

Today for tomorrow.

CORPORATE REPORT 2024



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Dear Readers,

Good news isn't entirely a thing of the past. In a world plagued by negative headlines, global challenges and uncertainties, there's always room for something positive. Although political, technical and economic developments are increasingly complex, they also enable progress, growth and innovation. Especially in uncertain times like these, we see just how important it is to offer reliability. In 2024, our employees once again helped significantly to make the world a safer place. For the TÜV Rheinland Group, it was a successful year, and quite clearly so.

This is also reflected in our numbers, which testify to TÜV Rheinland's continued growth path. Revenue and operating result (EBIT) are significantly higher than the previous year's figures, and the headcount has increased by a full 2,500. We expanded our service offering, brought new products to the market and opened new laboratories. We entered strategic partnerships and invested further in the acquisition of companies. Examples include the Swedish vehicle inspection service Bilprovningen with about 600 employees and its subsidiary SMP, which have been part of TÜV Rheinland since the end of 2024.

We aspire, with our inspections, testing, certifications, audits and training, to meet a basic human need, which is also something our customers need: safety. At the same time, the desire to exploit the full potential of technology for the benefit of humankind and the environment has never been more prevalent. Safety and sustainability must go hand in hand here. A technology cannot be safe unless it is also sustainable. And this is precisely where we apply our services.

Through advanced training and continuing education, we keep TÜV Rheinland employees' knowledge up to date. This enables us to help carry innovations through to market readiness – like the safe use of artificial intelligence, such as in autonomous driving systems, or hydrogen-based technologies. I would like to express my gratitude to our customers, whom we support not only along their path to the future but also with their everyday business challenges, and who have placed great trust in TÜV Rheinland once again. I would also like to thank our employees, whose commitment makes our success possible.

We also continue to improve our own sustainability performance. One of TÜV Rheinland's core concerns is the work safety of our employees. In 2024, we launched a program to reinforce our safety culture, in order to further raise awareness for responsible behavior. Are we on the right track with our sustainability efforts overall? The EcoVadis Gold status we earned at the end of 2024 affirms that we are. The EcoVadis rating assesses the sustainability performance of companies in the areas of environment, labor and human rights, ethics and sustainable procurement – TÜV Rheinland once again ranks among the top 5 percent of rated companies in 2024.

Learn more about our goals and progress, our successes and challenges, in this Corporate Report.

Yours

Dr.-Ing. Michael Fübi
Chief Executive Officer of TÜV Rheinland AG



TÜV Rheinland

08 TÜV Rheinland in figures





TÜV Rheinland. Precisely. Right.

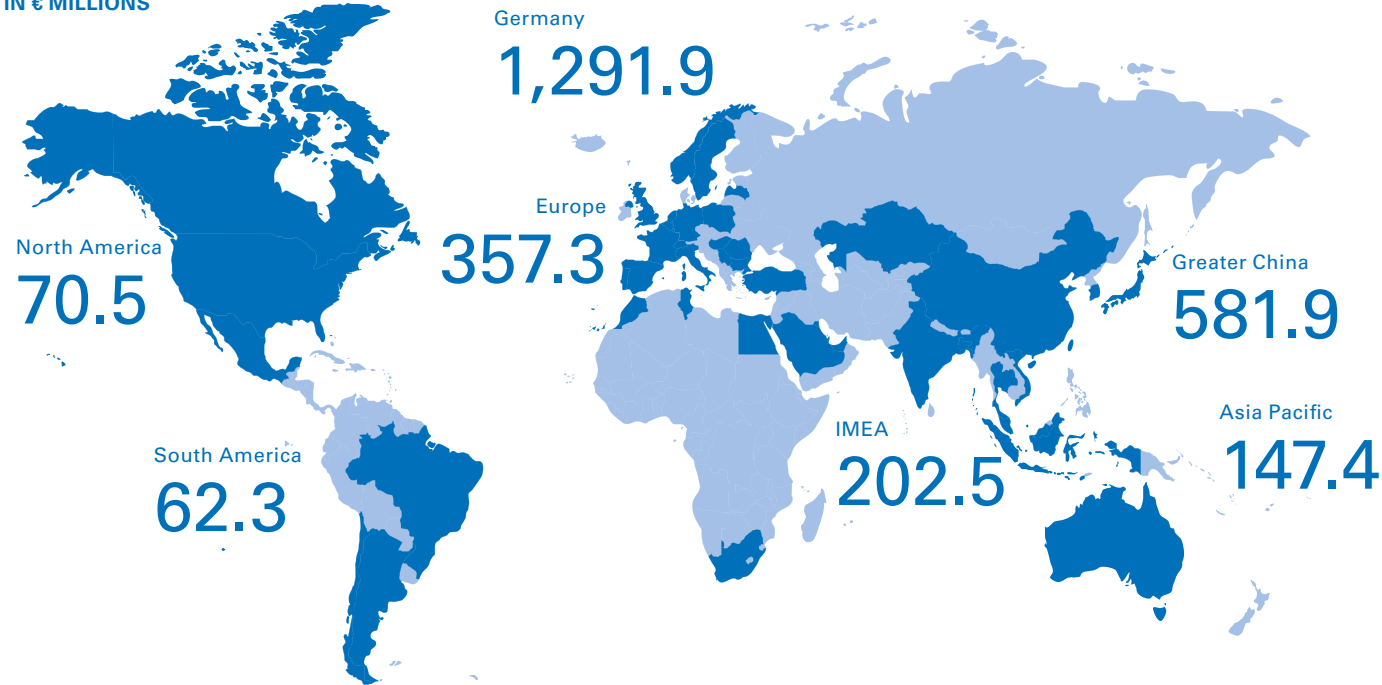
As a testing and inspection services company, for more than 150 years TÜV Rheinland has stood for quality and safety in the fields of testing, inspection, certification and training. Our service promise: What we do, we do precisely and we do it right.

As an independent testing and inspection services company, since 1872 TÜV Rheinland has stood for quality and safety in the interaction between people, technology and the environment in almost all areas of the economy and life. Based in over 500 locations, the company's experts test and inspect technical plants, equipment and products, support innovations in

engineering and business, train people, and certify management systems according to international standards. With around 26,000 employees and annual revenue of over 2.7 billion euros, the company is one of the world's leading providers of testing and inspection services.



GROUP REVENUE
BY REGION
IN € MILLIONS



€2.71 billion
REVENUE



€214.8 million
EBIT



€225.4 million
ADJUSTED EBIT

Share of revenue by Business Stream

27.7%
INDUSTRIAL SERVICES &
CYBERSECURITY

26.0%
MOBILITY

25.1%
PRODUCTS

21.2%
PEOPLE & BUSINESS ASSURANCE



25,900
is the number of
EMPLOYEES
as of December 31, 2024 (headcount)



29.0%
is the share of
WOMEN IN
LEADERSHIP POSITIONS



95.2%
is the share of employees who
received training in basic COMPLIANCE
requirements



-49.0%
is the percentage drop in the
LOST TIME INJURY RATE (LTI) as
compared with reference year 2019



53
is the NPS score for
CUSTOMER SATISFACTION

3

Sustainability Report

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Ready for a sustainable future

SUSTAINABILITY STRATEGY

The vision of TÜV Rheinland is “a world where today and tomorrow are always safe and sustainable.” That is why sustainability is a basic cornerstone of our corporate strategy. As a corporation with global operations, we take responsibility for our sustainable actions. We help our customers work to achieve the goals they set for themselves and to comply with statutory requirements, for example in establishing business practices that protect the climate and conserve resources. And for our own operating activities, we have also set concrete sustainability goals and formulated meaningful strategic priorities.

