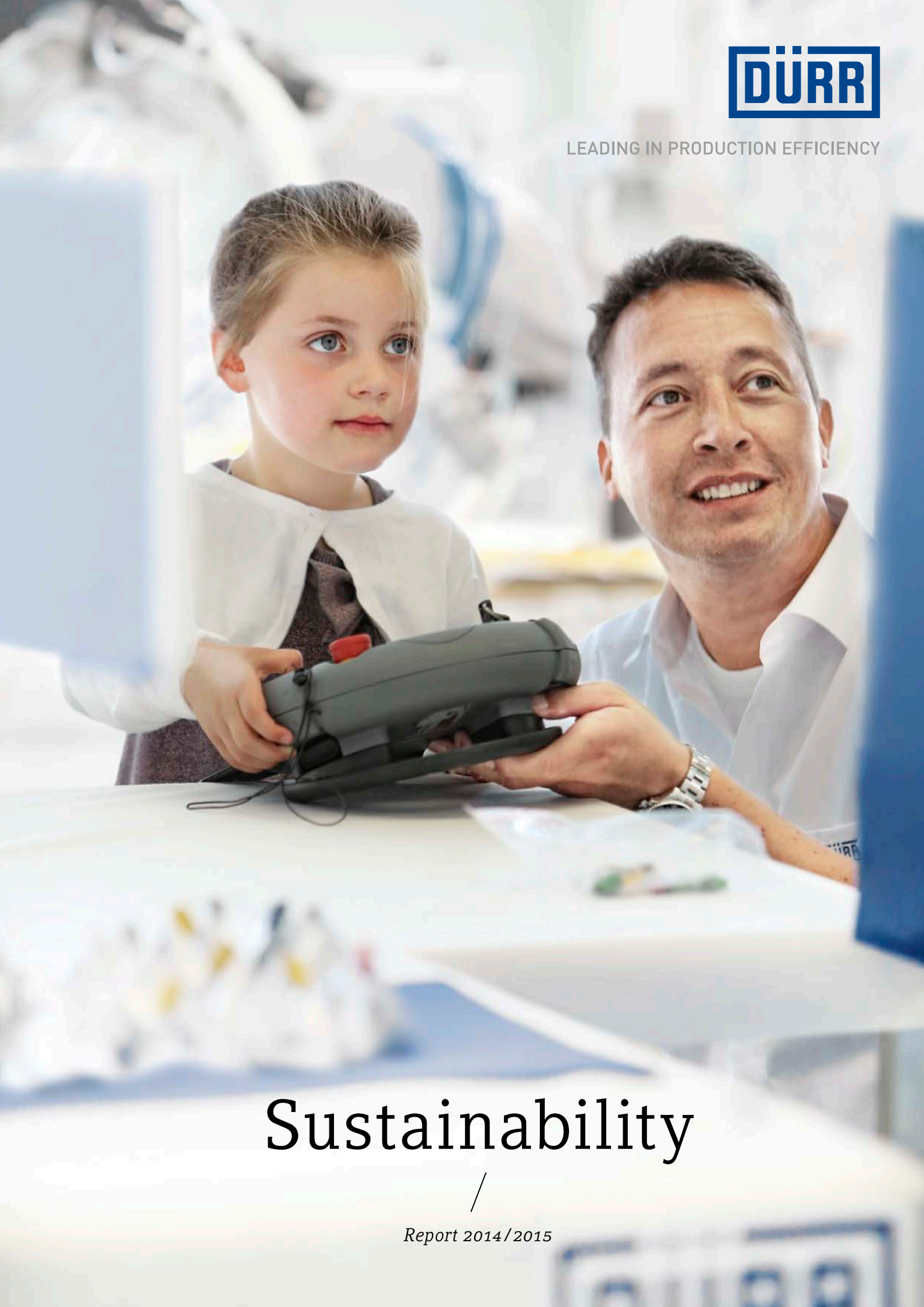




LEADING IN PRODUCTION EFFICIENCY

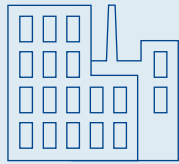


Sustainability



Report 2014/2015

Dürr at a glance

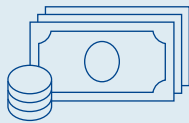


92

Number of business locations
(30.06.2015)

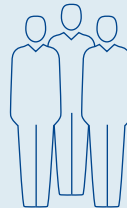


International presence in
28 countries worldwide
(30.06.2015)



2,574.9

Sales (in € million)
(2014)

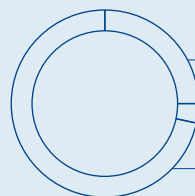


14,448

Number of employees
(30.06.2015)

Sector
**MECHANICAL AND
PLANT ENGINEERING**

SHAREHOLDER STRUCTURE



25.2% Heinz Dürr GmbH, Berlin

3.5% Heinz und Heide Dürr Stiftung, Berlin

71.3% institutional and private investors

Cover page: A fascinating family day in Bietigheim-Bissingen: Dürr employee Maurice Oudendorp explains how our painting robots are set. Of course our young visitor is also allowed to have a go at the controls...

