advisory services to the senior experts and executives in their care. In doing so, we consistently make the most of the opportunities offered by digitalization in order to free our HR employees more extensively from routine tasks and create a reliable foundation for decision-making by executives. Senior management executives can already use a dashboard to view the main HR parameters and access information on successor and HR planning, or the Group-wide talent pool. We are continuously developing and advancing this management tool and its visualization options. The highly transparent nature of the data enables potential challenges to be identified at an early stage, or perhaps even eliminated altogether, by taking timely action.

In 2021, we also made significant progress in establishing and expanding our integrated HR planning process, which is crucial to the implementation of our HR strategy. The corresponding process, Integrated People Planning (IPP), covers both internal data and external market data. It forms the basis for needs-based and forward-looking planning, thus enabling appropriate employee recruitment and retention actions to be taken at a timely stage. 2021 saw the IPP process implemented by numerous legal entities around the world. The IPP's methods were also used to address global and overarching organizational topics for the first time, such as expanding our hydrogen-related activities.

COLLABORATION WITH EMPLOYEE REPRESENTATIVES

TÜV SÜD values equal involvement of employees. Close collaboration with workers' representatives has always been a key pillar of our corporate culture. Inclusion of our employees in codetermination processes and establishment of employee representatives at site, company, and group level takes place in accordance with national laws.

In 2021, workshops were held in partnership between the employer and the corporate works council to address the issue of developing joint responses to the transformation of working environments. The intention is to perceive and establish this transformation as an opportunity for increasing the flexibility and transparency of employment conditions. In addition, the aim is to redefine collaboration in a way that best reflects the interests of both sides. After a successful kick-off event in 2021, the collective bargaining partners agreed to continue the format at regular intervals in the following years.

All parties 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 digitalization and innovation in the company while protecting the individual rights of our employees. Corresponding works agreements at various TÜV SÜD companies in Germany already enable over 5,000 employees to adopt more flexible working methods largely independent of location.

In its role as an employer, in 2020 TÜV SÜD had formed an interdisciplinary global task force to develop a common vision for the future of work at TÜV SÜD. This resulted in the joint production of the "Future of Work Guidelines" in April 2021, which now serve as the basis for implementation and communication in the various regions of the company.

RECRUITING NEW EMPLOYEES

To reach our growth objectives, we need to attract qualified talents to TÜV SÜD across the world. To do so, we drew up clear goals and targets in our 2025+ HR strategy. Optimized recruitment processes based on integrated HR planning and supported by digital technologies will contribute toward achieving them. Over 20 countries have now introduced a central application platform offering a wide range of positions. As early as 2018, we began to counter the impending shortage of specialist skills by setting up focused recruiting teams to support executives at cross-regional and cross-division level in their search for new candidates.

Our new global careers website offers potential candidates authentic information from various areas of the company. It also served as a basis for local career websites in regions such as the USA, India, and Spain, which went online in 2021. An additional sustainability-focused website was set up to provide candidates with at-a-glance information on TÜV SÜD’s activities and projects in that field.

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.

New employees

≡ 03

		2021	2020
Headcount	Headcount	25,538	25,196
	Number	3,823	3,053
New employees during the reporting period, total	in % of workforce	15.0	12.1
	Number	1,333	981
Thereof women	in % of new employees	34.9	32.1
	Number	2,456	2,056
Thereof men	in % of new employees	64.2	67.3
	Number	34	16
Thereof n.a./other	in % of new employees	0.9	0.5
	Number	2,005	1,648
Thereof joined in the EUROPE region	in % of new employees	52.4	54.0
	Number	1,620	1,160
Thereof joined in the ASIA region	in % of new employees	42.4	38.0
	Number	198	245
Thereof joined in the AMERICAS region	in % of new employees	5.2	8.0
	Number	1,565	
Thereof < 30 years	in % of new employees	40.9	
	Number	1,712	
Thereof 30 – 45 years	in % of new employees	44.8	
	Number	459	
Thereof 46 – 60 years	in % of new employees	12.0	
	Number	87	
Thereof > 60 years	in % of new employees	2.3	

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. In recent years, we have also built up an outstanding reputation abroad, which is repeatedly confirmed with awards and distinctions – such as the array of prizes won again this year by TÜV SÜD in China for its employer branding activities.

GRI 401-1

Considering this, we regularly review our recruitment processes. In 2021, we participated in the Recruiting Excellence Audit (RExA) of the Jobware employment website, involving in-depth analysis of our recruiting processes and creation of benchmarks to identify potential areas of improvement. TÜV SÜD passed with flying colors. The company has held the three-star RExA quality mark since the start of 2021.

We also developed and implemented a candidate experience survey to assist in the continual improvement of our image as an employer and our recruiting processes. The questionnaire is automatically emailed to all candidates entering our recruiting process. In addition, in 2021 we launched a candidate experience pilot project in our Western Europe region, with the purpose of continuously optimizing candidates' experience and adjusting our internal processes accordingly.

Employee turnover

≡ 04

		2021	2020 ¹
Employee turnover during the reporting period, total	Number	3,245	3,031
	in %	12.8	12
Thereof women	Number	999	875
	in %	30.8	28.9
Thereof men	Number	2,239	2,155
	in %	69	71.1
Thereof n.a./other	Number	7	1
	in %	0.2	0
Thereof in the EUROPE region	Number	1,820	1,508
	in %	56.1	49.8
Thereof in the ASIA region	Number	1,227	1,128
	in %	37.8	37.2
Thereof in the AMERICAS region	Number	198	395
	in %	6.1	13.0
Thereof < 30 years	Number	1,013	
	in %	31.2	
Thereof 30 – 45 years	Number	1,414	
	in %	43.6	
Thereof 46 – 60 years	Number	471	
	in %	14.5	
Thereof > 60 years	Number	347	
	in %	10.7	

1 _ Last year's figures adjusted to total turnover; the 2020 report only covered voluntary turnover.

Compensation and benefits

GRI 102-41

TÜV SÜD champions adequate and reasonable pay for its employees that sufficiently reflects living costs. Clearly defined pay policies and binding, transparent rules that apply equally to all employees throughout the Group are the foundation for an array of processes in Human Resources and accompany our employees throughout their entire active period with our company.

This approach also shapes our compensation and benefits policy, designed to create a structured and unbiased basis for pay-related decision-making. By setting out clear, objective rules and shared standards, we aim to offer our employees security and create mutual trust. This is both a central tenet of our corporate mission and the bedrock of our compensation policy.

Its framework was established in 2021 by our global compensation and benefits policy, and our principles of fair and equal pay. These provisions ensure that all pay decisions are made irrespective of gender, ethnicity, nationality, or other subjective factors, taking local and regional factors into consideration. We thus promote objective equal treatment of all our employees while ensuring compliance with all local laws as an integral element of our compensation policy.

We reward individual performance and encourage employees' personal potential and development within a secure and attractive corporate environment. In line with our HR and talent strategy, TÜV SÜD offers all employees an appropriate compensation package that reflects their position and the applicable market characteristics without recourse to subjective decision-making criteria.

Worldwide compliance with minimum wage levels is a matter of course and is emphasized and safeguarded by collective bargaining agreements and by our globally applicable remuneration guidelines in areas where those agreements do not apply. The majority of our workforce receives significantly higher pay than the applicable legal minimum wage levels. This reflects their training and job profile as well as the high qualification standards we apply to our pay-scale and non-pay-scale employees.

We generally select, recruit, and promote our employees on the basis of their qualifications and skills. In Germany and many other countries, salary bands are set in prevailing collective bargaining agreements.

In areas covered by collective bargaining law, pay and bonuses are agreed with the collective bargaining and social partners. The corresponding contracts and provisions provide for a predefined system of job evaluation and corresponding allocation to pay groups, thus ensuring equal payment within the same wage or employee group as well as safeguarding compliance with minimum wage laws. Around 53 percent of our employees worldwide fall under collective bargaining agreements. In Germany these employees account for approximately 76 percent of the workforce; outside Germany the figure is around 27 percent.

In areas not covered by collective bargaining agreements, TÜV SÜD strives for appropriate salaries that reflect market conditions. Like the collective bargaining areas, a standardized and objective job and pay scale category system applies. Over the past two years, we have introduced a globally uniform salary review process, so that pay decisions are now based on standardized guidelines without reference to subjective criteria. Salaries are determined within standard market ranges and always exceed the relevant minimum wage levels, while objectively verifiable salary development is guaranteed by the pay-for-performance principles.

By prioritizing transparency and open communication, we foster the trust of our employees. To improve the process quality of our bonus and salary reviews, we have established transparent communication with our employees, applying globally uniform minimum standards and content. This process openly shares our compensation management approach with all our employees and showcases the consistency of our bonus and salary reviews. We will continue to build on this transparency in 2022, with actions including a new information platform. Our goal is to enable employees and managers to take part in all compensation processes together on the basis of standardized rules and framework conditions, and to promote open discussion of the process and its results.

POSITIVE DEVELOPMENT IN EQUAL PAY

TÜV SÜD supports the principle of equal opportunity for all its employees. We strive for a system of fair and objective remuneration, free from gender-specific or other discriminatory factors. A crucial benchmark for objective equal treatment is a comparison of the remuneration of male and female employees holding equivalent positions and performing equivalent tasks in the company.

We can already see initial signs of success for the measures we have introduced in this respect. The average pay gap for both basic and total salary of our upper and senior management in Germany is a percentage in the lower single digits, down from an upper single-digit percentage last year. At this level, differences in salaries in each classification group show higher or lower variations for both genders. The average pay gap for both basic and total salary of our executives and senior professionals is slightly higher. By way of comparison, the German Statistics Office quoted a gender pay gap of 19 percent for Germany in 2021 (prior year: 18 percent) and 14 percent for Europe in the same year.

We will work with our regions on harmonizing salary structures in 2022, taking a further leap towards greater equality of treatment and of pay. Alongside this, we will continue to drive standardization of our regional bonus schemes and the revision of our global upper and senior management bonus plan. As a basis, we have drawn up definitions of global minimum terms for variable pay. For example, a specific percentage of bonus payments will depend on the company's performance and the achievement of our sustainability goals and targets.

In 2022 we will likewise continue to progress our Job Architecture project, launched in 2021. By mapping all positions throughout our business, Job Architecture lays the foundations for focused human resource development and career planning. It also supports equal treatment with respect to remuneration by providing a uniform job evaluation for each specific position, thus ensuring that equivalent positions are classified in and subject to the same pay bracket.

GRI 201-3

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 for all matters regarding occupational pensions, aba Arbeitsgemeinschaft für betriebliche Altersversorgung e.V., we and over 1,100 further companies work to maintain and expand Germany's company pension scheme. 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 Statements of the TÜV SÜD 2021 Annual Report.

2021 ANNUAL REPORT,
CONSOLIDATED FINANCIAL STATEMENTS,
PROVISIONS FOR PENSIONS
AND SIMILAR OBLIGATIONS
SEE PAGES
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The TÜV SÜD Pension Trust, founded in 2006, today manages the pension claims of over 6,000 active and former employees in Germany. It is structured as a contractual trust arrangement (CTA) with plan assets currently totaling approx. EUR 1.7 billion. Comparable models are also in place for current and former members of TÜV Hessen GmbH, Darmstadt, Germany, and the legal entities 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 primarily take the form of classified investment funds in accordance with Articles 8 and 9 of the EU Sustainable Finance Disclosures Regulation. The board of the TÜV SÜD Pension Trust has further imposed targets requiring the percentage of sustainable investments in the 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 TÜV SÜD Pension Trust also financed the new premises of TÜV SÜD PSB Pte. Ltd. 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.