As a technical inspection and testing company, we can provide comprehensive support in this transformation to sustainable business practices. We test and inspect technical plants, equipment and products the world over, offer training courses in many professional fields and certify management systems according to international standards – more and more of which also involve sustainability. Our customers rely on our expertise and integrity as we partner with them to develop sustainable technologies and services.

But we also work to excel in our own sustainability performance. To that end, we have defined distinct fields of action in the three dimensions of “People,” “Planet” and “Profession” and set goals for ourselves that we aim to achieve by 2025. To continue to broaden our sustainability orientation beyond 2025, we conducted a materiality assessment in the reporting year: in 2025 it will serve as the basis for developing new goals and specific parameters by which to measure them.

SETTING GOALS AND MEETING REQUIREMENTS

Sustainability is one of the four strategic objectives of our corporate strategy, TR+. To translate this strategy into concrete actions, we have established a number of priorities and defined measurable targets. Not only do we want to significantly expand our sustainability-related services in all Business Streams and regions, we also want to improve sustainability performance throughout the Group and along the entire value creation chain.

Moreover, with regard to our own sustainability performance, in the Scopes essentially within our control – namely Scopes 1, 2, 3.3 (Fuel- and energy-related upstream emissions) and 3.6 (Business travel) – we have set ourselves the goal of achieving greenhouse gas-compensated business operations throughout the Group by the end of financial year 2028, and in Germany already by the end of financial year 2025 (for further information, refer to the chapter “Planet”). Furthermore, we want to consistently maintain our EcoVadis Gold status rating, and we achieved this goal in 2024.

Regulatory requirements – in Germany and the EU, but also in many other markets where we do business around the world – are setting new standards for environmental protection, human

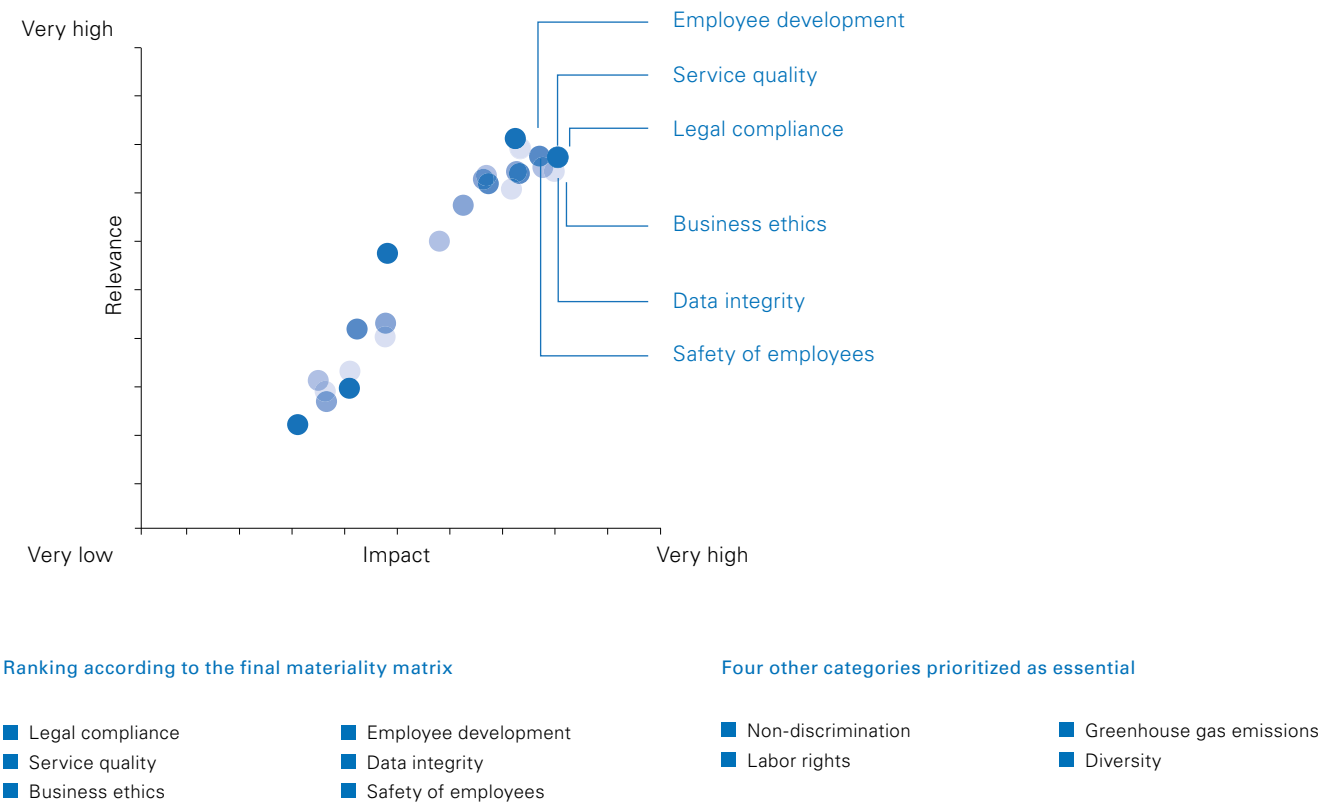
and labor rights as well as corporate governance. These requirements also concern us in two respects: First, for our own objectives, for our sustainability management, and for the associated reporting, they alter the statutory framework. We adapt on a timely basis to the sometimes challenging specifications they impose, and we must comply with those specifications. At the same time, the requirements open up real growth opportunities for us by raising our customers’ interest in sustainability-related services – whether customers need our support with implementation of standards, or they would like to have TÜV Rheinland review or certify sustainability goals that they themselves have set.

New requirements that pertain to us and our customers are defined by the Corporate Sustainability Due Diligence Directive (CSDDD), for example, while regulatory requirements relative to future reporting arise from the Corporate Sustainability Reporting Directive (CSRD), its underlying European Sustainability Reporting Standards (ESRS) and the EU Taxonomy. In preparation for future regulatory requirements relative to reporting according to CSRD and ESRS, we already conducted a double materiality assessment in the 2024 reporting year to determine the material impacts of our business activity as well as opportunities and risks for TÜV Rheinland. The analysis serves as the basis for reporting in accordance with ESRS.

DEFINING FIELDS OF ACTION

We used the materiality assessment to define the key fields of action for our sustainability management from the perspective of our business model and our activities and business relationships. To that end, we conducted a comprehensive stakeholder survey back in 2020, to identify our stakeholder groups’ expectations concerning sustainability and thereby determine material topics for TÜV Rheinland. That analysis, which was based on the standards of the Global Reporting Initiative (GRI), together with the definition of strategically important topics from a corporate perspective, gave rise to ten categories that we use as guideposts for effectively anchoring sustainability in the company (see graphic below).

TÜV RHEINLAND MATERIALITY MATRIX AND ESSENTIAL CATEGORIES



By assigning the resulting ten material topics to the three dimensions of “People,” “Planet” and “Profession” in our Sustainability Strategy, we have specifically implemented for TÜV Rheinland the ESG classification currently in use today. The sustainability dimension “People” emphasizes human factors, where we focus on five categories: employee safety, employee development, labor rights, diversity and non-discrimination. In the dimension “Planet,” we are dedicated to managing and reducing our greenhouse gas emissions. And our sustainability dimension “Profession” examines responsible corporate management (Good Governance) with an emphasis on four categories: service quality, data integrity, legal conformity (Compliance) and business ethics.

When deriving concrete objectives from the ten categories of our materiality assessment, we included regulatory requirements, customer expectations, voluntary commitments in our industry and shareholder expectations. We have formulated what we intend to achieve by 2025 as targets for all ten categories. To document our progress and drive our continuous improvement, we have developed measurable key perfor-

mance indicators (KPIs) for each of those targets. Our results from over the course of financial year 2024 are reported in the following chapters.