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The Dürr Group is one of the world's leading mechanical and plant engineering firms. Products, systems and services offered by Dürr enable highly efficient manufacturing processes in different industries. Business with automobile manufacturers and their suppliers accounts for approximately 60% of Dürr's sales. Other market segments include, for example, the mechanical engineering, chemical and pharmaceutical industries and – since the takeover of HOMAG Group AG in October 2014 – the woodworking industry. The Dürr Group operates in the market with five divisions:

- **Paint and Final Assembly Systems:** *paint shops and final assembly systems for the automotive industry*
- **Application Technology:** *robot technologies for the automatic application of paint as well as sealants and adhesives*
- **Measuring and Process Systems:** *balancing and cleaning systems as well as testing and filling technology*
- **Clean Technology Systems:** *exhaust-air purification systems and energy-efficiency technology*
- **Woodworking Machinery and Systems:** *machinery for the woodworking industry*

Basis for our leading market position is global presence, a distinct culture of innovation and the customer orientation of about 14,400 employees. Dürr is directly represented in 28 countries and plans to achieve annual sales revenues between € 3.4 and 3.5 billion in 2015.

Unless otherwise indicated, this sustainability report is based on the figures of the 2014 annual report. These include the HOMAG Group only in terms of financial reporting. The next sustainability report 2015 / 2016 will take into account all figures including the HOMAG Group.



Dürr's Board of Management: Ralf W. Dieter (left) and Ralph Heuwing (right)

Dear Readers,

Social cohesion is only possible if everyone takes responsibility – this goes for citizens, the government and us as a company. At Dürr we have always taken responsibility; we have around 14,500 employees highly dedicated to making sure that people can count on Dürr.

Around the world, our products help to make production processes more environmentally friendly and to counteract the current challenges of scarce resources and climate change through innovative solutions. We protect, promote and motivate the Dürr workforce worldwide. They are the guarantor of sustainable success. Embedded in our social surroundings, we help to provide a pleasant environment to live in and support a number of different humanitarian charity projects as well as activities in the areas of education, culture and sports.

We are delighted to publish our new report to show you how we take responsibility as a company and participate in the community, together with our employees around the world.

We welcome your feedback – feel free to share your opinion on this report and the topic of sustainability at Dürr. All contact details can be found in the imprint at the end of the report.

Yours sincerely

SUSTAINABLE PRODUCTION

RESEARCH & DEVELOPMENT

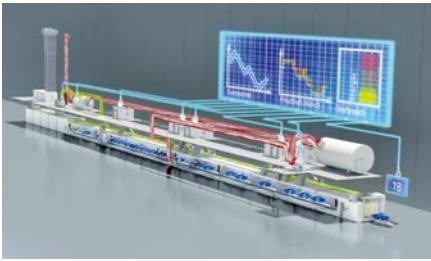
It is the many small details that give our systems and machinery the technological edge. This helps our customers make their production cost-efficient and environmentally friendly while ensuring top quality. Every day, more than 600 employees carry out research in our company and develop innovations, be it to save a little more energy and material or to minimize the footprint and thus enhance production efficiency.

In 2014 our direct expenditure on research and development increased by 28.8 % to € 55.4 million. The R&D ratio rose from the previous year's 1.8 % to 2.2 %. Other development costs accruing through the processing of individual orders were taken into account under the cost of sales.

R&D EXPENDITURE					
	2014	2013	2012	2011	2010
R&D expenditure (in million €)	55.4	43.0	37.2	29.5	25.8

Paint and Final Assembly Systems

Using heated air to dry paint is one of the most energy-intensive steps in automotive painting. Even if carmakers already rely on energy-efficient thermal exhaust-air purification systems and its waste heat efficiently for oven heating, experience has shown that as much as 50 % of the heat is still lost. To minimize this heat loss, Dürr has developed the fully automatic **EcoSmart vEC** air management system. This control system optimally adjusts the energy input of the oven to the current level of utilization depending on the number and position of the vehicle bodies in the oven tunnel. The system has enabled one German automotive OEM, which is already using the **EcoSmart vEC**, to reduce its electricity consumption in the oven by 15 %.



The development of the **EcoDryScrubber**, which enables paint separation without the use of chemicals or water, marked Dürr's successful launch of a dry separation system. **EcoDry X**, the latest development in this product family, focuses on cost-efficiency, sustainability and greater ease of operation, especially in smaller paint shops.

In the manually operated **EcoDry X** system, filter trolleys are equipped with six cardboard filter boxes each and positioned underneath the plant. They filter overspray from the circulating air and are replaced once saturated. The air circulation system achieves a high level of energy efficiency. The cardboard filters, which are made from renewable raw materials, are thermally recycled once used. The result is a consistently sustainable concept for the separation of overspray from booth air.



Woodworking Machinery and Systems

Following the acquisition of the Homag Group in October 2014 we founded the new Woodworking Machinery and Systems division, which develops and sells machinery for the woodworking industry.

Thanks to **ecoPlus** functionality, HOMAG customers can now save up to 80 % of the energy required by their machines during idle periods. Previously, machines and production plants often continued running during breaks or unproductive periods. This is partly due to the time required for the machines and equipment to reboot once they are switched on again. The melting of glue granules required for edge banding, for example, also takes a certain amount of time. Operators therefore often decided to leave the machines and equipment running during breaks rather than switch them off and back on. This led to unnecessary energy consumption.

Today, the standby feature of the **ecoPlus** technology package puts the machine into energy-saving sleep mode – either automatically after a certain amount of time or when pressing the **ecoPlus** button. This switches off as many energy-consuming components as possible. When the button is pressed again, the machine returns to normal operation within seconds and is thus ready to resume production.