Diversity and inclusion

GRI 405/103-1-3

GRI 405-1

GRI 406/103-1-3

TÜV SÜD stands for diversity and inclusion. The 25,000-plus employees at our company are from over 100 different countries with differing cultures, are in varying age groups, lead different lifestyles, and contribute an enormous range of skillsets, views, and interests. All this makes us stronger as a company and delivers added impetus to the development of our services. By fostering a culture of openness and inclusion that embraces these diverse perspectives, we are better able to make decisions and use our specialist expertise to the full. Our goal is to drive the progress of diversity and inclusion, without reducing equal opportunity and inclusivity to a gender issue. We signed the Charta der Vielfalt (German Diversity Charter) as early as June 2017 and pledged to uphold its principles of creating a working environment that is free from prejudice. All employees at TÜV SÜD deserve to be appreciated regardless of their gender, nationality, ethnicity, religion or worldview, disability, age, sexual orientation, and identity. This belief is also reflected in the international make-up of our workforce. 113 different nationalities work at TÜV SÜD; 1,537 of those employees work outside their native country, accounting for 6.0 percent of the workforce. Of our 2,703 executives, 151 are based in a location other than their native country.

In the past we already implemented numerous actions designed to establish the topic of diversity more firmly in the company. To organize our activities in this area more systematically and even more effectively, in 2021 we drew up the “Diversity and Inclusion” management policy and launched the cross-division Diversity Boost project. In the project, around 50 participants from a variety of regions and subsidiaries work with selected experts and top management representatives to define specific goals and actions that are designed to attract and retain diverse talents, offering them appropriate career and development opportunities.

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NEW POLICIES IN EFFECT

The framework for all our activities is the “Diversity and Inclusion” policy, developed in 2021 and applicable across the entire company. The policy is a clear expression of TÜV SÜD’s promotion of a culture of inclusivity with zero tolerance of any form of harassment or discrimination. Furthermore, we:

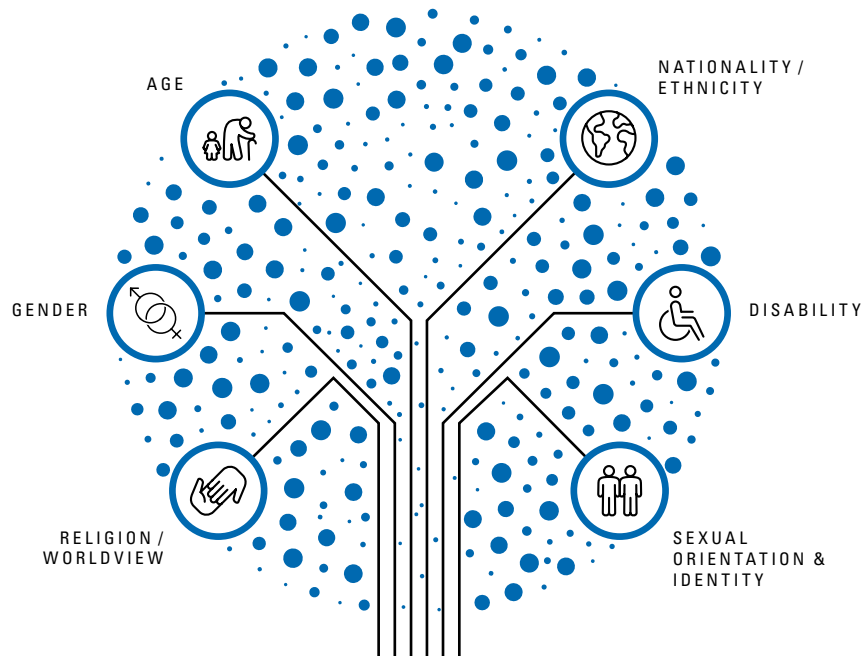
- recognize, respect, and embrace individual differences among all our employees, partners, and customers,
- strengthen the competencies that enable us to embrace diversity and to think and act in an inclusive manner, in order to create a working environment where individuals feel they belong, and that welcomes and inspires all and encourages people to get involved, be creative, and assume personal accountability,
- promote a leadership culture that ensures participation and facilitates the utilization of the diverse backgrounds and experiences of our employees to increase results,
- aim to identify, address, and eliminate obstacles and thus foster diversity and inclusion through our processes, policies, and practices.



In addition, a policy on employee relations was developed this year. It explains that strong relationships built on trust between our employees are only possible through open communication. All management and employees are encouraged to be involved in creating a working environment that is shaped by mutual trust and respect. All our corporate regions are called on to help shape a world of work that is free from discrimination, harassment, and bullying. The guideline also sets out the fundamental principles of our culture of communication and feedback, and explains complaints procedures and other channels for whistleblowers. In addition, regional responsibility-holders are instructed to ensure transparent and effective complaints processes are in place beyond the TÜV SÜD Trust Channel and to communicate these options to their workforce.

Diversity & Inclusion

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Concrete examples of actions implemented this year include the incorporation of a diversity statement in all of our job advertisements, and a series of changes to our succession planning processes and development programs that are designed to prevent unconscious stereotyping and enhance the visibility of diverse talents. Preparations for the next employee survey likewise incorporated the topics of diversity and inclusion to a greater extent than previously. In addition, we are already working on the associated reporting system and on integrating anti-discrimination content into our existing compliance training courses. We have also implemented various measures to highlight the various aspects of diversity within the company to our workforce.

The following measures have been initiated for the 2022 financial year:

- Compilation of data and facts for data-supported diversity and inclusion management,
- Review of performance management and succession planning processes with respect to fairness and equal opportunity,
- Expansion of training courses to prevent all forms of discrimination in the recruitment process,
- Revision of TÜV SÜD's communication guidelines to introduce more inclusive language for addressing employees and candidates.

ANONYMOUS COMPLAINTS OPTION

TÜV SÜD opposes all forms 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 corporate 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. Those affected can also contact their line manager or Works Council directly or make use of the TÜV SÜD Trust Channel, which is open 24/7 and can also be used by third parties. This portal also allows them to report problems anonymously using a protected electronic mailbox. All cases are naturally treated with utmost confidentiality.



EMPLOYEE ENGAGEMENT AS PART OF OUR CORPORATE CULTURE

We also proactively support diversity and inclusion networks founded within the company on the personal initiative of our employees. These networks play various roles, including representing the interests of the employees who are their members, providing them with a common voice, and can serve as a source of empowerment and of appreciation. There are currently two such 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 allyship. A similar network is active in the USA at local level under the name of prism.
- At the same time, as a company we support the international Women's Network, founded in 2017 as an individual initiative. The network serves as a center for dialogue, organizes regular meetings, and oversees a mentoring program launched in 2018, thus raising awareness of relevant topics within the company.

Fields of action promoting diversity within the company

11 20

DIVERSITY MANAGEMENT



CREATING AWARENESS

e.g. educational videos on unconscious bias



FRAMEWORK CONDITIONS

e.g. flexible working hours



STRUCTURAL MEASURES

e.g. fine-tuning options in recruiting process

LUNCH TALKS BY LGBTIQ+ NETWORK PROUT

A new event series held by the prOUT network aims at raising the public profile of the LGBTIQ+ community. Lunch Talks are informal online events connecting people within and outside the network. The aim of the events, which are slated to take place around three times per year, is to provide information about LGBTIQ+ topics, tackle unconscious bias, and create a space for dialogue.

ADVANCEMENT OF WOMEN IN OUR COMPANY

We take a holistic perspective on diversity and inclusion and aim for more transparency across all aspects of diversity with reporting potential, and will regularly set goals and targets for the organization as a whole, including areas of regional focus.

One of these diversity aspects is gender balance, and we are committed to significantly increasing the proportion of women in managerial roles. Therefore, we aim to increase the share of women in disciplinary management positions from about 26 percent today to 30 percent in 2026.

TÜV SÜD WOMEN'S NETWORK CONTINUES TO GROW

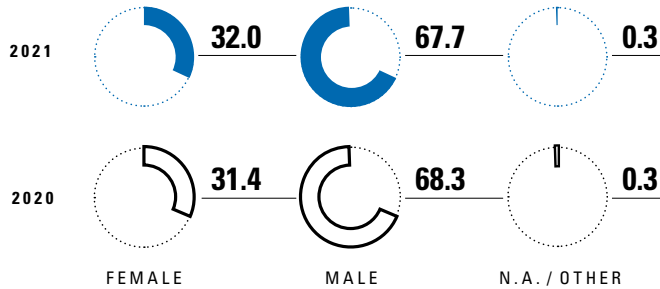
The TÜV SÜD Women's Network registered further growth in 2021, adding network branches in India, Bangladesh, and Switzerland. By the end of 2021, the network numbered about 1,000 women as participants.

The online "Sofa Sessions" offered female colleagues the chance to get to know each other and connect worldwide. Speakers at the events include female role models, high potentials, and mentors in the company, but also male supporters. External coaches deliver informative and useful content on themes including personal branding and impostor syndrome. Sessions with external participants from other corporate networks also focus on exchange of ideas and experiences, including with leading female figures from the hydrogen or rail industries.

Employees by gender

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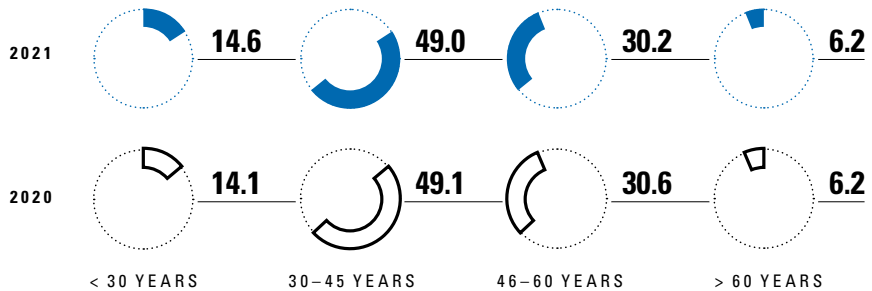
IN %



Employees by age

ii 22

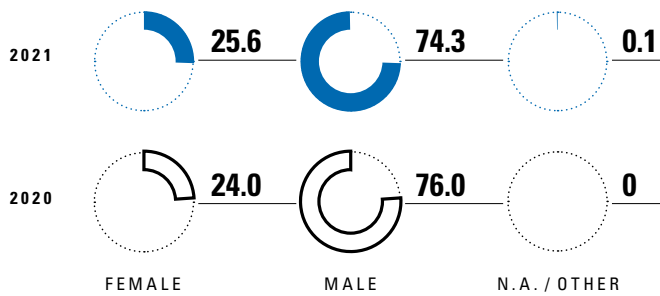
IN %



Management executives by gender

ii 23

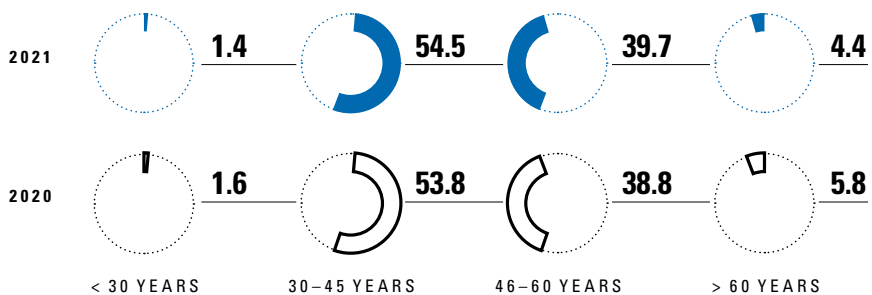
IN %



Management executives by age

ii 24

IN %



Qualified employees and employee development

GRI 404/103-1-3

In a dynamic environment, the tasks we confront as a service provider are constantly evolving. In the face of technological progress, digital transformation, and an increasingly connected and complex global economy, the requirements we make of our employees are changing in equal measure. We aim to empower our employees to master these challenges by providing wide-ranging qualification and continuing training offers to provide the skillsets necessary for today's work activities as well as develop essential competencies for securing TÜV SÜD's sustainable growth and enabling necessary adjustments to changing framework conditions to be made. More and more learning content is available online, making access to knowledge available independently of geographical constraints and physical locations. We encourage continuous learning among our employees and seek to identify talents with the potential to take on more challenging duties at an early stage.