One of our priorities in the reporting year was to conduct the double materiality assessment. We implemented the extensive process associated with that assessment, in order to identify TÜV Rheinland’s major positive and negative impacts, opportunities and risks from a sustainability perspective. To comply with ESRS requirements effectively and to ensure organizational development, this required cross-functional collaboration within the organization.

Internal experts, stakeholders and managers from various Business Streams, service functions and regions worked together on the double materiality assessment in workshops and other forums. Its findings were examined and discussed with the Executive Board. The double materiality assessment for auditing and identifying our material topics also constitutes a good foundation for our upcoming strategy process in financial year 2025, which will define KPIs and objectives that extend beyond 2025.



STAKEHOLDERS

We define stakeholders as all persons, companies and institutions with whom we enter into a direct relationship in the course of providing services, but also those indirectly affected by our business activities. It is particularly important to us that we provide our stakeholders with a clear picture of who we

are, how we work, what we test and inspect, and who monitors our work. We use a broad spectrum of tools and channels to communicate regularly with our stakeholders.

Diagram based on: Stakeholder Survey 2013, analysis of interested parties according to ISO 9001:2015.

ENGAGING IN DIALOG WITH
STAKEHOLDERS

We interface with our internal and external stakeholder groups on a regular basis. This helps us understand and address their requirements, expectations and motivations.

We have used formats such as employee surveys, discussions with customers and suppliers, publications and reports to learn more about our stakeholders’ expectations and incorporate them into our planning.

Our employees are important stakeholders for us, and we exchange ideas and information with them regularly through various channels – including a “Sustainability app” on our intranet and a newsletter where employees can also showcase their own commitment. All relevant developments are regularly announced by the Executive Board in a “Board Chat” to members of management and others, who then pass that information along to their employees in their companies and regions. We have been conducting our comprehensive employee survey “Together” at three-year intervals, deriving information and specific actions from it for quite some time already.

In 2023, we also surveyed our employees’ satisfaction using a global “People Pulse Check” for the first time. Changes were implemented in 2024 based on the findings of that survey. This type of survey will be conducted annually starting in 2025.

Within the industry, we exchange information with the TÜV Association and the TIC Council (TIC: Testing, Inspection & Certification) to share experience and approaches relative to sustainability and champion shared industry issues.

Moreover, since 2006 our active membership in the UN Global Compact Network Germany (UN GCD) has enabled us to discuss sustainable and responsible corporate governance with other companies as well as government agencies, NGOs and the scientific community. In addition, we regularly exchange ideas and information with experts and decision-makers from many other stakeholder groups and sectors.

ANCHORING SUSTAINABILITY IN THE
GROUP

The sustainability governance of TÜV Rheinland falls under the purview of the Global Officer Corporate Development. He keeps the Executive Board and the extended Group management informed on a regular basis and reports directly to the Chief Executive Officer. The Corporate Sustainability Team in Corporate Development focuses on further strategic and organizational development, coordination and consulting on matters related to TÜV Rheinland Group’s sustainability. Consistent with a human rights officer’s role, the Head of Corporate Sustainability also monitors the risk management process relative to human rights and the environment and reports directly to the Executive Board in that function. Various steering committees anchor the topic of sustainability organizationally in the Group.

UN Global Compact:
United by shared values

TÜV Rheinland has been a signatory to the UN Global Compact since 2006. The initiative of the United Nations is based on ten principles and committed to a more sustainable economy in line with the UN Sustainable Development Goals. This includes respect for human rights as well as standards for fair labor practices, protection of the environment and good corporate governance. More than 26,000 companies and organizations worldwide have joined the UN Global Compact Network, and it has nearly 1,400 members in Germany.

Staffed by senior executives of the Group and established in 2022, the Sustainability Committee evaluates sustainability developments relative to the strategic direction of TÜV Rheinland. It has been meeting at least twice per financial year since its formation. The Executive Board decides on matters of implementation in the context of the Sustainability Program, which was established in 2022. To that end, it regularly signs off in steering committees with Corporate Development and Global Business Improvement Management, which manage the program on the project side. The department heads, who serve as “category owners” of the individual material categories, are responsible for monitoring, managing and reporting on sustainability-related projects and key performance indicators. The Sustainability Strategy Steering Committee meets quarterly to provide coordination.

SHAPING CHANGE TOGETHER

TÜV Rheinland engages with other actors in numerous organizations to exchange ideas and information, learn from one another, and collaborate on sustainability topics:

- As a signatory to the UN Global Compact, we participate in the UN Global Compact Network Germany (UN GCD) and share the ten principles for sustainable and responsible business practices formulated by that organization. For TÜV Rheinland, the Head of Corporate Sustainability serves as a member of the advisory board of the DGCN (German Global Compact Network) Foundation and as a member of the UN GCD e. V. in an advisory capacity. Individual subsidiaries are also represented in local networks. In the year under review, we also participated in various forms of exchange under the UN Global Compact, such as the Human Rights Accelerator program, an exchange and learning platform on human rights due diligence, as well as exchange among human rights officers.

- Our Sustainability Strategy is designed to help achieve the Sustainable Development Goals (SDGs) formulated by the United Nations.
- We are committed to the principles of the TIC Council, the international association of the testing, inspection and certification industry. Dr.-Ing. Michael Fübi, CEO of TÜV Rheinland, is President of the TIC Council and represented in the Sustainability Committee of the TIC Council by the Global Officer Corporate Development. In the year under review, our activities included participation in a double materiality task force.
- We actively support the responsible corporate governance principles of the TÜV Association, the umbrella organization of the German TÜV companies, where Dr.-Ing. Michael Fübi, CEO of TÜV Rheinland, is a member of the Executive Committee, also having served as its Chairman since May 2024. TÜV Rheinland has also chaired the Sustainability Commission in that association since 2023 and is an active participant in the “Responsibility” working group.
- The Science Based Targets initiative (SBTi) has named the General Manager of Sustainability Services at TÜV Rheinland as one of the five members of the newly established Validation Council. The SBTi Validation Council is an independent body that manages the validation work of the SBTi services and assures their effectiveness and integrity. (For more information about SBTi, see the chapter “Planet.”)



People

Safety attracts interest: Worldwide, some 26,000 employees of TÜV Rheinland are helping to make the world a safer place. In so doing, we apply new knowledge every day and test the possibilities of artificial intelligence and other innovative technologies. Lifelong learning is one of the cornerstones of sustainable corporate governance. We foster the individual career development of our employees and offer them high standards of work safety, fair remuneration, equal opportunity and a diverse and open corporate culture. In so doing, we support the UN Sustainable Development Goals “Quality Education” (SDG 4), “Gender Equality” (SDG 5), “Decent Work and Economic Growth” (SDG 8) and “Reduced Inequalities” (SDG 10).

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Safety born of conviction

WORK SAFETY OF EMPLOYEES

Services for improving work safety in companies are an essential part of TÜV Rheinland's worldwide mission. And we place a very high priority on safety for ourselves, too. In keeping with our guiding principle "No incidents. No harm. No compromise.", we ensure the health and safety of our employees in the workplace. With that in mind, we launched a safety culture program in the year under review to continue raising our employees' awareness regarding responsible behavior.

We want to create a work environment for our employees that guarantees their safety and promotes their health with supportive measures. Our goal is to minimize risks in the workplace and keep the number of accidents as low as possible. To that end, we conducted more than 2,500 inspections at our locations during the year under review. We were able to reduce the lost time injury rate by 12% versus the previous year. With a view to continuing this positive trend in the future as well, we regularly train our managers on occupational health, safety and environmental risks.