Application Technology

Dürr's new **EcoBell Cleaner D2** is a fully automatic solution for cleaning the atomizer installed on the robot arm. As a small part of the overspray inevitably lands on the atomizer, failure to clean it would lead to residual build-up, which would affect the painting process. The painting robot comes with a cleaning station for the atomizer, and within just a few seconds it is ready to start painting the next vehicle body. This reduces the cleaning time significantly compared to the previous system and thus increases production efficiency – as does the considerably lower solvent use (savings of up to 90 %!). The innovative disposal of the cleaning agents prevents harmful voc emissions from entering the booth air. Reducing voc emissions is one of the key environmental goals in the painting process.

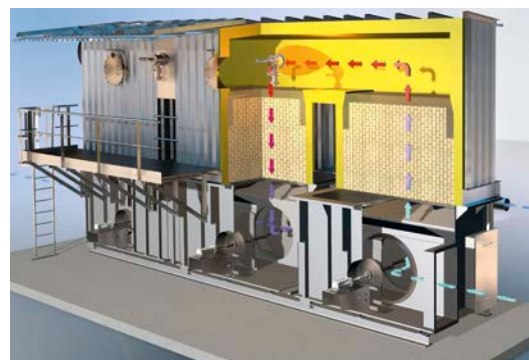


Measuring and Process Systems

The **BARIO** model is a new, fully automatic balancing machine for crankshafts, which we have developed under the Schenck RoTec brand. Trouble-free access to all components, standardized retooling kits and ease of operation shorten the retooling time when changing from one crankshaft type to another. This enables us to enhance our customers' flexibility. System maintenance is simplified by means of our fingerprint analysis tool. **BARIO** requires 15 % less energy than its predecessor, while an optimized footprint also reduces space requirements.

Clean Technology Systems

In exhaust-air purification technology we have reduced the gas consumption of our systems for pollutant incineration. Under-stoichiometric operation of the gas burner is the key to this. After heating up, the ratio of air to gas is reduced, creating an artificial air deficiency. This yields gas savings of up to 15 % and thus greater cost effectiveness and sustainability in production. This innovation is used in all new systems, and it can also prove useful for upgrades.





AWARDS FOR SUSTAINABLE TECHNOLOGIES

Our focus on developing sustainable technologies and production processes is frequently recognized with international awards. In 2014 we received the Green Award for our **Eco+**Paintshop concept in China. This stands for a new generation of automotive paint shops that combines efficiency and sustainability through lower consumption levels. The Green Award is presented by the Chinese journal "Automobile and Parts" in cooperation with the renowned Tongji University in Shanghai.

ENVIRONMENTAL FOOTPRINT



Dürr has traditionally had a relatively small environmental footprint. This is due to our real net output ratio of 35 %, which is still manageable – we source many prefabricated parts and assemble them in our factories. Even though our business activities have a comparatively small impact on the environment, we are constantly working to reduce it further.

The number of our employees increased once again in 2014, even without taking into account the HOMAG Group staff. At the same time, we were able to keep CO₂ emissions at the previous year's level; the increased figure for our vehicle fleet emissions is due to the more accurate capturing of data from the fleet vehicles outside Germany. Our consumption of electricity and water as well as our waste water output rose as a result of our increased in-house production. The volume of waste was slightly below last year's figure, while our gas/oil/district heating consumption was considerably lower.



To minimize emissions and consumption, we are continually working to improve production processes, for example by reducing our energy, material and resource requirements. When developing new products, we focus on energy efficiency. In addition, one of the constant design requirements for our balancing technology, for example, is the reduction of noise emissions. We also place great emphasis on recycling, so waste such as paper, plastics, steel, timber and electrical equipment is sent for recycling. We save 2,547 tons of resources per year at the largest Dürr site in Bietigheim-Bissingen – this corresponds to the weight of more than 6,000 apple trees. We also reduced our CO₂ emissions by 431 tons. We exploit the potential for saving electricity, heating energy and water at our sites. For instance, we replace fluorescent lamps with environmentally friendly LED lighting and upgrade old heating systems with modern and significantly more efficient ones. When constructing buildings anywhere in the world, we pay attention to energy efficiency. In China we have recently merged several sites, thereby avoiding costly logistics and emissions.



We are involved in the Mai Ndombe REDD rainforest conservation project in the Democratic Republic of Congo. The project ensures that forest areas remain protected and contribute to neutralizing harmful greenhouse gases. By participating in this project, we are offsetting the CO₂ emissions produced by the consumption of natural gas by our Schenck Technologie- und Industriepark in Darmstadt (around 487 tons per year), thus remaining carbon-neutral. A further 225 tons of CO₂ emissions are generated through district heating consumption at the same site. Our energy supplier offsets these emissions by means of afforestation measures as part of the "Permanent Forest Sink Initiative" in New Zealand. We use hazardous materials to a limited extent only. A number of Group sites have been constructed from new or modernized since 2011. The model for numerous construction projects was the Dürr Campus in Bietigheim-Bissingen with its "Campus Energy 21" sustainable energy concept.

TRANSPARENCY

Sustainability at Dürr is a regular feature of our annual report. This latest publication of the sustainability report is our fourth to date. We work closely with institutes, non-governmental organizations and rating agencies, which examine the sustainability of companies through a number of surveys and publish their results. We see this as an important part of the exchange with our stakeholder groups. The international Carbon Disclosure Project operates the world's largest database of companies' environmental data. As a participating group, we can provide information there not only on consumption levels, emission data and climate risks but also on savings targets and sustainable products.