To ensure all of our employees are provided with the best possible opportunities for their development based on their responsibilities, positions, qualifications, and knowledge, we establish flexible possibilities for their continuing specialist and multidisciplinary training and development. We regard maximum levels of personalization as a key factor for the success of these offerings.

In this context, in 2021 we bundled these activities in the “Qualified Employees and Employee Development” management approach and defined concrete goals and targets. For example, by 2026 we aim to raise the number of training hours per capita to 35 from the current average of 26.4 hours.

To achieve these targets, a variety of projects were launched in 2021 focusing on company-wide performance management and learning environment optimization. The currently ongoing HR IT system projects is establishing the technical conditions for a connected, transparent learning and development platform that can be accessed by all employees. This will ensure that all members of TÜV SÜD around the world will have equally good development and learning opportunities.

INTENSIFYING QUALIFICATION AND CONTINUING TRAINING ACTIVITIES

As our business operations largely returned to normal in the second year of the COVID-19 pandemic, our training output likewise increased. Despite the continued restrictions imposed by the pandemic, in the 2021 financial year our employees completed around 84,250 days (prior year approx. 54,400 days) of qualification and continuing training courses, around 20 percent of which were held online. Our investment in external training totaled approx. EUR 16 million in 2021 (prior year: EUR 14 million).

Qualification and continuing training

05

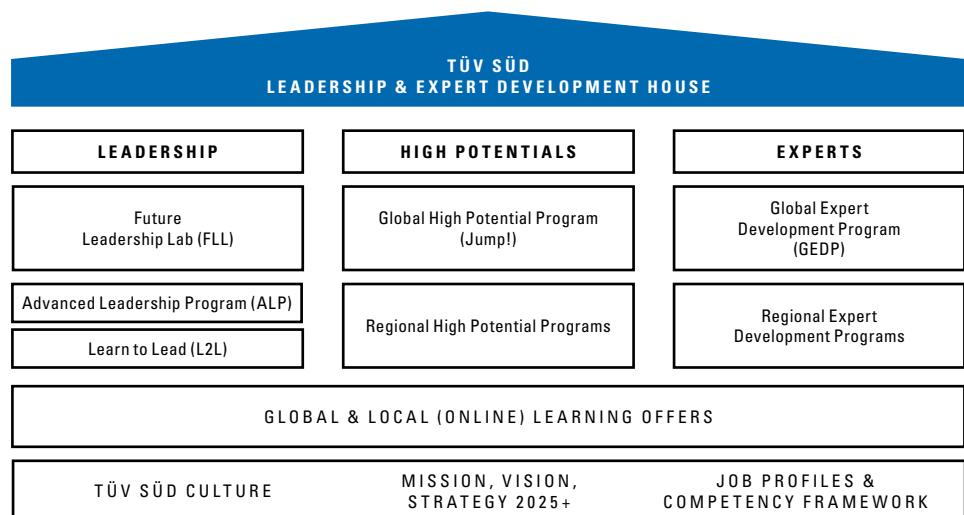
	2021	2020
Total number of days of qualification and continuing training	84,242	54,418
Average number of hours of qualification and continuing training per employee	26.4	17.3

TARGETED LEARNING AND DEVELOPMENT FOR EXECUTIVES AND EXPERTS

In addition to offering training courses that are 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 potential and knowledge – the basis of our success. Our longstanding “Leadership & Expert Development House” programs have placed systematic and continuous human resource development of specialists and executives at the heart of our international human resource operations for some years.

Optimizing development opportunities for all

25



DIGITALIZATION AS A LEARNING OBJECTIVE

Human resources have a key role to play amid the advancement of digitalization. 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)”. 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 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 150 senior technical experts since 2014. It took place online for the first time in 2021.

In the same year a training campaign focusing on digitalization was held both globally and across China, involving live online events and digital self-study resources. Topics included artificial intelligence, the Internet of Things, and digital collaboration. In addition, all global employees have access to the Digital Learning Page, where they can explore and learn about core topics in digitalization. The intranet offers resources including Learning Nuggets and a multilingual web-based training course providing insight into selected digital projects at TÜV SÜD as well as practical information on topics such as highly autonomous driving and IT security.

Due to the restrictions imposed during the pandemic in 2021, global programs had to be postponed or were converted to virtual formats at short notice. As soon as in-person training courses are possible again, they will be resumed to build expertise for the digital world.

HOLISTIC PERFORMANCE ASSESSMENT

We aim to assess the performance of our employees with the maximum possible objectivity in accordance with uniform Group-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. These may include development within the current position or a different position of equal or higher rank, but also measures such as job rotation and international deployment. Such measures 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 an integrated 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 evolving and new roles and challenges.

TRAINING AND QUALIFICATIONS – SAFEGUARDING THE FUTURE

Vocational training is 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 the maximum possible number of its graduates and to continue their training as testing engineers or officially approved experts. An average of 198 apprentices and interns embarked on their careers at TÜV SÜD in Germany in 2021 (prior year: 167). In addition, work/study programs (Duales Studium), primarily in the areas of mechanical, electrical, and vehicle engineering, were offered again this year in collaboration with prestigious universities of applied science.

SUPPORTING HIGH POTENTIALS

Identification and encouragement of high potentials is a 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. As the global pandemic continued in 2021, all programs were once again modified, with some held virtually.

In 2021, the fifth year of “JUMP!” – our global high-potential program, with 18 participants from seven countries – came to a successful conclusion. The program 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. Mentoring and digital learning provide further support for the participants as they progress their personal and skills development. The selection process for the next JUMP! round began at the end of 2021. The program started in April 2022.

TÜV SÜD's CHAMP (Corporate High Achievers' Management Program) offers regional schemes for the support and advancement of high potentials to prepare them for greater responsibilities. 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.

Various regional CHAMP programs have already been enormously successful. The selection process for CHAMP US was held in 2021. The program launched in March 2022. The second round of CHAMP EUROPE began in 2021.

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.

Work-life balance

GRI 102-8

Work-life balance is a core 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 mobile working. At the same time, we are driving cultural change in the company to support family-oriented working methods and create a well-balanced working environment for all of our employees. In addition, for many years we have offered a constantly growing range of programs and services to our employees, which is continually expanded and spans generally accessible information as well as specific support with childcare or family care needs.

Employees by type of employment (full-time/part-time)

≡ 06

		2021	2020
Full-time	Number	22,095	21,626
	Number	6,185	5,888
Thereof women	in %	28.0	27.2
	Number	15,824	15,670
Thereof men	in %	71.6	72.5
	Number	86	68
Thereof n.a./other	in %	0.4	0.3
Part-time	Number	3,443	3,570
	Number	1,994	2,046
Thereof women	in %	57.9	57.3
	Number	1,449	1,524
Thereof men	in %	42.1	42.7
	Number	0	0
Thereof n.a./other	in %	0.0	0.0

In the reporting year we drew up our “Work-Life Balance” management policy to expand the systematic framework of our activities. We will flesh out the policy with concrete goals and targets, slated for fulfillment by 2026 at the latest. To do so, we are working with dedication on implementing guidelines for reconciling career, family, and private life as well as career and parenthood. A focal area of these activities is to further inform and raise awareness at management level to ensure executives are familiar with existing opportunities and tools and can implement them in their teams.

We also aim to make greater use of the opportunities offered by mobile working in creating greater potential for establishing a positive work-life balance. And we also plan to continue expanding childcare support programs in line with country-specific needs. The various offers are available on the intranet for access by our employees.

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 fifth time in 2021. When evaluation of the results is completed, we plan to drive these activities at international level and raise awareness among employees and executives to encourage them to make more use of existing offers, particularly with a view to the transformation taking place in the world of work.

GRI 401-3

Work-life balance

≡ 07

	2021	2020 ¹
Employees on parental leave	1,015	828
Thereof women	458	344
Thereof men	557	484
Employees in part-time employment during parental leave	203	218
Thereof women	121	136
Thereof men	82	82
Average duration of parental leave	3.8 months	3.8 months
For women	9.6 months	12.0 months
For men	1.3 months	1.3 months
Employees returning to work within the reporting period after parental leave	826	
Thereof women	208	
Thereof men	618	
Return to work rate	81.4	
Employees returning to work within the reporting period after parental leave and still employed twelve months after returning to work	701	
Thereof women	154	
Thereof men	547	
Rate of employees remaining in their positions	84.9	

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 employees’ children 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 management and support for the program, in which almost 40 families 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. In 2021, the global pandemic restricted these programs to a youth exchange at European level and the “Explore” program was put on hold altogether as no internship places were available during widespread mobile working in that period. Their continuation is planned as soon as the situation allows.

Health and safety management

GRI 403/103-1-3

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 office work to physically challenging activities and work with complex equipment and devices or hazardous materials.

Our occupational health and safety activities primarily 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 beyond the requirements of the law.

OUR MANAGEMENT APPROACH TO HEALTH AND SAFETY

Our "Health and Safety" management policy, reviewed this year, summarizes our activities in the field of occupational health and safety and sets out concrete goals and targets.

We pursue the Vision Zero approach, striving for a world free from accidents at work and occupational diseases. Our foremost priority is the avoidance of serious and fatal work-related accidents, which we place front and center with our aim of reducing the lost time injury frequency rate (LTIR) to approaching zero.

A universal culture of prevention is essential if this target is to be reached. We are working on a globally standardized accident management process and reviewing the accident prevention measures already in place.

Significant improvement to data quality and process efficiency will be achieved with the introduction of a digital reporting system. This digital platform for the health and safety community will also improve the interconnection and illustration of requirements under the ISO 45001 standard.

The global campaign "Time for Health" will also continue. We are also working on establishing a holistic framework for a global performance enhancement program focusing on mental health, taking existing country-specific provisions into consideration.

GLOBAL HEALTH AND SAFETY POLICY PROVIDES THE FRAMEWORK

GRI 403-9

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 and Safety Policy to serve as the basis for our actions, and we revised the policy in 2021 to add actions concerning mental health, give greater consideration to new forms of working, and introduce supplementary performance indicators. 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 works health agreement developed in 2014 with our Group Works Council.

Local TÜV SÜD 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.

Fields of action and measures

ii 26

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

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. This 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 is still a challenge. We nevertheless continue working on establishing a standardized reporting procedure for occupational health and safety to provide an overall view from an international perspective.