CONFRONTING RISKS SYSTEMATICALLY

With our HSE Management System (HSE: Health, Safety, Environment), we systematically identify occupational health, safety and environmental risks to limit them to a minimum. At TÜV Rheinland, we particularly value an anticipatory work safety culture that emphasizes consideration for one another. The HSE Management System covers all employees in those legal entities within the TÜV Rheinland AG scope of consolidation over which TÜV Rheinland AG exercises management control because it directly or indirectly holds more than 50% of the shares. It is based on the ISO 45001 standard and aims to have all TÜV Rheinland operating companies certified in the coming years. Certification currently covers 79% of all employees.

The HSE Management System and the implementation of our objectives fall within the responsibility of the Global Officer Quality, Health, Safety and Environment (QHSE). He reports directly to the Chairman of the Executive Board.

The Management is committed to ensuring occupational health and safety worldwide and has undertaken to effectively implement and continuously improve the HSE Management System. Specific statutory requirements relating to occupational health and safety vary from country to country. Compliance with those requirements is uniformly monitored worldwide and all locations are regularly audited for their risks in view of the implementation of work safety regulations. The regional HSE organizations report monthly to the Global Office QHSE about progress and improvement potentials.

In addition, we have converted our cross-Business Stream and cross-regional HSE Performance Dashboard to an online version, which provides the relevant KPIs to all managers via the intranet. As a result of that improvement, the frequency of data updates has been increased from monthly to weekly. The HSE Dashboard is supplemented by a detailed monthly HSE Report, which concentrates on incidents, notable successes or failures, and recommended processes and initiatives from all regions, thereby improving mutual understanding and communication.

USING DIGITAL TOOLS TO INCREASE TRANSPARENCY

2024 was the first year following the worldwide implementation of our Incident Management Program (IMP). Our employees can use this reporting system to report lost time incidents, near-miss incidents, unsafe conditions and environmental incidents. Supervisors and responsible HSE experts are informed automatically. This not only enables us to react faster to incidents, but also to achieve transparency with regard to accidents. Sophisticated root cause analysis enables us to evaluate causes, collect findings and develop appropriate measures that can be implemented to further improve safety.

RAISING AWARENESS FOR PRUDENT BEHAVIOR

In keeping with our guiding principle "No incidents. No harm. No compromise.", we started to develop a safety culture program in the year under review. We want it to lift the employees' safety behavior to a new level by raising awareness for health, work safety and well-being at all locations worldwide while increasing management involvement even more. The program started with training courses for managers in India and Germany. In the next twelve months, employees from all regions and all Business Streams can participate in the program. We will use this approach to ensure our focus on strengthening the safety culture in the company continues in 2025.

ACTIVELY PROMOTING HEALTH, SAFETY AND WELL-BEING

Our principles for work safety, health and well-being at the workplace are laid out in nine Golden HSE Rules (see info box). To incorporate all HSE aspects coherently, we have added two more Golden Rules. Moreover, in 2024 we reissued our Personal Commitment Card and expanded it with additional competences for employees. The card authorizes employees to immediately stop any work which, in their estimation, could endanger the safety of persons or the reputation of TÜV Rheinland (see chapter “Legal compliance and business ethics”).

To encourage managers and the Management to become more actively involved in work safety measures, and to train them on HSE-related problems and solutions, in the future we will offer a digital training course for employees with managerial responsibilities. It will inform them about their obligations and raise their awareness of HSE issues. In addition, the extended Group management of TÜV Rheinland regularly conducts “engagement tours,” which enable the visiting executives to discuss occupational safety and health directly with employees at their own place of work.

TÜV RHEINLAND’S GOLDEN HSE RULES

Our Golden Rules relate to the following areas:

- 1. Workplace safety
- 2. Traffic safety
- 3. Confined space entry
- 4. Hazardous substances
- 5. Work at height
- 6. Work on energized/electrical equipment
- 7. Lifting/suspended loads
- 8. Explosive atmosphere
- 9. Alcohol and drugs
- 10. **New: Environmental protection**
- 11. **New: Energy saving**

We published the first Golden Rules in 2018 and added two more rules in 2024. All eleven Golden Rules are available at all locations and in various languages.

AT A GLANCE: FACTS AND FIGURES

Work safety of employees	Goal	KPI	Target 2025	Status 2024
Safe and protected work environment	Maintaining a safe and healthy workplace for the employees	Share of managers training in health and safety	100%	19%
		Share of workplaces with a workplace inspection	100%	We conducted 2,798 workplace inspections in 2024. The share of workplace inspections cannot yet be reliably determined at this time, but will be reported for financial year 2025.
		Share of Management Engagement Tours conducted over 5 years (1 per month per region)	420	620
Work-related injuries	Significant reduction in work-related injuries	Rate of work-related injuries with lost workdays (reference year: 2019)	–40%	–49%
		Number of lost workdays due to work-related injuries (reference year: 2019)	–40%	–26%
Work-related deaths	No deaths as a direct consequence of TÜV Rheinland activities	Number of deaths of persons as a direct consequence of activities at TÜV Rheinland	0	0



Lifelong learning on the road to success

EMPLOYEE DEVELOPMENT

Every day, some 26,000 employees of TÜV Rheinland help make the world a safer place. We offer them many development opportunities to broaden their skills and expertise even further. One current example is our global training program on artificial intelligence. Our goal: By encouraging the development of employees across all positions in the organization, we open up new prospects for them and strengthen their commitment to our shared success.

Lifelong learning plays a major role at TÜV Rheinland. Because it takes a highly qualified and dedicated workforce to fulfill our quality ambition to be a worldwide successful, sustainable and independent provider of technical services. That is why we support our employees with individual training and continuing education offerings and also specifically address leaders' needs with special training programs.

At TÜV Rheinland, the Global Officer Human Resources (HR) is responsible for employee development. The function reports directly to the Member of the Executive Board for Human Relations and Legal Affairs.

FOSTERING EMPLOYEE COMMITMENT

We want to enable and inspire our employees to be successful together. With that goal in mind, TÜV Rheinland reoriented its Human Resources strategy in 2024. In developing the strategy, we adopted a comprehensive view of TÜV Rheinland's business priorities along with global developments and specific HR trends. This resulted in the following four priorities, which form the framework of the HR strategy: the "strategic partnering to the business," the "future-oriented transformation of the workforce," "development and employee retention" and TÜV Rheinland's positioning as an "employer of the future."

These four priorities drive employee engagement as an overarching goal. With this commitment at the core of our strategy, we want to increase our employees' identification with the values and goals of TÜV Rheinland and want to foster their personal motivation by offering them individual development opportunities.

The priority "strategic partnering to the business" focuses on understanding the business requirements and developing suitable HR solutions. In this context we aim to support growth and further organizational development, strengthen the competencies of leaders and employees, and contribute to the long-term success of the company through strategic consulting. Starting in 2025, our business-oriented HR functions will be increasingly involved in the global implementation of initiatives that match the specific characteristics of both the business and the regions.

One action under the pillar "employer of the future" concentrates on strengthening our employees' sense of belonging to TÜV Rheinland and on resonating with new employees by clearly showcasing our merits as an employer. Along with many other actions, we plan to initiate a worldwide "employer brand-

ing campaign" in 2025 to show current and future employees the qualities that make us an excellent employer and to draw qualified candidates' attention to our company and the wide range of entry-level and career opportunities that we offer.

The strategic priority for "development and employee retention" covers key elements such as future-oriented continuing education and transparent career opportunities. This enables us to promote a corporate culture where employees choose to remain with us over the long term. By taking this approach, we also position ourselves on the job market as an attractive employer and ensure our long-term competitiveness.

Through regular surveys, we gather feedback from our employees. In the past, we have conducted the worldwide survey "Together" every three years to compile the evaluations and opinions of the workforce regarding important business topics such as tasks and work processes or leadership and change culture. Among other things, we wanted our employees to share how satisfied they are with their situation at TÜV Rheinland, what development opportunities they envision, and what changes they would like to see.