PROCESSES

Internal audits and external certifications ensure the compliance with and further development of our business processes and management systems. Most of our sites are certified to ISO 14001, VDA 6.4 and ISO 9001 on a regular basis. A complete list of our certifications is available at www.durr.com under Company/Sustainability.

ENVIRONMENTAL KEY FIGURES (ABSOLUTE, WITHOUT HOMAG GROUP)

	2014	2013	2012
Number of sites	53	50	51
of which ISO 9001 quality management certified	38	39	39
of which ISO 14001 ¹ environmental management certified	18	19	20
Consumption			
Electricity (MWh)	33,443	32,723	32,489
Gas/oil/district heat (MWh)	39,667	42,478	40,342
Water (m ³)	130,685	124,555	113,174
Waste water output (m ³)	122,022	119,663	110,328
Waste (t)	4,525	4,797	4,066
of which recycled (t)	3,191	3,232	3,028
Emissions			
CO ₂ (t)	33,493	33,254	32,597
of which car fleet	3,965	3,555	3,520
SO ₂ (t)	18	17	17
NO _x (t)	27	27	27

¹ Sites used by several Dürr companies sometimes have multiple environmental management certificates to ISO 14001.

ENVIRONMENTAL KEY FIGURES (INDEXED, WITHOUT HOMAG GROUP)

	2014	2013	2012
Consumption			
Electricity	64.6	61.0	60.8
Gas/oil/district heat	51.7	53.4	50.9
Water	92.3	84.9	77.4
Waste water output	97.2	92.0	85.0
Waste	85.0	86.7	73.9
of which recyclable	78.5	76.7	72.1
Emissions			
CO ₂	60.5	58.0	57.0
of which car fleet	63.0	54.5	54.1
SO ₂	63.9	59.4	59.6
NO _x	61.0	59.0	59.1

(2010 = 100, in relation to sales)



BY DÜRR FOR DÜRR

The highly efficient **Eco+Energy** CPS 100 micro gas turbine system developed by Dürr's Clean Technology Systems division has been in use at the Bietigheim-Bissingen site since the beginning of 2015. Just like a gas-powered cogeneration unit, this system allows the waste heat produced during electricity generation to be utilized (combined heat and power). The system ensures very high availability (98 %), high electric part load efficiencies and an overall efficiency of 82 %. In addition, the micro gas system requires considerably less maintenance than a gas engine.

In 2014 we generated almost 2,000 MWh of electricity through combined heat and power at the Group's headquarters in Bietigheim-Bissingen, equivalent to around 20 % of the site's energy requirements. The energy generated has a high efficiency score, as the energy loss is minimal due to the short distance.

We also use regenerative energy sources. In 2014 we generated more than 250 MWh of electricity with the help of photovoltaic systems. In Bietigheim-Bissingen we additionally use geothermal resources for heating and cooling.

COOLING AT THE DÜRR CAMPUS

We have dismantled two old refrigeration systems with a poor efficiency level at our headquarters in Bietigheim-Bissingen. They had been installed in the early 1990s and used a refrigerant which has been banned since 2015.

By connecting the relevant buildings to the site's central cooling supply, we are increasing the service life, utilization and profitability of the system. Previously, this system only supplied the main building and had been deliberately designed with power reserves. This forward-thinking approach has now paid off – both for the environment and for Dürr.



REDUCED ELECTRICITY CONSUMPTION, LOWER COSTS, MORE LIGHT: ALL THANKS TO LED

The result is truly impressive: massive energy savings of 90 %, a reduction in operating costs of over € 80,000, and an increase in light output of over 60 %. Replacing the factory lighting at the Bietigheim-Bissingen site protects the environment and makes us more profitable. 133 LED spotlights with 240 W each have been installed there to replace the previous 1,000 W HQI spotlights. The lights are equipped with presence and daylight sensors. This already leads to much lower energy consumption, also helped by the intelligent networking of the lights, which enables these massive savings.

OUR TEAM

As an engineering group, we rely heavily on the commitment, knowledge and professionalism of our workforce. Following the acquisition of the HOMAG Group, we now have about 14,500 employees working for the Dürr Group. We believe that we can offer every one of them attractive and fair working conditions, and operate a sustainable HR policy.

VOCATIONAL TRAINING

By training people ourselves, we ensure that employees are highly qualified and familiar with our business, ready to take on responsibility at a later stage. In 2014, in the pre-HOMAG Dürr Group, we employed a total 158 apprentices as well as students from cooperative state universities and "Studium Plus" students. A further 330 junior staff held corresponding positions at

INTERNATIONAL TRAINING GETS STARTED

Since spring 2015 we have been training a US American Dürr employee for the first time. 19-year-old Scott Kristian from Michigan is completing a program combining theory and practice. While the theoretical part is covered in Auburn Hills in the United States, the practical training takes place at the training workshop of Dürr's Bietigheim-Bissingen headquarters. Following a final exam set by the German American Chamber of Commerce, the young American will gain a German qualification at the end of his training. Scott is staying with a Dürr host family, learning German and making contacts. Dürr benefits from the fact that there is no equivalent training available in the United States and well qualified, skilled staff are hard to find. We believe this is a successful model – and one that can be transferred to other Dürr sites.

the HOMAG Group. We offer classic vocational training covering 11 commercial and industrial/technical fields – from electronics and computer science to logistics, product design and various mechanical fields. The 11 cooperative state university courses we support are also based on our range of requirements. The options include, for instance, electrical engineering and electronics, mechanical engineering, mechatronics and industrial engineering, IT and business studies as well as consulting and controlling. Many students within the Group spend some of their practical training at foreign subsidiaries to learn more about the international nature of our business.