Work-related accidents

≡ 08

		2021	Thereof Germany	2020 ¹	2019 ¹
Total	Number	279	258	249	279
	AFR ²	11.0	10.2	9.8	11.0
	Rate	5.8	5.4	5.2	5.8
Fatalities ³	Number	0	0	0	0
	AFR	0.0	0.0	0.0	0.0
	Rate	0.0	0.0	0.0	0.0
Serious work-related injuries	Number	12	2	6	0
	AFR	0.5	0.1	0.2	0.0
	Rate	0.3	0.0	0.1	0.0
Work-related reported injuries	Number	155	142	153	172
	AFR	6.1	5.6	6.0	6.1
Work-related reported injuries	Rate	3.3	3.0	3.2	3.3
Number of hours worked		47,755,013			

1 _ TÜV SÜD in Germany only

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

3 _ Not including COVID-19 infections

OCCUPATIONAL HEALTH AND SAFETY

GRI 403-8

The well-being of our employees also determines our actions in the area of occupational safety: A safe working environment based on the respective regulatory and official requirements determines the development of our integrated occupational health and safety management system. At the request of our customers or if required by law or due to requirements from accreditations (e.g. in parts of Industry Service, Chemical Service, Product Service, or Automotive), the corresponding areas have a corresponding certification according to ISO 45001 or SCC (Safety Certificate Contractors).

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.

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.

HEALTH PROTECTION

We promote personal preventive healthcare by launching Group-wide health campaigns. 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.

Further occupational health and safety figures

≡ 09

	2021	2020	2019
Employees surveyed	11,252	11,445	11,276
Average days of absence per accident	11.1	11.3	7.2
Percentage of trained first aiders	7.9 %	9.4 %	9.5 %

Participation rates for selected healthcare campaigns in Germany

≡ 10

	2021	2020	2019
Flu vaccination	11.0 %	13.5 %	7.8 %
Colorectal cancer screening	41.0 %	35.0 %	37.0 %

Our Virtual Health Week is now a fixture in our annual calendar. Every spring and fall, employees can access lightning talks and consulting meetings to explore a wide range of health topics. The documentation from these events is available on the intranet. The health program is rounded off by daily relaxation sessions in lunch breaks and exercise suggestions for a “lunch break workout,” which were used by a total of 1,800 employees in 2021.

The next global health campaign was launched concurrently with the 2021 spring event. Over its two years, it will focus on the topics of sleep and resilience. Topics like “Tapping into Energy Sources” and “Resilience During a Crisis” took on particular relevance amid the COVID-19 pandemic. The events were held in German and English and were open to all our employees worldwide. The online resilience training alone was visited by over 1,400 employees.

A further global campaign aimed at cancer prevention pursued unusual methods to attract employees’ attention – an online game developed especially for TÜV SÜD provided a play-based setting communicating information about the most frequent forms of cancer and their preventive measures. In Germany the campaign was held in tandem with the annual colorectal cancer screening drive, which reached a new record in 2021 with over 2,600 attendees.

TÜV SÜD subsidizes individual health prevention measures such as participation in certified healthcare offers throughout Germany.

CONTINUED 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 measures, 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.

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.

The positive experiences concerning mobile working and hybrid working which have been gained in the previous months have been summarized in a global policy entitled “Tomorrow’s World of Work”. Our commitment during the pandemic also garnered public recognition. TÜV SÜD’s pandemic management team was nominated for the “Duty of Care Award” of the International SOS Foundation for their services in rapid procurement of personal protective equipment.

Extensive testing and vaccination services

All measures taken prioritize the health of our workforce. The rules implemented by TÜV SÜD often extend beyond government requirements. Before provision of workforce testing became mandatory for employers, inhouse testing stations staffed by medical personnel were set up at TÜV SÜD’s larger-scale locations. In addition, self-tests were provided to the workforce as a whole. TÜV SÜD’s company doctors were involved in Germany’s national vaccination strategy, performing vaccinations at company locations throughout the country. Vaccinations were extended to family members in the second stage, and continued with booster vaccinations for employees in December 2021.

The broadly based vaccination drive to combat the COVID-19 pandemic enabled us to reach numerous employees and their family members in 2021. A total of 4,162 COVID-19 vaccinations were given, as well as a high number of influenza vaccinations.

ENVIRONMENT

84 Environmental commitment

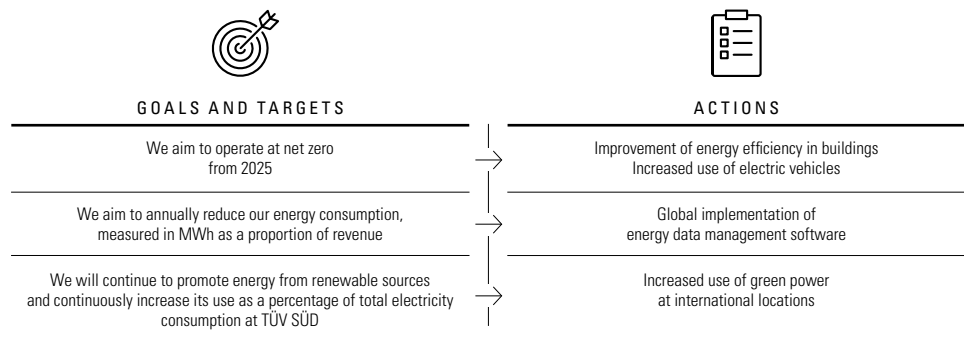
88 Environmental impacts from business operations

OUR OBJECTIVE

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

Our goals and targets

11 27



Environmental commitment

Providing services and innovations, we help our customers to drive environmental and climate action 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. Our primary focus is on these SDGs:



Affordable and clean energy



Sustainable consumption and production



Climate action

MANAGING THE ENVIRONMENTAL IMPACT BY TÜV SÜD – MEASURE, CONTROL, REDUCE

GRI 102-11
GRI 301/103-1-3
GRI 302/103-1-3
GRI 303/103-1-3
GRI 305/103-1-3

We have the goal of becoming the most sustainable company in our industry. Climate and environmental protection is a key field of action, as our materiality analysis shows.

Responsibility for climate and environmental protection falls to our Real Estate (building management) and Procurement functions.

The framework for all environmental action activities is set by our environmental policy, which applies globally and is annually revised and updated. The current areas of focus of the policy are reduction of energy consumption and consumption costs, procurement of resource-efficient products and services, and training for our employees to raise awareness of the use of natural resources.

Our environmental policy also sets out our short-term climate target: from 2025 we aim to reduce our global Scope 1, Scope 2, and Scope 3 greenhouse gas emissions from business travel to net zero. To do this, we will first avoid generating emissions from business travel wherever possible and reduce consumption of resources. Residual emissions will then be compensated for by supporting certified and recognized compensation projects.

In 2021, we clarified this target in more concrete terms and included the following performance indicators:

- Continuous reduction of our annual greenhouse gas emissions
- Annual reduction of our energy use, measured in MWh as a proportion of revenue
- We will continue to promote energy from renewable sources and continuously increase its use as a percentage of total electricity consumption at TÜV SÜD

As well as defining further performance indicators for specific areas, we are currently working on a long-term climate objective and establishing a climate strategy extending beyond the 2025 timeframe. Our goal is to reduce TÜV SÜD's greenhouse gas emissions to an unavoidable minimum. To balance out these unavoidable greenhouse gas emissions, we are planning to gradually phase out our support of carbon compensation measures and replace them with carbon capture and removal projects. As with our compensation measures, we will only choose certified and recognized projects.

We are also currently exploring participation in international climate action initiatives. TÜV SÜD strives to underpin its holistic Group-wide climate action approach by supporting recognized organizations.

GREENHOUSE GAS INVENTORY – THE BASIS FOR ALL CLIMATE ACTION ACTIVITIES

To reach our targets and continue minimizing negative environmental impacts, TÜV SÜD is currently investigating and implementing a host of actions and processes in a plan-do-check-act process. The top priority involves Group-wide recording of all greenhouse gas emissions produced by TÜV SÜD in a greenhouse gas inventory.

GRI 302-1
GRI 302-2
GRI 305-1
GRI 305-2
GRI 305-3
GRI 305-4

In 2020, we compiled the first greenhouse gas inventory for all fully consolidated subsidiaries located in Germany and their employees. Preparation of such an inventory involves systematic collection of material and energy consumption figures to the highest possible level of accuracy and conversion of these data into greenhouse gas emissions (CO₂ equivalents; CO₂e), which establishes direct connections between resource consumption and climate impact and quantifies them in the inventory.

To monitor our environmental and climate impacts continuously, we update the inventory on an annual basis and are engaged in developing it further. In 2021, we expanded our reporting of environmental indicators; our greenhouse gas inventory now includes data from all fully consolidated subsidiaries in Germany, Italy, Spain, UK, USA, India, Singapore, China, Japan, and South Korea. This takes in around 90 percent of our revenue volume and our workforce. With our Group-wide climate target in mind, we plan to systematically expand our recording activities to take in further subsidiaries in the coming years.

We base the development of our greenhouse gas inventory on general regulations such as the Greenhouse Gas Protocol (GHG Protocol) as well as on the international ISO 14064-1 standard, albeit without striving for full compliance at this stage. We completed an internal audit this year as an important step along the way to verifying our carbon footprint in accordance with ISO 14064-3. In the next step, we will commission third-party verification of our greenhouse gas inventory.

TÜV SÜD greenhouse gas inventory

The available figures include direct greenhouse gas emissions from local combustion processes or from our leased vehicle fleet (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 from upstream and downstream processes (Scope 3), we have collected data on employees' mobility and on water and paper consumption.

Greenhouse gas emissions calculations for our German subsidiaries were able to take grid-specific aspects into consideration. The greenhouse gas emissions given here for TÜV SÜD in Germany follow the market-based approach set out in the GHG Protocol. However, this method could not be applied across all international locations, so that international emissions calculations adopt a location-based approach.

Year-on-year discrepancies in the most recent figures are due to revised methods and new findings, particularly the implementation of energy data management software, which allowed energy consumption for Germany to be calculated with greater accuracy.

International greenhouse gas emission data are partly based on extrapolations to enable year-on-year comparisons to be made. Here, too, we plan to continue honing our reporting in the coming years.

GRI 305-1
GRI 305-2
GRI 305-3
GRI 305-5

In 2021, greenhouse gas emissions by the countries covered by the reporting system totalled approximately 74,458 t CO₂e, corresponding to 3.3 t CO₂e per employee or 30.3 t CO₂e per EUR 1 million in revenue. Around 30,246 t CO₂e (prior year: 25,416 t CO₂e) of this was produced by fully consolidated subsidiaries located in Germany, giving the equivalent of 2.3 t CO₂e per employee and 17.0 t CO₂e per EUR 1 million of revenue generated in Germany. TÜV SÜD's business activities in Germany thus accounted for 40.6 percent of the carbon footprint shown here for 2021 (prior year: 39.3 percent).

The production and evaluation of the greenhouse gas inventory have enabled us to identify relevant greenhouse gas emission sources and thus reveal previously untapped potential for savings. Alongside the impact of the COVID-19 pandemic on our employees' mobility, the effects of our energy saving actions are likewise becoming clear. The advance of digitalization and the associated decline in paper consumption have contributed further to reducing our greenhouse gas emissions.

Greenhouse gas emissions ¹

≡ 11

IN t CO ₂ e	2021	Thereof Germany ²	2020	Thereof Germany ²	2019	Thereof Germany ²
Scope 1	18,552	14,859	19,789	15,813	21,655	16,795
Vehicle fleet	13,291	10,697	12,324	9,649	13,886	10,540
Heating	5,261	4,162	7,465	6,164	7,768	6,254
Scope 2	40,603	7,490	31,520	2,727	34,926	3,144
Electricity	35,131	2,018	30,737	1,944	34,049	2,267
Heat	5,472	5,472	783	783	877	877
Scope 3	15,303	7,897	13,482	6,876	30,936	17,057
Business travel	14,819	7,697	12,882	6,668	30,276	16,813
Paper and water	484.1	200	600	208	660	244
Total	74,458	30,246	64,791	25,415	87,516	36,996
Intensity of GHG emissions						
Per employee (headcount)	3.3	2.3	2.9	1.9	4.0	2.8
Per employee (FTEs)	3.7	2.6	3.3	2.2	4.4	3.3

1 _ Data from all fully consolidated subsidiaries in Germany, Italy, Spain, UK, USA, India, Singapore, China, Japan, and South Korea.