Our employee survey "Together" is currently undergoing further development and will be conducted again in the fall of 2025 in an updated format. In addition, we want to give all employees and their leaders the opportunity to receive a 360° feedback assessment. Worldwide implementation of the tool through our internal myHR platform will be completed in 2025.

FOSTERING DEVELOPMENT AND OPENING UP OPPORTUNITIES

In the context of the strategic priority "future-oriented transformation of the workforce," we want to empower our employees for qualifications and roles required by the company now and in the future. For training and continuing education, employees have access to a standardized training system with many qualification offerings. Training courses can be booked on our internal myHR platform – where most of them are also accessible in a digital format. The range of courses is constantly expanding to meet the continuing education needs of the employees. During the year under review, a total of 3,176 training sessions were offered. These included e-learning courses, virtual classrooms and in-person training courses on topics ranging from communication and customer orientation to agile working, along with English and many other language courses. That brings TÜV Rheinland's total standard curricula to more than 112 courses groupwide.

A special focus is placed on artificial intelligence (AI) and other innovative technologies. In particular, we want our employees to be fully capable of using AI properly and to have an increased awareness of the responsible application of this complex technology. For example, in 2024 three eLearning courses on AI were rolled out worldwide in six languages to provide all employees with a solid knowledge foundation. In addition, the offering was complemented by a two-part training course aimed in particular at the AI-related challenges that leaders face. This training series was offered to all of the approximately 2,400 leaders worldwide.

Another HR development tool that remains in high demand is the Mentoring@TÜV Rheinland program. The number of participants is constantly growing, with 147 mentors and 171 mentees currently listed. 83 tandems are active in the context of the mentoring program.

All employees have the opportunity to discuss their development needs and career objectives with their direct supervisor in a development discussion at least once per year. With the myHR module “Development Dialog,” we have implemented a standardized and digital format for conducting development discussions. We used 2024 to simplify the process in myHR, thereby raising its acceptance. As a result, the target for 2025 was also specified. We are focusing on specific target groups and have set a goal for ourselves of achieving 75% coverage here. The module will be rolled out in Germany in 2026, after the respective works council agreement has been signed.

We use various key performance indicators to measure how well we reach employees with our development offerings, and we use those indicators to identify areas for improvement. Our goal is to have all employees complete at least 2.3 training days per year on average by the end of 2025. Furthermore, we also aim to have 100% of employees complete all mandatory e-learning courses (Compliance and Data Protection Principles). In the current reporting year 2024, the entire workforce completed an average of 2.2 training days per employee as documented in myHR. Even though it is not yet possible to map all training days fully in myHR, these figures confirm a clearly positive trend.

We use another target value to measure our employees’ loyalty to TÜV Rheinland: We want to limit the share of employees who leave the company voluntarily to no more than 11% per year. We achieved this goal for another consecutive financial year with a voluntary employee turnover of 8%.

ATTRACTING AND DEVELOPING TALENTED LEADERS

Digitalization, AI and other labor trends, such as need for change and new organization forms in connection with mobile or hybrid work, are also challenging leaders in new ways. That is why we want to prepare our young professionals as effectively as possible for these roles. At TÜV Rheinland, we prioritize internal promotion by filling leadership positions with employees from within the company. It is important to us not only to identify and develop potential leaders early on, but also to support experienced leaders with needs-based continuing education programs. We achieve this through our “Leadership Fundamentals” training courses, which cater to different levels of experience as they are offered in three modules (lite, I and II). Depending on their level of skill and experience, leaders worldwide can book courses from this progressive series of modules to learn about key leadership qualities and exchange viewpoints with each other.

With our Management Development Program (MDP), we systematically select talented middle managers and prepare them for potential top management roles. The program includes future-oriented content and innovative methods that promote strategic thinking and sustainable action in a dynamic business environment. Moreover, it provides participants with opportunities for interaction and global networking, which is also reflected in the international character of the modules: The program’s organizers select locations that fit the topics to be discussed and combine the content with local customer visits. For 2025, we have set ourselves the goal of expanding our range of leadership development programs with additional offerings.

AT A GLANCE: FACTS AND FIGURES

Employee development	Goal	KPI	Target 2025	Status 2024
Training and career development	Developing and retaining employees through talent promotion and job-specific continuing education	Average annual training days per employee	> 2.3	2.2
		Percentage of employees who participate in an annual development discussion	75% for talents and employees in organization levels 3 and 4	No information is available at this time. The percentage of employees who participate in an annual development discussions will be evaluated for the simplified process in myHR in 2025 for the first time (except for Germany).
Re-training and continuing education of employees	Preparation of employees for new requirements	Completion rate of compulsory continuing education courses	100%	94.3%
Employee experience	Reduction of employee turnover due to voluntary departures to retain the experience of the workforce	Rate of annual employee turnover due to voluntary departures	11%	8%



Fair conditions in an attractive work environment

LABOR RIGHTS

As a company with global operations, we want to offer our employees fair conditions and an attractive work environment. We believe that one of the key prerequisites for achieving this is to pay a living wage at all our locations. And we have also set ambitious goals for ourselves regarding gender-neutral remuneration: By analyzing gender-specific wage differentials in detail, we want to improve comparability and help reduce the gender pay gap.

Collaboration at TÜV Rheinland is based on clearly defined values: integrity, excellence and customer orientation. Here we place special importance on a communication culture characterized by trust – one whose hallmarks are mutual respect, appreciation and employee participation. Having signed the UN Global Compact, we are committed to respecting human rights and upholding core international labor standards. We also apply the same criteria to our suppliers, as laid out in our new Supplier Code of Conduct. Our requirements and standards related to labor rights fall under the purview of the Global Officer Human Resources.

GUARANTEEING LIVING WAGES WORLDWIDE

We want to ensure reasonable and fair remuneration at all our locations the world over. In many countries and regions, the statutory minimum wages are not enough to cover the cost of living. This is borne out by data from the Global Living Wage Coalition, which develops living wage guide values and benchmarks. In these matters, we also take guidance from the core labor standards of the International Labour Organization (ILO) and its Decent Work Agenda. That is why we favor remuneration that considers the cost of living for our employees' families as well.

Operating a fair remuneration structure that ensures a living wage requires a solid information base. Here, our HR platform myHR serves as an asset. It helps us harmonize HR data, structures and processes. In the regions Central/Eastern Europe,

Western Europe, Greater China, and Germany, myHR is already fully implemented. In the other regions – North America, South America, IMEA (India, Middle East, Africa) and Asia Pacific – we are on track to complete implementation in the first quarter of 2025. In so doing, we are establishing the conditions for global, standardized and automated HR processes – such as wage and salary analyses, for example.

Using global benchmark data, the analysis of wages and salaries identified specific shortcomings. This enabled us to detect wage gaps that will be closed in financial year 2025.

ENSURING GENDER-NEUTRAL REMUNERATION

Our understanding of fair working conditions also includes nondiscriminatory remuneration based on objective criteria. To clarify our commitment, we are continuing our work on the objective of remuneration regardless of gender identity.

In the year under review, we carried on with the global job evaluation as well as the underlying analyses of pay gaps between the genders. This analysis identified gender pay gaps, which will be validated in 2025. The methodology will also be optimized to meet future requirements.

To guarantee greater gender equity, the criterion “pay equity between the genders” is integrated in the annual remuneration review process.

PROMOTING TRANSPARENCY AND DIALOG

Open and transparent communication is a basic prerequisite for collaboration based on mutual trust. That is why we not only keep our employees informed about key developments and decisions concerning the company on a regular basis but also encourage them to actively participate in constructive dialog.

At three-year intervals, our company-wide survey “Together” gives us a clear picture of employee satisfaction. With a participation rate of 73%, our most recent survey in 2022 already surpassed our goal of 70% participation (see also the chapter “Employee development”).