» My time in Germany was very exciting. I got to experience the culture and lifestyle there, along with learning advanced technical skills in engineering.«

Scott Kristian (center, next to Dürr Systems head of training Hans-Uwe Klaiber (left) and trainer Jéron Phillipps)

TRAINING AND PERSONNEL DEVELOPMENT

As the technology and world market leader, we rely on highly qualified staff to ensure sustainable corporate success. To this end, we increased the training budget per employee in Germany from € 650 to € 720 in 2014; the number of training attendances rose by 10 %, to 7,739 (both figures exclude the HOMAG Group). The latter is primarily due to the CustomerExcellence@Dürr program, aimed at further improving customer focus and service quality. We train almost all Dürr and Schenck employees worldwide as part of this program in order to enhance our interaction with customers. Depending on the frequency and intensity of customer contact, there are a number of different types of training available. This customer contact training, which is the most comprehensive training measure in the history of Dürr, will be completed in 2016.

In 2014 CustomerExcellence@Dürr accounted for 21 % of all training sessions at Dürr (excluding the HOMAG Group). IT training constituted the second largest training complex, followed by training in the areas of leadership, technology, commercial know-how as well as management systems, intranet and languages. The two-day induction events for new staff were also well attended. We place special emphasis on the centrally designed corporate training program, where employees from different countries and business locations learn best practices in leadership, sales and project management. Many of Dürr's training events are run by in-house experts. This ensures a strong practice-oriented approach and reduces costs.

We support our managers with special training programs on Dürr values and specific modules of our Leadership Skills Model such as communication and multiculturalism. In addition, these programs teach methods for leading projects. Our training modules for young managers include leadership workshops, the junior leadership program "Fit for Management" and Dürr's management simulation game.

COOPERATIVE EDUCATION IN CHINA

Our subsidiary Schenck Shanghai Machinery Co., Ltd in China has entered into cooperation with Shanghai Dazhong Technical School. This allows us to apply our experience in cooperative education to a Chinese training model. After the agreement was officially signed, students and their parents were invited to visit our site to gain a first impression. Internship opportunities are available to students interested in finding out more about the job.

The teachers and students' supervisors have been specially trained for this cooperation. The first group of students is due to finish their studies in summer 2017.



EMPLOYEES BY REGION

	June 30, 2015	December 31, 2014	Juni 30, 2014
Germany	7,841	7,749	3,861
Other European countries	2,106	2,180	1,385
North/Central America	1,244	1,134	717
South America	395	419	340
Asia, Africa, Australia	2,862	2,669	2,021
Total	14,448	14,151	8,324

There are times, however, when the standard seminar program is not enough, for example when it comes to technical or graduate training. In this case we come up with individual solutions. If the parameters are right, we find flexible working hour arrangements together with the employees, allowing them to focus on their new challenge.

Financial support is also available. The new "People Development" personnel development process enables us to evaluate the skills of managers worldwide even better and to identify high-potential employees and high performers. After a successful pilot phase, "People Development" was introduced at several large business locations in 2014.

PERSONNEL AND UNIVERSITY MARKETING

In 2014 we were generally able to fill all vacant and new positions quite easily. An important basis for this was Dürr's economic success and excellent reputation, but also our intensive personnel marketing using both internet and print media, as well as various awards. We have an attractive employer profile based on key elements such as world market leadership, innovative strength and an international focus. Added to that are SME values such as individual responsibility and flexibility as well as an attractive compensation package, flat hierarchies and good career prospects. Work/life balance is becoming an increasingly important factor in employer attractiveness. We will continue to enhance the options we offer in this area, ranging from flexible working hours and part-time employment to exercise and health programs as well as childcare support. One of the options available to staff, which is unusual even in large organizations, is the holiday exchange program for children of employees in our subsidiary Schenck RoTec.

DÜRR CHALLENGE

As a technology leader Dürr must attract highly qualified young professionals. To do this we sometimes take an unconventional approach. One example is the Dürr Challenge, a film competition for students that is unique in Germany. We select 15 participants among hundreds of applicants, put together three film teams and send them off to different cities. Their task is to experience places, meet people, feel the city – and shoot a short film that sums it all up. The Ludwigsburg Film Academy is a partner of the Dürr Challenge. Young directors from this film school support the teams with their filming and production.



The positions of Dürr AG (6th place) and HOMAG Group AG (9th place) among the top ten companies in the mechanical and plant engineering sector in this year's focus magazine ranking bears witness to the good reputation we have as an employer in this field.

In 2014 18 % of our employees were women. Unfortunately, the number of applications we receive from women for technical jobs is still low.

Last year the number of people joining the company returned to normal after a strong increase, often in junior staff, in previous years. This led to a slight rise in the average age of our employees. At 2.1 %, the sickness rate remained at a consistently low level.

Staff turnover dropped to 4.4 %; we anticipate that our rate will remain below the industry average.



WORKING CONDITIONS

The strength of our team lies in creativity, commitment and entrepreneurial thinking. We see it as our responsibility to provide the foundation for this success.