2 _ Market-based emissions calculation.

FROM SPECIFIC CONSUMPTION TO GREENHOUSE GAS INVENTORY

Calculation of the greenhouse gas emissions produced by a company involves monitoring the various forms and levels of consumption. These include consumption of resources such as water and paper, but also consumption of all forms of energy from electricity to vehicle fuel. The volume of greenhouse gas emissions generated by each individual consumption item for each specific resource is then calculated. These consumption figures and the resulting emissions are then summarized in the greenhouse gas inventory. Systematic regulations such as the ISO 14064-1 standard can ensure a standardized process is applied across different companies. TÜV SÜD's greenhouse gas inventory thus expresses the company's carbon footprint.

Environmental impacts from business operations

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

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

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

ENERGY

Rise in energy consumption

In 2021, TÜV SÜD noted total energy consumption of 148,955 MWh in the form of electricity and heat, over 60 percent of which was accounted for by electricity. This gives an energy consumption of 60.7 MWh per EUR 1 million in revenue in 2021 for all locations covered by the greenhouse gas inventory (prior year: 57.5 MWh/EUR 1 million in revenue). In Germany, energy consumption totalled 50.0 MWh per EUR 1 million in revenue (prior year: 45.2 MWh/EUR 1 million in revenue). 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 in global terms. Our laboratories and technical service centers (TSCs) continued to operate throughout the pandemic to enable us to fulfill our societal 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 previous year's level. = 12

Goals: Reduce consumption, increase use of renewable energy sources

As the majority of our carbon footprint is accounted for by our energy consumption and the associated greenhouse gas emissions, our actions to mitigate the climate impact of our business operations accordingly focus on this area. With this in mind, last year we introduced energy data management software enabling us to optimally monitor and control actual energy consumption within a climate and energy management system. The type and scope of data collected by the energy data management system is based on the ISO 50001 and ISO 14064-1 standards. Since 2021, all energy data from German locations have been recorded by the energy data management software and can be accessed there directly. Monitoring of energy and heat consumption in Germany was further improved, resulting in revision of the Scope 1 and Scope 2 classifications of heating energy compared to the previous year. Consequent benefits in 2021 included the ability to precisely classify greenhouse gas emissions from district heat (Scope 2).

The energy data management software will be implemented at our international locations from 2022 onward. In the coming years, this will enable us to automatically gather and manage data from the main emission sources, thus paving the way for further reduction in greenhouse gas emissions.

Heating energy and electricity consumption¹

≡ 12

	2021	Thereof Germany ²	2020	Thereof Germany	2019	Thereof Germany
Total energy consumption in MWh	148,955	88,887	131,642	75,378	138,549	74,428
Electricity	93,400	39,123	85,554	35,767	90,714	34,236
Heating energy	55,556	49,764	46,088	39,611	47,834	40,192

1 _ Data from all fully consolidated subsidiaries in Germany, Italy, Spain, UK, USA, India, Singapore, China, Japan, and South Korea.

2 _ Since 2021, consumption monitoring has been improved with the introduction of new energy data management software.

Heating energy – Virtually free from fossil fuels

Our heating energy is drawn from renewable sources wherever possible. Where this is not possible, we seek out environmentally friendly alternatives. Our Munich headquarters – which is also our largest office building – receives district heat from the local utility company. At the new-build “Algorithm” block, which will open at our Munich headquarters in 2023, eco-friendly features will include two wells enabling groundwater-fed heat pumps to be used for heating. The existing buildings will subsequently be refurbished and, wherever possible, connected to the new heating system.

Numerous TSCs for periodic vehicle inspections have been modernized in recent years. At international level, TÜV SÜD has moved into two new regional headquarters, including one in Singapore. This new building has an area of 18,900 square meters and houses modern offices and laboratories for some 600 employees. The building complies with the Green Mark Platinum Standard, the sustainability standard of Singapore Building and Construction Authority (BCA) in terms of energy efficiency and sustainability, enabling energy consumption there to be roughly halved.

Expanding the use of green power

To boost the proportion of energy from renewable sources, we are currently working particularly on options for switching energy supply at international level. As guarantee of origin certification for green power consumption was incomplete in the first international data collection, all power consumed internationally was shown in our greenhouse gas inventory as electricity from a conventional energy mix (also known as grey electricity). As in the previous year, in 2021, 86 percent of the power used by TÜV SÜD in Germany was green power, accompanied by the appropriate guarantee of origin certification. The remaining percentage concerned small-scale properties and was not verifiable. Thus this uncertified consumption was shown as grey 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, elevators) and, at larger locations, for canteens and kitchenettes.

GRI 302-4
GRI 305-5

Electricity consumption at our TSCs falls into the following categories of significant energy use: exhaust testing equipment, brake test rigs, lifting platforms, air compressors, office workstations, and printers. In addition to computer workstations, laboratories operate numerous items of testing and measurement 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 in our Real Estate function many years ago and have implemented measures in these areas consistently and purposefully ever since. For example, extensive refurbishment of laboratories and offices is currently underway in Szentendre in Hungary with the aim of promoting sustainable building operations. Regular energy audits – most recently in 2020 for all locations in Germany – identify areas where action is needed and opportunities for optimization, while also documenting the improvements in energy efficiency already achieved.

In addition, we use a dedicated catalog of criteria to review environmentally relevant characteristics of all existing buildings, such as energy efficiency, the building envelope, and the heating system in place. A holistic prevention-based monitoring method will be applied to verify and optimize the environmental credentials of all existing buildings over the next five to ten years, prioritizing withdrawal from fossil fuels and the switch to the use of renewable energy sources for building service systems.

With this in mind, installation of photovoltaic (PV) systems will be explored as a general solution for all individual existing buildings and the benefits of new PV systems weighed against the resources consumed by their production. These systems must meet technical and energy-based criteria such as base load coverage. New buildings will be fitted with solar panels from the outset.

Technical monitoring is employed to ensure consistent improvement in the efficiency of our building service systems, automatically checking and testing systems' energy efficiency on the basis of continuous measurement. Inefficient operation can be identified and energy input optimized, thus lowering greenhouse gas emissions.

To improve the prediction and management of potential failure, new mechanisms for monitoring the performance of vital machinery are undergoing development. Elevators are a particularly important example. As soon as an elevator in operation shows a deviation from standard process technology, timely action can be taken to minimize risks. This may avoid unnecessary maintenance cycles and energy consumption.

Building certification

Greenhouse gas emissions from building operation account for a significant part of TÜV SÜD's carbon footprint. These forms of consumption can be managed particularly effectively by means of building management. Accordingly, our company locations play a significant role. We aim to establish building management at our locations in compliance with sustainability certification (BREEAM, LEED, or DGNB).

The "Algorithm" building currently under construction on the premises of our Munich headquarters will likewise fulfill the strictest sustainability standards, designed for exceptionally high efficiency in operation plus minimum greenhouse gas emissions. We plan to gain DGNB Gold certification for the building.

An example of a completed construction project is our new building at our location in Austria, which was awarded BREEAM Gold certification thanks to its environmentally relevant measures including installation of a heat pump system and landscaping of the grounds.

INNOVATIVE DEPOSIT AND RETURN SYSTEM IN THE MUNICH CAFETERIA

RECUP mugs and bowls have been in use at our largest works cafeteria in Munich's Westendstrasse since March 2021. The Germany-wide deposit and returnable system does away with disposable cups and dishware. Employees can take the RECUPs or REBOWLS away with them and return them to any participating vendor throughout Germany. The system has been extremely well received, particularly when employees were not permitted to bring their own dishware during the COVID-19 pandemic. As a convenient method of storing and transporting leftovers, REBOWLS also reduce the volume of food waste.

One RECUP mug can replace up to 1,000 single-use coffee cups throughout its lifetime. The mugs and bowls are cleaned in the cafeteria dishwasher like any other dishware and are then ready for reuse. The products are 100 percent recyclable and free from toxins such as bisphenol A (BPA).

RECYCLING CHALLENGE IN SINGAPORE

Employees at the regional TÜV SÜD headquarters in Singapore had the idea of setting up a reverse vending machine (RVM) – like the bottle and can deposit machines common in Germany – and announcing a recycling challenge. They called on their colleagues to return all plastic bottles and beverage cans to the machine in return for bonus points that could be redeemed as vouchers for services. The initiative raised awareness of the topics of waste avoidance, circular economy, and ecological footprint among the workforce. A total of around 200 employees from over 20 departments took part, collecting almost 22,000 bottles and cans. The machine had to be emptied every two days instead of every 14 days as originally planned.

BUSINESS TRAVEL

Our employees spend a lot of time traveling. To perform testing of industrial plants and systems, cable cars, amusement park facilities, elevators, and other systems, personal on-the-spot presence is essential.

GRI 302-2

Our 2021 carbon footprint calculations took business travel by air, rail, and hired or private car into consideration as far as possible. Fuel consumption by our fleet of around 3,200 leased vehicles was a particular factor in our greenhouse gas inventory.

TÜV SÜD employees notched up a total of around 200 million kilometers on business in 2021. Around 108 million of those were accounted for by the employees at our German companies, equivalent to around 8,150 kilometers per capita. Clearly, a significant part of our carbon footprint is taken up by our employees' travel and the direct and indirect greenhouse gas emissions associated with it (vehicle fleet and other business travel).

The greenhouse gas emissions from business travel in 2021 accounted for around 37.8 percent of our Group carbon footprint, while business travel within Germany notched up 60.8 percent of our carbon footprint for that country. The COVID-19 pandemic caused the majority of business travel in 2020 to be cancelled, so that the emission data for this item in that year were significantly lower than the previous year's results. However, continuation of this trend in 2021 was only limited; while business flights did not reach their pre-pandemic level, car journeys rose again in 2021, accordingly impacting on the 2021 carbon footprint. = 13

New policy aimed at lowering emissions

According to our greenhouse gas inventory, emissions from business travel are the second largest factor in our carbon footprint, and emissions from our vehicle fleet in Germany account for a significant share of that figure.

To leverage this factor, in 2021 the existing company car policy for Germany was revised with the aim of continually reducing indirect greenhouse gas emissions from business travel by introducing a number of measures.

A new company car and mobility policy for German TÜV SÜD companies came into effect from August 1, 2021, supporting the ongoing addition of lower-emission models to the company car fleet and incentivizing employees' choice of car model with a reward and penalty scheme. An additional funding program for use of electric vehicles is currently in preparation.

In 2018, we passed a Works Agreement driving the continual 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. 100 e-charging points are planned to go into operation at German locations this year.

In October 2021, a carbon compensation scheme directly linked to fuel consumption of all company cars was introduced. As a result, compensation for all travel in vehicles from our leased company car fleet can be promptly effected. By adopting these compensation measures, TÜV SÜD is taking initial action for climate protection; irrespective of them, the company is continuing to aim for a reduction in the amount of travel in order to avoid generation of greenhouse gas emissions in the first place.

To allow our employees to keep greenhouse gas 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. Our employees have been eligible for reduced-rate public transport tickets for Greater Munich since 2006, and for the DB national rail network since 2007. TÜV Hessen likewise offers reduced-rate public transport tickets for the city of Darmstadt.