Moreover, we encourage dialog with our employees through employee representatives and committees. Many locations have works councils or other employee bodies such as health and safety committees. Over the course of 2024, we documented where we stand with regard to the dialog that serves to balance the interests of the employer and the employees. According to those data, 50% of TÜV Rheinland’s workforce is covered by a collective bargaining agreement or is organized in a union or some other form of employee representation.

DEMONSTRATING RESPONSIBILITY AND STRIVING FOR EXCELLENCE

In 2024, TÜV Rheinland earned multiple awards for outstanding performance as an employer. In Germany we received the “TOP Employer” award, and in Greater China we received the two awards “100 Excellence Employer of China 2024” and “2024 Excellence in HR Management Team.”

AT A GLANCE: FACTS AND FIGURES

Labor rights	Goal	KPI	Target 2025	Status 2024
Employee remuneration (living wage)	To pay employees not just the minimum wage, but also no less than the living wage – in all countries where TÜV Rheinland operates	Regular remuneration per employee in the country as measured against the living wage per employee in the country	Assurance of a living wage for TÜV Rheinland employees	98.8% of all TÜV Rheinland employees receive remuneration that covers their cost of living
Labor and management relationships	Encouraging a culture of open communication and discussion by regularly providing employees with the ability to give anonymous feedback	Percentage of employees who participate in the global employee survey “Together”	> 70%	73% according to the global employee survey “Together” in 2022
Equal pay	Equal pay regardless of gender	Ratio of the average total remuneration for women to the average total remuneration for men, evaluated on the basis of defined parameters	Eliminating the gender pay gap Equal pay for equal work, regardless of gender	Analyses indicate that there are areas where wages need to be modified. These findings require further review and validation in 2025.

Together for respect and equal opportunity

DIVERSITY AND NON-DISCRIMINATION

At TÜV Rheinland, we view collaboration between people from different nations and cultures as an essential strength. Diverse experience and perspectives enrich our corporate culture and strengthen our innovative force – which also enhances, in turn, our competitiveness. Our attitude regarding mutual respect and appreciation and our active encouragement of diversity are evidenced by our clear rejection of discrimination in every form. We are committed to maintaining an open and tolerant work environment and actively support equal opportunity.

By signing the “Diversity Charter” in 2013, we have demonstrated our commitment to diversity in order to counteract discrimination. In addition, we set ourselves the goal of developing a DEI (diversity, equity and inclusion) strategy and starting to make it operational in 2025. This will enable us to coordinate our actions more effectively and to systematically invest in areas with a bright future.

Our commitment to diversity covers a number of different aspects, and we have defined targets and verifiable KPIs for each of them. This includes promoting women and raising the share of women in the workforce, especially in leadership positions, balancing overall satisfaction among age groups within the workforce, and following up consistently on cases of possible discrimination. Moreover, we recognize the importance of relying on local professionals at our international locations to be successful worldwide. This also enables us to help broaden

and strengthen equal opportunity. We recruit talented young professionals from the region and prioritize filling leadership positions from our local workforce. The implementation and coordination of the relevant projects, training courses and networking activities fall under the purview of the Global Officer Human Resources.

RAISING AWARENESS FOR DIVERSITY AND INCLUSION

With targeted programs such as digital training courses on the Group-wide platform myHR and with our diversity app, we are fostering our employees’ understanding of diversity and inclusion. These training courses help employees recognize and overcome personal unconscious biases. Moreover, the app outlines the applicable legal principles and lists the people to

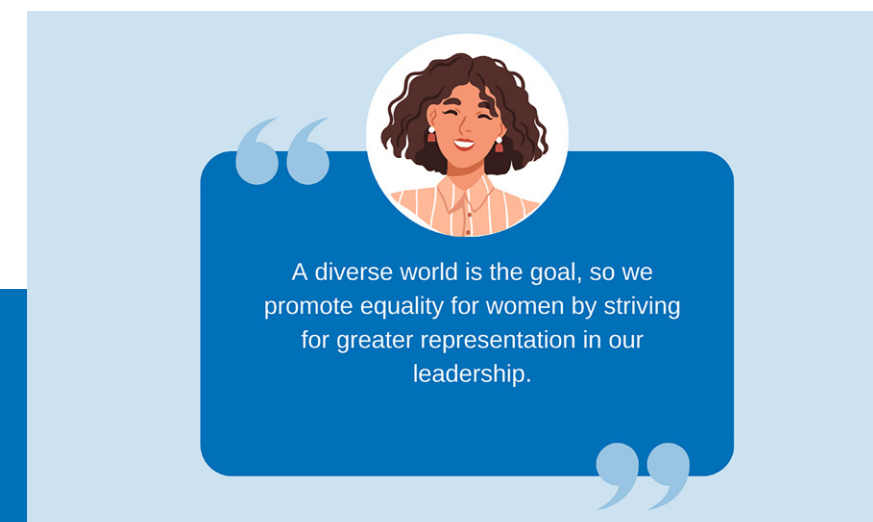
contact about discrimination incidents. Along with videos and comprehensive background material, it also features toolboxes with concrete suggestions explaining simple and interactive ways for teams to approach the topics of improving intercultural competencies, psychological security in the workplace and inclusion. All employees can access the toolboxes via the app.

We engage leaders through special events. The topic “Authentic and Inclusive Leadership” was the focus of the online conference on German Diversity Day, for example, where, in particular, concrete opportunities for promoting an inclusive management style were highlighted.

With the Group-wide survey “Together,” we regularly collect feedback from our employees (see chapter “Employee development”). We also use it to ask how satisfied they are with their

situation at TÜV Rheinland and strive to maintain an equal distribution of work satisfaction across generations. In the latest survey, we achieved our goal of maintaining the overall satisfaction index of all age groups to not differ by more than 0.3 points between each other. The “Together” survey also asks our employees whether they feel treated equally. In 2022, 85.6% of employees agreed that diversity is important, thereby surpassing our target of $\geq 81\%$.

As in past years, in 2024 employees once again supported numerous activities advocating greater diversity and tolerance. They conducted internal surveys, volunteered as DEI ambassadors, and participated in social events such as Pride Month, in order to take an active part in building a more inclusive culture.



TÜV Rheinland celebrates International Women’s Day worldwide

To mark International Women’s Day on March 8, 2024, TÜV Rheinland launched an extensive global campaign under the banner “#InspireInclusionTR.” The goal of the campaign was to help tear down barriers and to challenge stereotypical attitudes against women. On internal and external social media platforms, our

worldwide employees positioned themselves with statements for diversity and inclusion. In addition, local initiatives were launched at various locations such as India and Qatar to celebrate International Women’s Day and emphasize the importance of equity in the professional environment. In addition to appreciation

by local management, the events included inspiring stories from successful female leaders to motivate women to continue to pursue their goals and aspirations. The day also featured interactive workshops where participants learned skills and knowledge that can be useful for career development.

PROMOTING WOMEN IN LEADERSHIP POSITIONS

Achieving a more balanced proportion of gender in leadership positions is one of our key areas of focus. We have set ourselves the goal of raising the share of women in leadership positions to at least 30% by the end of 2025. That share is currently 29%.

One third of the positions on our Group Executive Board are held by women. As a result, we exceeded the goal of 25% for 2025. The share of women (Headcounts) in our overall workforce is currently 34.2%.

In Germany, six TÜV Rheinland companies have also set their own goals in the context of the German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors. Accordingly, by 2025 at least 30% of the general management level positions of the following companies must be held by women (provided that level comprises at least three persons): AMD TÜV Arbeitsmedizinische Dienste GmbH, TÜV Rheinland Akademie GmbH, TÜV Rheinland AG, TÜV Rheinland Industrie Service GmbH, TÜV Rheinland Kraftfahrt GmbH, TÜV Rheinland LGA Products GmbH.