	2014	2013	2012	2011
No. of employees	8,492	8,142	7,652	6,823
of whom sandwich course students and apprentices	158	156	141	130
Average company service (years)	10	10	10	11
Churn rate in %	4.4	6.0	4.6	6.0
Sickness rate in %	2.1	2.1	1.9	2.1
Proportion of women among the overall workforce in % (Dec. 31)	18	17	17	17
Age structure in %: German employees 45 years and older	53.9	53.1	54.2	54.7
Age structure in %: worldwide employees 45 years and older	41.6	39.9	40.6	42.6
No. of accidents per 1,000 employees (Germany)	7.8 *	13.1	12.9	14.4
Number of participants in Group and individual training events in Germany	7,739	7,032	6,737	5,215
Number of Group and individual training events in Germany	1,349	1,219	1,086	933
Training budget per employee in Germany	720	650	650	500
Bachelor's or master's theses	46	61	50	54
Student trainees supporters on a regular basis	103	66	55	35
Apprentices	123	113	109	120

* without way-to-work accidents

Perfect conditions – committed to our team

A

APPRENTICESHIP

Every year we train a large number of apprentices in a range of different fields. We offer classic vocational training covering 11 commercial and industrial/technical fields – from electronics and computer science to logistics, product design and various mechanical fields. The 11 cooperative state university courses we support are based on our range of requirements. Many students within the Group spend some of their practical training at foreign subsidiaries to learn more about the international nature of our business. In 2014 we employed a total 488 apprentices as well as students from cooperative state universities and "Studium Plus" students. The majority of those (330 people) were accounted for by the HOMAG Group. The HOMAG Group was the first company in its region to be awarded the "Outstanding provider of vocational training" seal at its Schopfloch headquarters by the Chamber of Industry and Commerce.

B



BONDING

A team consisting of members from robot manufacturing and logistics won the fall 2014 soccer tournament at the headquarters. 10 teams had taken part in the competition, including colleagues from as far as Querétaro in Mexico. Participants as well as viewers enjoyed great soccer, sportsmanship and a joint victory celebration of all teams. Dürr promotes corporate sports activities at a number of sites.



C

CAREER

We help our employees advance through further training and often develop young executives from our own ranks. Our resourceful personnel development concept enables us to find future executives and support them on their path toward more responsibility.



» We would like to provide jobs that ensure our employees not only do them well but also enjoy them. What we offer our employees depends on what motivates people and creates identity. «

*Klaus-Dieter Ahtelik, Executive Vice President,
Corporate Human Resources*

F

FAMILY

The 2014 family day at the Group's Bietigheim-Bissingen headquarters welcomed everyone, young and old. It was attended by around 3,600 guests, setting a new visitor record. The employees showed visitors their workplaces and gave them an insight into their activities. This is important to us, since family support is a key factor in the satisfaction and performance of our employees. We are involved in the "Family Success Factor" corporate network, in which members commit to a family-friendly HR policy.

International presence is a constant in Dürr's corporate culture. The first step abroad was the foundation of Dürr do Brasil in 1964. In November 2014 this oldest foreign Dürr subsidiary celebrated its 50th anniversary by holding, among others, a large family party in São Paulo with over 1,000 guests. They included Honorary Chairman of the Supervisory Board and founder of Dürr do Brasil Dr. Heinz Dürr as well as CEO Ralf Dieter.





M

MOTIVATION

We motivate our staff through a number of additional schemes. Depending on their business location, they can benefit from sports and music groups, preventive health screening and discounts on local public transport, all subsidized by Dürr. At the largest site in Bietigheim-Bissingen, employees can have their car serviced at market rates by the vehicle fleet colleagues or make use of the laundry service.

I

INTERNS

We do not employ university graduates as interns, but offer them appropriately salaried positions. For this we have been awarded the "Fair Company" certificate. In the reporting year, 123 prospective graduates completed an internship at Dürr as part of their training or studies.



»NEXT GENERATION« U30

The opinions of our employees are very important to us. We therefore conduct regular international employee surveys. The positive feedback confirms that Dürr is an attractive employer. Where a need for improvement is identified, we initiate appropriate measures.

At Schenck RoTec in Darmstadt we go even further: we hold U30 workshops for employees under 30, who identify relevant topics for the future. This includes questions such as what the future world of employment will look like and how an employer becomes attractive to the new generation. Our young employees then discuss the final results with the management. This has led, for instance, to an improvement of our social media presence.



S

SOLIDARITY

We send our youngest employees to a team building event for a few days at the beginning of their apprenticeship. Together with professional trainers they develop a good sense of team spirit.

N



R

REPUTATION

Dürr enjoys a high reputation as an employer and came sixth in FOCUS magazine's "Germany's Best Employers 2015" ranking. The HOMAG Group, acquired in 2014, was ninth in the ranking and is also popular with applicants.

**TRAINEES**

We offer a trainee program with fair remuneration and carefully structured content. For this we have been awarded the "Outstanding Trainee Program" quality mark by the University of Munich and Süddeutsche Zeitung.

T

U

UNIVERSITY MARKETING

In 2014 we visited 32 university and recruitment fairs, of which 20 took place in Germany. As part of our in-house technology fair, Open House 2014, we organized the first StudentsTechnologyDay@Dürr, which was attended by around 90 students from technical fields. In 2014 we had 170 junior staff writing their theses or working for us as interns or student employees. We use these contacts to meet potential employees and recruit them for Dürr.

CORPORATE GOVERNANCE AND COMMUNICATION

GOOD CORPORATE GOVERNANCE

We are fully committed to the objectives and principles of good corporate governance as set out in the German Corporate Governance Code, and we have only deviated from the recommendations of the Code in a few certain cases where justified. The Board of Management and the Supervisory Board issue a detailed statement on this every year. This declaration of compliance can be found at www.durr.com/investor under Corporate Governance/Declaration on Corporate Governance.