Business travel¹

IN KILOMETERS

BUSINESS TRAVEL		2021	Thereof Germany	2020	Thereof Germany	2019	Thereof Germany
Business travel/ employee	Total km	191,998,331	108,405,494	152,279,135	97,485,566	238,184,739	142,052,188
	km / employee	8,566	8,167	6,857	7,306	10,887	10,876
Leased vehicle fleet ²	As % of total km	38.5	57.1	44.4	59.0	30.6	43.1
	km	73,892,948	61,932,271	67,561,767	57,483,012	72,847,248	61,220,185
Hired cars ³	As % of total km	5.4	3.1	6.4	4.0	5.3	4.2
	km	10,387,029	3,385,606	9,678,725	3,927,335	12,717,694	5,956,185
Business travel in private car ⁴	As % of total km	20.9	33.3	21.9	30.5	16.8	25.1
	km	40,221,161	36,099,794	33,325,455	29,776,546	40,019,443	35,673,929
Rail ³	As % of total km	20.9	1.8	11.9	2.2	13.9	7.5
	km	40,087,269	1,898,884	18,153,985	2,130,826	33,211,162	10,636,743
Air (short, medium and long haul)	As % of total km	14.3	4.7	15.5	4.3	33.3	20.1
	km	27,409,924	5,088,939	23,559,203	4,167,847	79,389,192	28,565,146

1 _ Unless otherwise stated, data from all fully consolidated subsidiaries in Germany, Italy, Spain, UK, USA, India, Singapore, China, Japan, and South Korea.

2 _ No data (km) from Spain, India, or Singapore included.

3 _ India not included.

4 _ No data from Spain, UK, or India included.

GRI 301-1
GRI 301/103-1-3
GRI 303/103-1-3
GRI 303-5

MATERIAL

Focus on paper consumption continues

In 2021, TÜV SÜD's use of paper for printers and photocopiers throughout all TÜV SÜD locations globally was estimated at 345 tonnes around 45 percent of which was accounted for by Germany. In Germany we use only FSC-certified paper from sustainably managed forests.

Paper consumption ¹

≡ 14

	2021	Thereof Germany	2020	Thereof Germany	2019	Thereof Germany
Paper consumption (t)	345	155	363	163	444	195
kg/employee	15.4	11.7	16.4	12.2	20.3	14.9

¹ _ Data from all fully consolidated subsidiaries in Germany, Italy, Spain, UK, USA, India, Singapore, China, Japan, and South Korea.

Our printers have two-sided printing as their default setting. As more and more processes are digitized, greater savings on paper consumption are made. We have introduced inhouse cloud solutions for document exchange and are increasingly turning to digital archiving. Internal forms and records, e.g. pay or travel expense accounts, are increasingly being provided in digital form. Most recently, performance assessments for almost all German pay-scale employees were switched to an online tool with the aim of saving paper while also speeding up processes.

An initial analysis showed that greenhouse gas emissions from coolant use played an insignificant role for TÜV SÜD's greenhouse gas inventory. In the process of advancing and refining this inventory, we are currently working on a systematic recording of the volumes of waste accrued through our business operations. By doing so, we will build an increasingly complete picture of the environmental impact of our company's activities.

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 2021, fresh water consumption by TÜV SÜD's global operations totalled 270,000 m³, equivalent to 12.0 m³ per employee. Around 88,000 m³ of this total was accounted for by our German companies, equivalent to an annual water consumption of approximately 6.6 m³ per capita.

At TÜV SÜD water is infrequently used in testing processes; the majority of consumption involves service water at office premises. Given this, we have assumed that our consumption is equal to our wastewater discharged to public sewerage systems and have estimated the associated emissions on that basis. At our laboratories and TSCs, 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.

COMMITMENT TO SOCIETY

- 96** The TÜV SÜD Foundation
- 97** Social engagement by TÜV SÜD

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. In addition, we are involved in extensive activities supporting education in technology and natural sciences for young people, focusing on the opportunities and challenges of digitalization and on equal opportunities. These projects are initiated by the TÜV SÜD Foundation as well as directly by TÜV SÜD companies.

The TÜV SÜD Foundation — Inspiring passion for technology

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 inspiring passion for technology among young people.

The TÜV SÜD Foundation funded around 20 Germany-wide projects in 2021 and earmarked over EUR 1 million for projects in that year. 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 2021 spanned kindergarten, 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. Further, new projects in the areas of sustainability and equal opportunities are developing into further focal areas of the foundation's work.

The TÜV SÜD Foundation also coordinates the youth training and education activities funded by the TÜV SÜD member companies if they request it to do so, drawing on its dedicated experience in the sector. Further information on the projects, activities, and allocation of funding of the TÜV SÜD Foundation can be found on the website and in the latest Annual Report of the TÜV SÜD Foundation.

● TÜV SÜD AT A GLANCE,
LEGAL STRUCTURE
SEE PAGE
9

● TÜV SÜD FOUNDATION
FOUNDATION.TUVSUD.COM

Social engagement by TÜV SÜD

In 2021, TÜV SÜD AG and its member companies invested approximately EUR 1.1 million for corporate social engagement. This amount includes donations and contributions for nonprofit institutions as well as the dividend that enables the TÜV SÜD Foundation to realize its projects. In 2021, the financial investment made in this corporate social engagement was equivalent to around 0.7 percent of the TÜV SÜD Group's annual net profit.

All donations and company funding from the TÜV SÜD Group are systematically recorded and transparently summarized in an annually issued report.

The "Donations, Membership Fees, and Sponsoring" policy ensures that implementation of our social engagement activities is effectively coordinated and legally compliant. Its stipulations include the impermissibility of donations by TÜV SÜD to politicians, political parties, or organizations. In 2021, no breaches of the terms of this policy were registered. Any information or complaints in this regard can be addressed to employees and external third parties at the TÜV SÜD Trust Channel.



In 2021, we stepped up our support of initiatives for improving the lives of sick people and provided extensive funding for projects aimed at assisting children and adults in need and voluntary work. TÜV SÜD focuses its social engagement on projects with close links to our role in society as a technical service provider. As part of this, we provide extensive 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.

We also provided financial assistance to disaster areas in 2021; after the catastrophic flooding in Germany in mid-July 2021, which primarily affected areas in Rhineland-Palatinate and North Rhine-Westphalia, we donated to regional aid organizations and initiatives. We will continue this engagement in 2022 by devoting particular attention to people in urgent need due to circumstances beyond their control. Given this, a significant amount of our funding will be allocated to assist Ukrainian children affected by the war in their home country.

EXTENSIVE SUPPORT – INITIATIVES IN GERMANY AND INDIA

In 2021, TÜV SÜD supported numerous initiatives in the field of health and medicine and funded projects to assist children and adults in need. To provide rapid medical aid in cases of accident, we helped fund air rescue services in the region of Freiburg, Germany, for example. We also donated to numerous initiatives combating leukemia and organizations devoted to assisting the recovery of children, young people, and their families after serious illness. In addition, we supported the activities of numerous hospices in Germany, which support seriously ill children and adults through their journey. As part of anniversary celebrations by one of our subsidiaries, financial support was provided to a range of initiatives in the German state of Hesse which perform voluntary work, care for children and the sick, engage in sport and education, assist in case of need, and carry out animal rescue services.

Our local entity in India supported two regional projects in 2021 aimed at improving living conditions in economically underdeveloped rural areas of the country. An initiative supported by us, which is active in eleven Indian states, now provides solar power to villages which had previously lacked access to reliable energy infrastructure. A further project likewise involves provision of solar power, bringing lighting to around a thousand villages in the state of Maharashtra. Villagers also receive in-depth training in the economical use of precious natural resources like water and wood, and in sustainable agriculture.

● REEDS
REEDSBHARAT.ORG
● PROJECT CHIRAG
PROJECTCHIRAG.ORG

TAFELN IN GERMANY – FOOD BANKS HELPING THOSE IN NEED

Every day several 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. TÜV SÜD companies have donated to the work of Die Tafeln in Germany for several years, and continued this support in 2021 by donating to the umbrella organization of the network, Tafel Deutschland.

● TAFEL DEUTSCHLAND
TAFEL.DE

ENVIRONMENTAL EDUCATION – BRINGING RESEARCH TO LIFE FOR CHILDREN

Since 2021, TÜV SÜD has supported a project by the German Environmental Education Association (GUB) to introduce children of kindergarten age to natural sciences. Educationally qualified experts from GUB visit selected kindergartens several times a month to set up research corners and invite the children and their educators to take part in experiments. After achieving success in one region, with TÜV SÜD's help the innovative project in early childhood education has been extended to further kindergartens in the area of South Hesse and around Karlsruhe. The model project focuses on enabling children to engage in independent experimentation. By doing so, they grasp everyday phenomena and develop a deeper understanding of nature and environmental protection through the medium of play. A further key objective of this early childhood education project is to provide training for professional educators in the model kindergartens, equipping them with the long-term skills that will help them integrate scientific experiments and environmental themes into their work with younger children.

● GESELLSCHAFT FÜR UMWELTBILDUNG
BADEN-WÜRTTEMBERG E. V.
GUB-BW.DE

INNOVATIVE ROAD SAFETY AWARD – SAFE ROUTES TO SCHOOL

Bavarian schools are applying imaginative approaches to making their pupils' journey to school safer. The primary aim is to protect children on their way to school and increase their personal 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 has been funded by TÜV SÜD since its inception. For many years, we have further collaborated with the Landesverkehrswacht to provide cycle proficiency training for children in the fourth year of Bavarian primary schools.

● DEUTSCHE VERKEHRSWACHT BAYERN.
FÖRDERPREIS DER TÜV SÜD STIFTUNG
VERKEHRSWACHT-BAYERN.DE

UNIVERSITY SCHOOL DRESDEN – REINVENTING THE IDEA OF SCHOOL

University School Dresden combines three educational institutions under one roof; it is a primary and secondary school for children in Dresden, but also a research school plus a training center for TU Dresden. The school thus 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 over recent years with the support of TÜV SÜD. Around 500 children currently attend in years 1 to 7. After an introductory phase, the school will number some 1,000 students. The concept has already received a positive response: in September 2021, around 160 school starters recently applied for 75 available places in the next first-year intake.

● UNIVERSITÄTSSCHULE DRESDEN
UNIVERSITAETSSCHULE.ORG

TECHNOSEUM MANNHEIM – THE THRILL OF ENERGY

A new permanent exhibition has been realized with the assistance of TÜV SÜD at the TECHNOSEUM in Mannheim, one of the largest technology museums in Germany. In 2021, the exhibition invited 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 modern research stations, and focus on interaction and conscious experience. They seek to communicate the need for care and awareness in energy consumption, particularly against the backdrop of climate change. Three interactive stations on the topics of pump storage plants, heat and power generation, and “the transparent consumer” were installed with the support of TÜV SÜD.

● TECHNOSEUM MANNHEIM
TECHNOSEUM.DE

JOBLINGE – OPPORTUNITIES FOR YOUNG PEOPLE

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, helping to provide them with genuine job opportunities and ensure their sustainable integration into the employment market and society as a whole. The support given by the initiative spans tailored qualifications, voluntary mentoring schemes, and assistance during training. The results achieved by Joblinge participants are well above average for such schemes; over 70 percent of young people go on to gain training qualifications as a successful start to a career.

TÜV SÜD supplies various kinds of support for the Joblinge initiative. As a long-standing shareholder of the nonprofit joint stock company Joblinge Munich, TÜV SÜD provides funding, while TÜV SÜD employees all over Germany act 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 automotive electronics 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.