Through initiatives such as “#IamRemarkable” and the “TOUGH Mentoring” program, we equip our employees with the tools they need to define their career goals and assume leadership responsibilities. “#IamRemarkable” is an initiative that encourages employees to speak openly about their performance in the workplace and their personal skills. Cultural and gender-based standards can inhibit employees – especially women – from clearly communicating successes they have achieved. In Western and Eastern Europe, these workshops were part of a program that showed how culture and stereotypes can affect the recognition and appreciation of our performance in the workplace.

Our “TOUGH Mentoring” program, which started its tenth round in the year under review, specifically addresses female employees who want to further develop their career and build up their leadership experience. It builds mentoring tandems that bring participants together with experienced professionals and leaders. In the year under review, 26 new mentoring tandems were established. The program will also be continued in the coming years. As an additional offering specifically intended for talented young female leaders, it complements our “Mentoring@TÜV Rheinland” program (see chapter “Employee development”).

CONSISTENTLY INVESTIGATING DISCRIMINATION

TÜV Rheinland continuously pursues the goal of opposing discrimination. That is why we place special emphasis on both raising employees’ awareness of the issue and continuously promoting activities in support of an unprejudiced work environment.

We encourage our employees to actively combat discrimination and to report violations. Through our whistleblower platform, which is accessible worldwide, we enable both internal and external persons to express concerns anonymously and securely. Incoming reports are treated with the strictest confidentiality and in compliance with the provisions of the General Equal Treatment Act (AGG) in Germany, with our AGG Officers in the Business Streams standing ready as qualified contacts.

We take every notification of discrimination seriously and also measure our progress on how we handle these reports. Our goal is to follow up on every complaint submitted. In the year under review, we documented eight confirmed cases of discrimination, each of which was processed and closed. Measures were also undertaken to counteract future discrimination.

AT A GLANCE: FACTS AND FIGURES

Diversity	Goal	KPI	Target 2025	Status 2024
Gender parity in decision-making positions	Increasing the share of women in supervisory positions	Share of women in supervisory positions (manager-to-staff ratio >= 1)	≥ 30%	29.0%
		Share of women on the Executive Board	≥ 25%	33.3%
Demographic change	Work satisfaction levels among the different age groups show no significant differences	The difference in the overall satisfaction index of the “Together” employee survey from one age group to another does not exceed 0.3	< 0.3	= 0.3 according to the global employee survey “Together” in 2022
Local communities and local professionals	Filling managerial positions primarily with local professionals	Share of local managers in the regions	Ø 75%	91.2%

AT A GLANCE: FACTS AND FIGURES

Non-discrimination	Goal	KPI	Target 2025	Status 2024
Equal opportunity	Job applicants are treated equally irrespective of their background	Share of newly hired women	Share of newly hired women > share of women in the workforce	30.7% newly hired women < 34.2% women in the workforce
Non-discrimination (gender, ethnic origin, cultural identity)	Appreciation of all employees irrespective of gender, nationality, ethnic origin, religion or ideology, sexual orientation or identity	Number of confirmed cases of discrimination	0	8
		Investigation rate of reported complaints	100%	100%
		Rate of agreement about diversity in the “Together” survey	≥ 81%	85.6% according to the global employee survey “Together” in 2022

Planet

Committed to climate protection: We want to reduce our greenhouse gas (GHG) footprint to help limit global warming to 1.5 °C. With that goal in mind, we apply our expertise as providers of inspection and testing services to our own company and actively manage the GHG emissions generated by our business activities. In so doing, we are helping to achieve the United Nations Sustainable Development Goal “Climate Action” (SDG 13).





GHG management with vision

GHG EMISSIONS

As a provider of inspection and testing services for sustainability, one of the reasons we offer our services to our customers is to enable them to act in ways that protect the climate better and conserve more resources. And we, too, take responsibility for how our own business activity affects the climate. We do so by regularly documenting and taking inventory of our key GHG emissions, so we can reduce them effectively. In the year under review, we also began to identify emission sources heretofore excluded from our GHG inventory and to quantify the emissions they generated. In addition, we made significant progress in internal knowledge transfer and the exchange of experience concerning GHG management.

TÜV Rheinland wants to do its part toward limiting global warming to 1.5 °C. To actively manage our emissions accordingly, in 2023 we established a central GHG management function in the Global Office QHSE (Quality, Health, Safety and Environment). It is based on three interrelated elements: the documentation, reduction and compensation of GHG emissions.

Since 2018, our GHG inventory has accounted for GHG emissions generated from direct combustion for heating and cooling (Scope 1), our German automotive fleet (Scope 1), our electrical energy consumption and use of district heating (Scope 2), fuel- and energy-related upstream emissions (Scope 3.3 “well-to-tank” or WTT) and business travel activities (Scope 3.6). Using the GHG inventory, we can identify reduction potentials, derive suitable reduction measures and track the evolution of our GHG emissions over time.

In our Sustainability Strategy 2020, we set ambitious goals for reducing our GHG emissions by 2025. They call for lowering our GHG emissions by 29.4% in Scope 1 and 2 and by 17.5% in Scope 3.6 by 2025 as compared to reference year 2018. In setting those targets in 2020, we followed the Science Based Targets initiative (SBTi) guidelines that were applicable at the time for near-term targets. We achieved significant progress in reducing our GHG emissions during the year under review (see section “Reducing GHG emissions”). In 2022, we embarked on the third element of our GHG management, namely compensation. TÜV Rheinland wants to be GHG-compensated at all locations worldwide starting from financial year 2028 – and in Germany already from 2025. GHG-compensated means that we will offset the climate-damaging effect of the remaining annual GHG emissions from the scopes where we have a major impact – Scopes 1, 2, 3.3 (Fuel- and energy-related upstream emissions) and Scope 3.6 (Business travel) – by procuring compensation certificates from certified projects.

In the year under review, we started a project that aims to also document emission sources from the upstream and downstream supply chain (indirect Scope 3 emissions), which have heretofore been excluded from the GHG inventory. This will give us a nearly complete picture of the GHG emissions from TÜV Rheinland’s business activities according to the requirements of the GHG Protocol. This more comprehensive transparency regarding our GHG emissions is the basis for developing 1.5 °C goal-compliant reduction targets for our strategic direction

starting from 2026. First-time publication of the more comprehensive GHG inventory is expected in reporting year 2025. Also with regard to other environment-related consumption parameters and data, in the year under review we worked on improving transparency and data quality by going beyond the already documented annual consumption figures for paper and water and also collecting data on the types and quantities of waste for the first time. Because waste disposal generates different types of GHG emissions, collecting data on quantities and types of waste is also an important element we need in order to complete our GHG inventory.

To train our internal regional and local stakeholders in GHG management, we developed a training catalog and rolled it out worldwide. It covers a wide range of topics and background information on greenhouse gases, including their sources, calculation, inventory taking and reduction. To encourage stakeholders to share their experience in the practical development and implementation of reduction measures with one another worldwide, we also launched an experience exchange program in the year under review. This global format enables the active stakeholders to discuss not only best practices but also the challenges they face and the approaches they use to solve problems.

DOCUMENTING GHG EMISSIONS

To calculate the quantity of GHG emissions from the related consumption parameters, we primarily use original data such as invoices from energy providers and suppliers as well as from the Travel Management department. For smaller companies that do not have to report consumption (see section “About this report”), the consumption data are extrapolated. In addition, we document and report our annual consumption of paper and water. The GHG emissions associated with those paper and water consumption figures are not included in the current GHG inventory.

In 2024, we worked not only on achieving greater transparency with regard to emissions, but also on improving the data quality of our existing GHG inventory – and we made significant progress. For example, in some companies we established more precise definitions for the emission factors that we use to calculate GHG emissions on the basis of electricity consumption. This enables us to make a more accurate determination of the quantity of climate-damaging greenhouse gases we emit.