DEALING WITH OPPORTUNITIES AND RISKS

We assess the relevant opportunities and risks carefully in all transactions we engage in. We pursue the strategy of controlling and reducing our risks with the aid of an effective risk management system.

All entrepreneurial activities within the Dürr Group are based on the principle that

- the opportunities clearly outweigh the risks involved in all transactions
- purely speculative transactions are prohibited
- our actions must comply with prevailing laws as well as with ethical and moral standards

Dürr's risk management system is embedded in the organization's operating business and decision-making processes. We attach great importance to ensuring that our employees deal with risks openly and do not shy away from addressing negative developments at an early stage. This corresponds to the employee mission statement of our company: everyone who works at Dürr should identify with their task and act independently. In return, our employees can rest assured that we accept risks as part of the business, provided such risks are dealt with in a responsible manner.

Within the scope of our risk management process, the risks of all participating companies are systematically documented. The central risk management at Dürr AG launches the nine-stage standard risk cycle anew every six months. At the center of this process is the risk inventory conducted by the management of the operating units involved. Individual risks are identified, evaluated and consolidated, i.e. classified into one of 15 specific risk fields. The risk fields cover all management, core and support processes as well as external risk areas. The Board of Management and the Supervisory Board are regularly provided with detailed information on the system as well as the results gained, and adopt appropriate measures.

WELL-FOUNDED TRUST

Journalists, investors and other members of the public appreciate the transparency at Dürr. For us, this cooperation is invaluable as it reflects expectations and perceptions from outside, thus providing the management with important input for corporate governance. In a comprehensive comparison conducted by the business journal Manager Magazin, Dürr AG's capital market communications ranked 3rd in the MDAX index. You can contact our Corporate Communications & Investor Relations team by phone on +49 7142 78-1785 or by email at corpcom@durr.com.

COMPLIANCE

At Dürr, we apply the principle of legality – this must be respected without exception, along with ethical and moral standards. Dürr’s worldwide compliance organization provides active support for our workforce in this regard.

- The Dürr Code of Conduct outlaws illegal business practices such as price-fixing or market agreements, bribery or misleading advertising. It emphasizes the right of all employees to fair treatment and prohibits any kind of discrimination. Finally, the Code explains issues such as how to handle confidential data, insider information and conflicts of interest correctly.
- The Code of Conduct is available to our workforce in ten languages and is the subject of training courses and staff meetings throughout the Group. Employees can also obtain information on the intranet. The Compliance section introduces contacts, explains how to report any issues, and provides guidance on correct conduct in the form of a question-and-answer list.
- Trained compliance managers are available to advise employees on compliance matters in most of the Group’s companies. If required, these managers can call on the assistance of the Corporate Compliance Officer. All employees can, of course, also contact the Corporate Compliance Officer anonymously.

We have developed an effective compliance management system, which is set out in a Group-wide organizational instruction. At its heart is the Corporate Compliance Board. This is made up of the Corporate Compliance Officer, the Head of Internal Auditing, the Corporate Risk Manager, the Finance Managers of the divisions and other managers. The Corporate Compliance Board constantly examines methods of refining the compliance rules. The Corporate Compliance Officer is the person to contact if any compliance violations are suspected. He analyzes them in the event of justified suspicion, and reports to the CEO and the Corporate Compliance Board. In his research he works closely with the Internal Auditing colleagues.

Within the next few months this outlined system will also cover the HOMAG Group, which has been consolidated since October 2014.

DIVERSITY AND FAIR PLAY

We support and expressly promote diversity. We apply it on the basis of our five corporate values, as we are fully aware of its importance for the success of an international company. All Dürr employee can be confident that they are treated fairly.

WORKING CONDITIONS

We object to forced and child labor at Dürr and take an active stance against it. Dürr employees all over the world are free to join labor interest groups.

SUPPLIERS

We also expect suppliers to act in accordance with our Code of Conduct. We have summarized the sections of the Code of Conduct relevant to them in a special Suppliers' Code, which forms part of all supplier contracts. Dürr's code of conduct for suppliers can be found at www.durr.com/Company/Sustainability/.

DONATIONS

Dürr has traditionally donated to humanitarian charity projects and activities in education, culture as well as recreational, youth and disabled sports. A donations guideline sets out clear rules on our donation activity. The guideline also regularizes that we do not give political donations as we do not like to influence political decision-making processes with fiscal grants.

SOCIAL COMMITMENT

We take an active role in the community: whether through humanitarian charity projects; activities for education or culture; recreational, youth or disabled sports. This is not always in the form of large financial contributions – we also see our responsibility in working in trusting partnerships with local peer groups such as schools.

EDUCATION PARTNERSHIPS: SCHOOL AND COMPANY WORK HAND IN HAND

We have partnerships with four schools near our headquarters in Bietigheim-Bissingen. Apart from offering work experience and internships to schoolchildren, we also cooperate with schools on a teaching level. For example, we have supported the "robot" interest group at Bissingen Secondary School in combining theory and practice.

First impressions count: Experts from Dürr's HR department offer job applicant training schemes to teach students at our partner schools the key to a good application. Before entering the job market, students can send in their applications to have them assessed and to receive individual feedback.

Every year we present the Dürr MINT award to students at Bissingen Secondary School for outstanding results in the subjects of mathematics, IT, natural sciences and technology. The winners have a good chance of being offered an apprenticeship at our company. In 2014 two award winners started their training as mechatronics engineers at Dürr.