● INITIATIVE JOBLINGE
JOBLINGE.DE

GERMANY GRANTS – SUPPORTING TALENT

TÜV SÜD's Deutschlandstipendium grant scheme currently supports students at 15 universities and higher education institutions in southern Germany. The financial support allows the talented young students to focus their attention on gaining their academic qualifications. The grants are awarded to students who achieve excellent results in their studies as well as outstanding personal commitment in social issues. High marks are a given, but so is willingness to accept responsibility, or a track record of successfully overcoming personal and educational obstacles. The grant, which is non-means-tested, extends over a minimum of two semesters and finishes at the end of the standard period of study at the latest. All Deutschlandstipendium grants are a joint partnership, with half the funding provided by the government and half by a socially engaged company such as TÜV SÜD.

● DEUTSCHLANDSTIPENDIUM
DEUTSCHLANDSTIPENDIUM.DE

STIFTERVERBAND – AN INITIATIVE FOSTERING EDUCATION, SCIENCE, AND INNOVATION

TÜV SÜD has long served as a reliable partner in supporting the wide-ranging activities of the Stifterverband organization. The core themes and fields of action of the organization are education, science, and innovation. It promotes equal-opportunity education, outstanding institutions of higher education, and competitive international research centers. The instruments it employs to do so range from extracurricular talent promotion and higher education structural programmes to detailed analyses of scientific and innovation systems. 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. In addition, a crowdfunding initiative entitled "Wirkung hoch 100" was launched in 2021 to drive innovative projects in Germany.

● STIFTERVERBAND
STIFTERVERBAND.ORG

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 honors outstanding achievements in technological research. The winners in 2021 were the researchers from the Mainz-based German company BioNTech for their mRNA vaccine against the COVID-19 coronavirus. The team was the first to develop a vaccine for the virus to approval status, based on their years of research in the field of mRNA and their awareness of COVID-19's exponential infection path. 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

ACATECH – EXPERTISE FOR DECISION-MAKING PROCESSES

TÜV SÜD provides support for the work of acatech, the German National Academy of Science and Engineering. The national institution receives government and state funding and is the voice of the technological sciences at home and abroad. It provides advisory services on strategic engineering and technology policy issues to policymakers and the public, thus fulfilling its mandate to provide independent, evidence-based advice that is in the public interest. TÜV SÜD is represented on the Senate of acatech, a body that advises the academy on strategic issues and carries out project-based collaborations with external experts from science and industry.

● ACATECH
ACATECH.DE

The background is a solid teal color. On the left side, there are two overlapping circles. The larger one is a lighter shade of teal, and the smaller one is a darker shade of teal. The text is centered horizontally between these two circles.

GRI CONTENT INDEX

GRI Content Index

The GRI Content Index was drawn up in compliance with the International GRI Standards, “Core” reporting option.

GRI 102-55

GRI-relevant information beyond the “Core” reporting option are shown in light gray.

GRI Content Index

≡ 15

Disclosures	Comments	References	Pages
GRI 102: GENERAL DISCLOSURES 2016			
Organizational profile			
102-1	Name of the organization	TÜV SÜD AG	2011 Annual Report Legal structure 20 9
102-2	Activities, brands, products, and services		2011 Annual Report Company portrait Our services Our certification marks and certificates 22–24; 41–47 8 11–14 14
102-3	Location of headquarters	Westendstrasse 199, 80686 Munich, Germany	Legal structure 9
102-4	Location of operations	Core or focal countries with major operating locations are Germany, China, USA, India, UK, Spain, and Italy.	2011 Annual Report Company portrait 10–11; 151–154 8
102-5	Ownership and legal form		2011 Annual Report Legal structure 20 9
102-6	Markets served		2011 Annual Report Company portrait Our services 22–23 8 11–14
102-7	Scale of the organization		2011 Annual Report Company portrait Our services Employees 47–62 8 11–14 57
102-8	Information on employees and other workers	The majority of TÜV SÜD’s services are provided by the company’s own employees.	2011 Annual Report Employees Work-life balance 72–77 58 75
102-9	Supply chain		Sustainability across the supply chain 43–44
102-10	Significant changes to the organization and its supply chain	No significant changes to the supply chain are known.	2011 Annual Report 106–107
102-11	Precautionary principle or approach		Sustainability – Our mission Managing the environmental impact by TÜV SÜD – Measure, control, reduce 18 85
102-12	External initiatives		Stakeholder dialogue 24–28
102-13	Membership of associations		Dialogue within the TIC industry Taxes 27 39
Strategy			
102-14	Statement from senior decision-maker		Foreword by the Chairman of the Board of Management 4–6
102-15	Key impacts, risks, and opportunities		2011 Annual Report 78–87

GRI CONTENT INDEX

Disclosures	Comments	References	Pages
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	TUVSUD.COM CODE OF ETHICS TUVSUD.COM TRUST CHANNEL	2021 Annual Report Compliance Employees 32–38 31 56–58
102-17	Mechanisms for advice and concerns about ethics	TUVSUD.COM CODE OF ETHICS TUVSUD.COM TRUST CHANNEL	2021 Annual Report Compliance 37–38 35
Governance			
102-18	Governance structure		2021 Annual Report Sustainability management at TÜV SÜD Our sustainability organization 21 16 19
102-19	Delegating authority		Sustainability management at TÜV SÜD Our sustainability organization 16 19
102-20	Executive-level responsibility for economic, environmental, and social topics		Sustainability management at TÜV SÜD Our sustainability organization 16 19
102-21	Consulting stakeholders on economic, environmental, and social topics		Stakeholder dialogue 24–28
Stakeholder engagement			
102-40	List of stakeholder groups		Identifying our stakeholders 23
102-41	Collective bargaining agreements		Compensation and benefits 65
102-42	Identifying and selecting stakeholders		Identifying our stakeholders 23
102-43	Approach to stakeholder engagement		Stakeholder survey – Laying the groundwork Stakeholder dialogue 21 24–28
102-44	Key topics and concerns raised		Stakeholder survey – Laying the groundwork Stakeholder dialogue 21–22 24–28
Reporting practice			
102-45	Entities included in the consolidated financial statements		2021 Annual Report, List of participations About this Sustainability Report 151–154 U2
102-46	Defining report content and topic boundaries		Stakeholder survey – Laying the groundwork 21
102-47	List of material topics		Stakeholder survey – Laying the groundwork 22
102-48	Restatements of information	Changes are shown and identified where the new data are classified as significant (i.e. > 10%). Changes are primarily due to expansion in reporting content in the Employees and Environment sections.	
102-49	Changes in reporting	No significant changes were noted to the list of material topics and their delimitation compared to the 2020 reporting period.	
102-50	Reporting period		About this Sustainability Report U2
102-51	Date of most recent report	July 7, 2021	

Disclosures	Comments	References	Pages
102-52	Reporting cycle	About this Sustainability Report	U2
102-53	Contact point for questions regarding the report	Imprint	113
102-54	Claims of reporting in accordance with the GRI Standards	This report was produced in conformity with the GRI Standards "Core" option.	About this Sustainability Report U2
102-55	GRI content index	GRI Content Index	102 – 112
102-56	External assurance	This Sustainability Report was not subject to external auditing.	

GRI 200: ECONOMIC**Topic: Economic performance**

201/103-1	Explanation of the material topic and its boundary	2021 Annual Report, Combined Management Report	20 – 96
201/103-2	The management approach and its components	Company portrait Our strategy	8 10 – 11
201/103-3	Evaluation of the management approach		

GRI 201: Economic Performance 2016

201-1	Direct economic value generated and distributed	2021 Annual Report	U2; 47 – 62; 67 – 71
201-3	Defined benefit plan obligations and other retirement plans	2021 Annual Report Commitment to company pension scheme	129 – 135 65
201-4	Financial assistance received from government	2021 Annual Report	51; 116

Topic: Procurement

204/103-1	Explanation of the material topic and its boundary	Sustainability across the supply chain	43 – 46
204/103-2	The management approach and its components		
204/103-3	Evaluation of the management approach		

GRI 204: Procurement Practices

204-1	Proportion of spending on local suppliers	Sustainability across the supply chain	43
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Topic: Anti-corruption

205/103-1	Explanation of the material topic and its boundary	Compliance	31 – 36
205/103-2	The management approach and its components		
205/103-3	Evaluation of the management approach		

Disclosures	Comments	References	Pages
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Compliance risks Compliance monitoring and improvement	34 34
205-2	Communication and training about anti-corruption policies and procedures	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. A breakdown of completed compliance training by region is not currently available.	Compliance communication 33
205-3	Confirmed incidents of corruption and actions taken	Compliance monitoring and improvement	35
Topic: Anti-competitive behavior			
206/103-1	Explanation of the material topic and its boundary	Compliance	31–36
206/103-2	The management approach and its components		
206/103-3	Evaluation of the management approach		
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Compliance monitoring and improvement	35
Topic: Tax			
207/103-1	Explanation of the material topic and its boundary	Taxes	38–39
207/103-2	The management approach and its components		
207/103-3	Evaluation of the management approach		
GRI 207: Tax 2019			
207-1	Approach to tax	Taxes	38
207-2	Tax governance, control, and risk management	Taxes	38–39
207-3	Stakeholder engagement and management of concerns related to tax	Taxes	39
207-4	Country-by-country reporting	TÜV SÜD AG provides detailed reports of its tax position in its consolidated financial statements, in full compliance with all requirements under the International Financial Reporting Standards (IFRS). The annual country-by-country report is submitted to the German tax authorities. In addition, where relevant the tax authorities in other jurisdictions are notified of the submission of the report in Germany. The German tax authorities share the country-by-country reports with tax authorities in numerous other jurisdictions with which information sharing agreements are in place. Given this, TÜV SÜD currently has no plans to publish these reports.	2021 Annual Report 110; 118–120

Disclosures	Comments	References	Pages
GRI 300: ENVIRONMENTAL			
Topic: Material			
301/103-1	Explanation of the material topic and its boundary	Environmental commitment Material	84 – 85 94
301/103-2	The management approach and its components		
301/103-3	Evaluation of the management approach		
GRI 301: Material 2016			
301-1	Materials used by weight or volume	Paper consumption has an important role to play in day-to-day routine. We aim to minimize our use of this resource while continuously increasing the proportion of recycled paper. To manage and minimize our use of further resources, we are currently working on collecting the data on consumption of further materials and on waste. For the same purpose, we are drawing up a policy setting out optimum safe and secure waste disposal methods.	Material 94
Topic: Energy			
302/103-1	Explanation of the material topic and its boundary	Environmental commitment Energy	84 – 86 88 – 93
302/103-2	The management approach and its components		
302/103-3	Evaluation of the management approach		
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Greenhouse gas inventory – The basis for all climate protection activities Energy	86 – 87 88 – 89
302-2	Energy consumption outside the organization	Greenhouse gas inventory – The basis for all climate protection activities Business travel	86 – 87 92 – 93
302-3	Energy intensity	Greenhouse gas inventory – The basis for all climate protection activities Energy	86 – 87 88 – 91
302-4	Reduction of energy consumption	Energy	88 – 91
Topic: Water			
303/103-1	Explanation of the material topic and its boundary	Environmental commitment Water	84 – 85 94
303/103-2	The management approach and its components		
303/103-3	Evaluation of the management approach	As water is not a significant factor in corporate environmental management at TÜV SÜD, the company does not currently operate a separate comprehensive management policy for this area. However, the resulting emissions are included in the greenhouse gas inventory to ensure water consumption is taken into consideration and to implement targeted reduction measures.	
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Water	94
303-5	Water consumption	Water	94

GRI CONTENT INDEX

Disclosures	Comments	References	Pages
Topic: Emissions			
305/103-1	Explanation of the material topic and its boundary	Environmental commitment Environmental impacts from business operations	84 – 87
305/103-2	The management approach and its components		88 – 94
305/103-3	Evaluation of the management approach		
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Greenhouse gas inventory – The basis for all climate protection activities Environmental impacts from business operations	86 – 87
			88 – 94
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse gas inventory – The basis for all climate protection activities Energy	86 – 87
			88 – 91
305-3	Other indirect (Scope 3) GHG emissions	Greenhouse gas inventory – The basis for all climate protection activities Business travel Material	86 – 87
			92 – 93
			94
305-4	GHG emissions intensity	Greenhouse gas inventory – The basis for all climate protection activities Environmental impacts from business operations	86 – 87
			88 – 94
305-5	Reduction of GHG emissions	Greenhouse gas inventory – The basis for all climate protection activities Environmental impacts from business operations	87 88 – 94
Topic: Waste			
306/103-1	Explanation of the material topic and its boundary	Paper consumption has an important role to play in day-to-day routine. We aim to minimize our consumption of this resource while continuously increasing the proportion of recycled paper in use. To manage and minimize our use of further resources, we are currently working on collecting the data on consumption of further materials and on waste. For the same purpose, we are drawing up a policy setting out optimum safe and secure waste disposal methods.	84 – 85
306/103-2	The management approach and its components		94
306/103-3	Evaluation of the management approach		
GRI 306: Waste 2020			
306-1	Waste-generation and significant waste-related impacts	TÜV SÜD is working on collecting the relevant data.	
306-2	Management of significant waste-related impacts	TÜV SÜD is working on developing an appropriate process in this regard.	
306-3	Waste generated	TÜV SÜD is working on collecting the relevant data.	
Topic: Environmental compliance			
307/103-1	Explanation of the material topic and its boundary	Compliance Environmental commitment	31 – 36 84 – 85
307/103-2	The management approach and its components		
307/103-3	Evaluation of the management approach		
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	In the reporting period of 2021, no cases of imposition of significant fines or non-monetary sanctions due to non-compliance with environmental laws or regulations were known.	

Disclosures	Comments	References	Pages
Topic: Supplier environmental assessment			
308/103-1	Explanation of the material topic and its boundary	Sustainability across the supply chain	43–46
308/103-2	The management approach and its components		
308/103-3	Evaluation of the management approach		
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	TÜV SÜD is working on the implementation of a process for verifying compliance with the sustainability criteria set out in the SCoC.	Sustainability across the supply chain 45–46
308-2	Negative environmental impacts in the supply chain and actions taken		Sustainability across the supply chain 45–46
GRI 400: SOCIAL			
Topic: Employment			
401/103-1	Explanation of the material topic and its boundary	2021 Annual Report Our objective TÜV SÜD – Attractive Employer	72–77 56–58 59–65
401/103-2	The management approach and its components		
401/103-3	Evaluation of the management approach		
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Recruiting new employees	62
401-3	Parental leave	Work-life balance	76
Topic: Labor/management relations			
402/103-1	Explanation of the material topic and its boundary	Our objective TÜV SÜD – Attractive Employer	56–58 59–65
402/103-2	The management approach and its components		
402/103-3	Evaluation of the management approach		
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice periods regarding minimal changes	TÜV SÜD observes the participation, co-determination, and notification periods set forth in local law.	
Topic: Occupational health and safety			
403/103-1	Explanation of the material topic and its boundary	Health and safety management	77–81
403/103-2	The management approach and its components		
403/103-3	Evaluation of the management approach		

GRI CONTENT INDEX

Disclosures	Comments	References	Pages
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Quality management Our management approach to health and safety Global health and safety policy provides the framework	42 77 78 – 79
403-2	Hazard identification, risk assessment, and incident investigation	Global health and safety policy provides the framework	78 – 79
403-3	Occupational health services	Occupational health and safety Health protection	80 81 – 82
403-4	Worker participation, consultation, and communication on occupational health and safety	Global health and safety policy provides the framework	78
403-5	Worker training on occupational health and safety	Global health and safety policy provides the framework Occupational health and safety	78 80
403-6	Promotion of worker health	Health protection	81 – 82
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our services Operational excellence Quality management Sustainability across the supply chain	11 – 14 41 42 43 – 46
403-8	Workers covered by an occupational health and safety management system	All TÜV SÜD employees are covered by a Group-wide occupational health and safety policy which includes key elements of a management system.	
403-9	Work-related injuries	Global health and safety policy provides the framework	79
Topic: Training and education			
404/103-1	Explanation of the material topic and its boundary	2021 Annual Report Our Objective	74 – 75 56 – 58
404/103-2	The management approach and its components	TÜV SÜD – Attractive Employer Qualified employees and employee development	59 – 60 71 – 74
404/103-3	Evaluation of the management approach		
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.	2021 Annual Report Qualified employees and employee development
404-2	Programs for upgrading employee skills and transition assistance programs	Qualified employees and employee development	75 72 72 – 74
Topic: Diversity and equal opportunity			
405/103-1	Explanation of the material topic and its boundary	TÜV SÜD – Attractive Employer Diversity and inclusion	59 – 60 66 – 70
405/103-2	The management approach and its components		
405/103-3	Evaluation of the management approach		

Disclosures	Comments	References	Pages
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Diversity and inclusion	70
405-2	Ratio of basic salary and remuneration of women to men	TÜV SÜD universally selects, recruits, and promotes employees on the basis of their qualifications and their skills. In Germany, salary bands are largely defined in the applicable collective bargaining agreements. Positions are classified in line with a system set out in the collective bargaining agreements and are allocated to a pay scale. This collective bargaining system is assumed to reliably prevent gender-based discrepancies in pay for comparable jobs or functions. The process is also applied to non-pay-scale employees, who account for a significantly smaller proportion of the workforce.	Compensation and benefits 63–64
Topic: Non-discrimination			
406/103-1	Explanation of the material topic and its boundary	TÜV SÜD – Attractive Employer Diversity and inclusion	59–60 66–70
406/103-2	The management approach and its components		
406/103-3	Evaluation of the management approach		
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	In the four discrimination cases, the perpetrators were interviewed and awareness-raising measures were implemented for both the perpetrators and their line managers.	
Topic: Freedom of association and collective bargaining			
407/103-1	Explanation of the material topic and its boundary	In preparation for the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), TÜV SÜD is currently working on expanding its management policies concerning compliance with due diligence obligations with the purpose of avoiding human rights breaches in its supply chain.	Compliance Upholding human rights – At all times, in all places 31–36 36–37
407/103-2	The management approach and its components		Sustainability across the supply chain TÜV SÜD – Attractive Employer 59–60
407/103-3	Evaluation of the management approach		Collaboration with employee representatives 60
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Minimum standards are set forth in the TÜV SÜD Supplier Code of Conduct. Our suppliers must submit declarations of compliance with the SCoC. No incidents or breaches were recorded in 2021.	Upholding human rights – At all times, in all places 36–37
Topic: Child labor			
408/103-1	Explanation of the material topic and its boundary	In preparation for the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), TÜV SÜD is currently working on expanding its management policies concerning compliance with due diligence obligations with the purpose of avoiding human rights breaches in its supply chain.	Compliance Upholding human rights – At all times, in all places 31–36 36–37
408/103-2	The management approach and its components		Sustainability across the supply chain TÜV SÜD – Attractive Employer 43–46 59–60
408/103-3	Evaluation of the management approach		

GRI CONTENT INDEX

Disclosures	Comments	References	Pages
GRI 408: Child Labor 2016			
408-1	Operations and suppliers at significant risk for incidents of child labor	Minimum standards are set forth in the TÜV SÜD Supplier Code of Conduct. Our suppliers must submit declarations of compliance with the SCoC. No incidents or breaches were recorded in 2021.	Upholding human rights – At all times, in all places 36–37
Topic: Forced or compulsory labor			
409/103-1	Explanation of the material topic and its boundary	In preparation for the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), TÜV SÜD is currently working on expanding its management policies concerning compliance with due diligence obligations with the purpose of avoiding human rights breaches in its supply chain.	Compliance Upholding human rights – At all times, in all places 31–36
409/103-2	The management approach and its components		36–37 Sustainability across the supply chain 43–46
409/103-3	Evaluation of the management approach		TÜV SÜD – Attractive Employer 59–60
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Minimum standards are set forth in the TÜV SÜD Supplier Code of Conduct. Our suppliers must submit declarations of compliance with the SCoC. No incidents or breaches were recorded in 2021.	Upholding human rights – At all times, in all places 36–37
Topic: Human rights assessment			
412/103-1	Explanation of the material topic and its boundary	In preparation for the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), TÜV SÜD is currently working on expanding its management policies concerning compliance with due diligence obligations with the purpose of avoiding human rights breaches in its supply chain.	Compliance Upholding human rights – At all times, in all places 31–36
412/103-2	The management approach and its components		36–37 TÜV SÜD – Attractive Employer 59–60
412/103-3	Evaluation of the management approach		
GRI 412: Human Rights Assessment 2016			
412-1	Operations that have been subject to human rights reviews or impact assessments	The Global Compliance Office is currently spearheading concrete compliance risk analyses in the fields of human rights and environment protection obligations related to human rights within the meaning of the LkSG. TUVSUD.COM SLAVERY AND HUMAN TRAFFICKING STATEMENT	Upholding human rights – At all times, in all places 36–37
412-2	Employee training on human rights policies or procedures	Specific training modules focusing on human rights and environment protection obligations related to human rights within the meaning of the LkSG are currently in preparation.	Compliance communication 33
Topic: Supplier social assessment			
414/103-1	Explanation of the material topic and its boundary		Sustainability across the supply chain 43–46
414/103-2	The management approach and its components		
414/103-3	Evaluation of the management approach		
GRI 414: Supplier Social Assessment 2016			
414-1	New suppliers that were screened using social criteria	TÜV SÜD is working on the implementation of a process for verifying compliance with the sustainability criteria set out in the SCoC.	Sustainability across the supply chain 45–46
414-2	Negative social impacts in the supply chain and actions taken		Sustainability across the supply chain 45–46

Disclosures	Comments	References	Pages	
Topic: Public policy				
415/103-1	Explanation of the material topic and its boundary	TÜV SÜD is actively involved in an array of professional associations at German and European level, including VdTÜV and the TIC Council. Further involvement on the part of the company is listed in the EU Transparency Register. No reporting above and beyond these areas of content is carried out. EC.EUROPA.EU TRANSPARENCY REGISTER	Social engagement by TÜV SÜD Our stakeholders/ Dialogue within the TIC industry	97
415/103-2	The management approach and its components		27	
415/103-3	Evaluation of the management approach			
GRI 415: Public Policy 2016				
415-1	Political contributions	The "Donations, Membership Fees, and Sponsoring" policy stipulates the impermissibility of donations by TÜV SÜD to politicians, political parties, or organizations. No breaches of the terms of this policy are currently known.	Social engagement by TÜV SÜD	97
Topic: Customer privacy				
418/103-1	Explanation of the material topic and its boundary		Data protection	37
418/103-2	The management approach and its components			
418/103-3	Evaluation of the management approach			
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Justified complaints with respect to data privacy breaches received from external parties (47) and supervisory bodies (6) Internal investigations into cases of theft or loss of customers' personal data (10)		
Topic: Socioeconomic compliance				
419/103-1	Explanation of the material topic and its boundary		Compliance	31 – 36
419/103-2	The management approach and its components			
419/103-3	Evaluation of the management approach			
GRI 419: Socioeconomic Compliance 2016				
419-1	Non-compliance with laws and regulations in the social and economic area	In the 2021 reporting period, no cases of imposition of significant fines or non-monetary sanctions due to non-compliance with socioeconomic laws or regulations were known.		

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