EARLY-YEARS EDUCATION

Together with Heinz und Heide Dürr Stiftung, we support the Bietigheim-Bissingen daycare center as a partner for promoting early-years education. We also offer places at the center for the children of all young parents among our staff. We are planning to expand this scheme further.



OPEN DOOR FOR FUTURE APPRENTICES

The kick-off event "Open house week", held at Dürr Somac in Stollberg, was attended not only by students but also by representatives from politics, local authorities and schools. Experts talked about their job profiles, careers and relevant qualifications.

PROMOTING HIGH PERFORMERS

We support ten university students under the All-German Grants Initiative. The scholarship students not only receive financial support, they also benefit from comprehensive training and funding opportunities. In addition, we support the START foundation, which offers bursaries to children from ethnic minorities.

ACADEMIC COMMITMENT

Several Dürr employees teach at universities. The associations and universities to which we provide financial support include the Donors' Association for the Promotion of Humanities and Sciences in Germany and the Cooperative State University of Stuttgart.

KIDS' DAY@DÜRR

Inspiring girls to get into technology – this is our objective on Girls' Day. We open our doors at Dürr in Bietigheim-Bissingen as well as at other sites and give girls their first look at a technology company. In Darmstadt, among other places, we invited girls and boys together and hosted a Kids' Day.





AN OFFICE SEES PINK

One day a year, the dress code of our British Dürr team is neither business suits nor boilersuits. On "Wear it Pink Day", the rule is clear and simple: pink! All participants make a donation to raise money for Breast Cancer Campaign.

FOOD BANK

We donate € 10,000 per year to the food bank in Bietigheim-Bissingen. This organization provides inexpensive food to people in need.



SPECIAL COOPERATION

The employees of the sheltered workshop in Bad Friedrichshall produce almost 30,000 threaded plates for Dürr every year and have done so for around 25 years. Due to the competitive quality and price, this cooperation is a success for both sides. Dürr is one the workshop's largest customers and plays an important part in giving disadvantaged employees a meaningful job appropriate to their skills.



BRITISH SOCCER PLAYERS WEAR "DÜRR"

We have been sponsoring the young Caludon soccer players in the UK for years. Having just been promoted to the U16 Coventry Minor League, the team now faces new sporting challenges. It is coached by Tony Avery, local Service Manager at Dürr Limited.



CYCLING FOR CHARITY

Strong winds, heavy rain and even technical problems could not stop the Dürr team on their Prudential Ride in London. Every year Dürr employees take part in the ride to raise money for Myton Hospice, which provides care to terminally ill patients.

DONATIONS

in Germany, in € thousand

1,072
2014

690
2013

511
2012

406
2011

344
2010

"HOMAG CARES" – FURNITURE FOR A GOOD CAUSE

The "HOMAG Cares" program has its origin in the company's numerous trade show appearances around the world. The HOMAG Group manufactures furniture in a demonstration workshop at the shows. This furniture is then sold, and the revenue – topped up by a donation from the company – is donated to a good cause. The "Solaris" representatives, for example, were delighted to receive a check for € 2,500 after the XYLEXPO 2014 trade fair. Solaris helps to care for mentally and physically disabled infants in the Brianza region (northern Italy). The HOMAG Group also supports the AMSEL contact group in Freudenstadt. This institution looks after multiple sclerosis sufferers and provides advice to their families.



BEST OF MUSIC

A lovely, warm summer weekend, amazing bands as well as 15,000 excited citizens and visitors: Best of Music 2015 brought the old town of Bietigheim-Bissingen to life. The music festival, which lasts several days, brings all generations together and attracts music fans with sounds ranging from blues to rock'n'roll. In 2015 Dürr was again one of the two main sponsors and contributed € 40,000, which made for a great line-up of artists and a professionally organized festival.

When Peter Weingart suggested to Dürr employees that they forgo their Christmas presents, the effect was fairly modest: instead of handing out the usual presents, the employer donated a few hundred German marks to a good cause. Since 1971 the Chairman of the Works Council of the plant engineering firm, which was still small at the time, has initiated many campaigns for Gustav-Werner School. Over the years Dürr has regularly provided financial assistance to the institution for mentally disabled children and young people. The family of former managing director Heinz Dürr also made it their mission to support the school. They embraced their commitment not only in the form of private funding, but also enlisted the help of their friends. Today the school is in doing well: it has a modern, disabled-friendly building and receives backing and support from political and social circles. The school and its students can of course also rely on Dürr's continued support. Forgoing Christmas presents has now reached a new dimension: all Christmas presents which staff receive from business partners are given away in a tombola at the Christmas party. The company and the CEO add their contributions to the proceeds, which reach a total of around € 10,000 every year. This money is in good hands with the dedicated team at Gustav-Werner School.

HISTORICAL COOPERATION

A long-standing friendship

For many years we have been making donations to Gustav-Werner School in Stuttgart for mentally disabled children. The students also sell home-made goods at the Dürr Christmas bazaar. In addition, as part of an art project, they created a number of robots from different materials. A large exhibition hosted by Dürr provided a forum for the young artists to present their work.



»Whether attending our graduation party or giving us the opportunity to sell home-made goods on the company premises: the employees and the management at Dürr get involved in our work. We feel a close connection with them and are very grateful that the support goes far beyond a check. Thank you so much for your help over the decades!«



*Sabine Oehlschlägel,
Head of Gustav-Werner-Schule*

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