GHG INVENTORY 2024

The tabular comparison of GHG emissions for 2018 (reference year), 2023 and 2024 lists the absolute emissions in t CO₂eq (metric tons of CO₂ equivalents) from Scopes 1, 2, 3.3 and 3.6 of the global TÜV Rheinland companies within the scope of consolidation.

In the year under review, the absolute GHG emissions aggregated across these Scopes were 86,038.9 t CO₂eq. That means emissions were at the level of reference year 2018. As compared with 2023, the absolute emissions rose by 8.3%. That increase resulted from increased business activities, which accompanied our 11.2% sales growth. Accordingly, the increase in absolute GHG emissions was disproportionately low relative to the increase in sales.

The absolute GHG emissions from Scope 1 (9,138.8 t CO₂eq) represent 10.6% of the total emissions. In the year under review, they increased by 8.8%. Due to the increase in the number of vehicles in our German automotive fleet, their emissions from fuel combustion also increased by 8.7%. GHG emissions generated from the direct combustion of natural gas, heating oil and pellets by heating and cooling systems (Scope 1) rose by 9.0%.

In the year under review, emissions associated with the consumption of electricity and the purchase of district heating (Scope 2) amounted to 33,717.5 t CO₂eq. That represents 39.2% of the total emissions of TÜV Rheinland in 2024, and a 0.7% increase over the previous year.

Scope 3 emissions (43,182.6 t CO₂eq) represent the largest share (50.2%) of TÜV Rheinland’s total emissions. Of that total for Scope 3 emissions, 79.2% (34,217.3 t CO₂eq) are associated with business travel activities (Scope 3.6). They increased by 16.2% over the previous year. Energy-related upstream emissions (8,965.3 t CO₂eq) rose by 10.7% in the year under review.

Even though we failed to achieve the absolute GHG emissions target from our Sustainability Strategy, we are on track to reduce the emissions intensity of our business activities. Expressed as relative emissions per million euros of sales, values have fallen since we started taking GHG inventory in reference year 2018: from 43.26 t CO₂eq in 2018 to 31.70 t CO₂eq in 2024 (–26.7%). Similarly, taking into account growth in the number of FTEs, relative emissions per FTE of 4.23 t CO₂eq in reference year 2018 fell to 3.58 t CO₂eq in reporting year 2024 (–15.5%). We will maintain this course and work actively to reduce our GHG emissions even further.

REDUCING GHG EMISSIONS

To monitor and coordinate our GHG reduction potentials and activities, we use our globally oriented HSE Management System. This guarantees environmental risk assessment for nearly all locations worldwide, which in turn ensures the continuous evaluation of our climate-related activities. In terms of headcount, the external ISO 14001 certification of this environmental protection management system covers most of our consolidated companies under majority shareholding.

Emission reduction measures implemented in 2023 raised energy efficiency and photovoltaic systems produced our own green electricity. Together with the use of more precise emissions factors, this enabled us to rein in our emissions, resulting in a disproportionately low increase in absolute GHG emissions relative to sales growth in the reporting year. Scope 2 emissions were even held to nearly the level of the previous year.

TÜV Rheinland wants to cover as much of its electricity demand as possible with electricity generated from renewable energy sources. We intend to achieve this primarily through our own production with photovoltaic systems and the purchase of green electricity. In the year under review, we used this

approach to increase the global share of electricity generated from renewable sources (green electricity) by 3.3 percentage points over the previous year, from 31.3% in 2023 to 34.6% in 2024. To expedite this trend, in the year under review the Management decided to make the purchasing of green electricity mandatory at all TÜV Rheinland locations where such procurement is possible. Regional and local verification and implementation of this requirement is in progress.

Moreover, in the year under review an additional 35 dedicated reduction measures were approved and, for the most part, implemented. Together they have the potential to reduce our GHG emissions by about 2,800 t CO₂eq. As with the previous measures taken, these also primarily involve the implementation of photovoltaic systems to generate (part of) our green electricity on our own, as well as measures to raise energy efficiency. In the area of lighting, for example, we converted to LED lighting at our location in Nuremberg and in a building on the Cologne campus. And we implemented similar lighting-related reduction measures in our IMEA region (see info box). We also increased the number of electric vehicles in our German automotive fleet by a factor of 2.8 in 2024. The measures implemented in 2024 will have their full emission-reducing impact in reporting year 2025.

IMEA: Lower emissions through intelligent lighting

By using more energy-efficient lighting (LEDs) and controlling lighting systems as needed, we can lower electricity consumption at our locations in the IMEA region, thereby reducing the associated GHG emissions.

Our subsidiaries in the United Arab Emirates and South Africa replaced existing

fluorescent tubes and incandescent bulbs with LED lamps that consume less energy. Moreover, we increased the number of light switches in all office areas. This makes it possible to switch on only the lamps needed to adequately illuminate the office space currently in use, thereby reducing wasteful electricity consumption.

Our locations in India and Bangladesh have equipped rooms with sensor-controlled lights that switch lighting on and off depending on detected motion. This prevents the unnecessary illumination of unused rooms and spaces.

RAISING AWARENESS FOR CLIMATE AND ENVIRONMENTAL PROTECTION

If we want to make a real contribution to limiting global warming to 1.5 °C, it will take more than just developing and implementing technical solutions to reduce our GHG emissions. General awareness and appropriate behavior on the part of all TÜV Rheinland's employees with regard to protecting the climate and the environment are also important success factors. In the year under review, we published the so-called "Golden HSE Rules" throughout the Group via our internal information platform. They codify sustainable behavior with regard to environmental protection and energy conservation in the workplace. In addition, local initiatives to raise awareness for climate and environmental protection were carried out or continued, such as a tree-planting campaign in the Philippines and Environment Week in the Greater China region (see info boxes).

MANAGING RESOURCE CONSUMPTION AND WASTE

At TÜV Rheinland, protecting the climate and the environment also includes systematically documenting and controlling the consumption of resources. Basic key performance indicators here include paper and water consumption.

In the year under review, we were able to lower the total consumption of water at our locations worldwide by 13.7% versus the reference year 2018. This represents 26.8% less water consumption per FTE versus the reference year, and also less water consumption per FTE than in the previous reporting year 2023. The reduction can be attributed to conservation measures and the recirculation of service water at individual locations.



Philippines: Employees make communities greener

More greenery for communities in the region and restoration of species-rich forests: In pursuit of those goals, a group of 13 dedicated employees of TÜV Rheinland Philippines initiated a tree-planting campaign in collaboration

with the responsible district government on July 17, 2024. During the campaign, participants were reminded of the important role that trees play in the ecosystem. The shared effort of companies and local government underscores the

importance of sustainability and communal commitment for conserving our natural resources.

In the year under review, we expanded the collection of paper consumption data to include toilet paper in particular. This enables us to extend the determination of reduction potentials, which is also still required with regard to Scope 3 emissions, to a broader basis for the resource paper. As a result of this change, however, any direct comparison with the value of the previous year or the reference year is no longer meaningful. Nevertheless, absolute paper consumption decreased by 8.4% versus reference year 2018, and consumption per FTE fell by a full 22.4%.

In 2024, we started systematically documenting waste quantities and types. To that end, all companies were required – as with the reporting of relevant consumption values for computing the GHG inventory – to also report data on the quantities of certain types of waste generated as well as the method of disposal or recycling used. This means that provisional global data on waste quantities and types are available, which we will validate further in 2025. Using these data, we can identify potential opportunities for reducing waste generation and for the circular economy, and we can determine effective and reliable KPIs. At the same time, the values also help to improve our Scope 3 transparency in the GHG inventory.

ENSURING CLIMATE PROTECTION TOGETHER AND FOR THE LONG TERM

TÜV Rheinland endeavors to help meet the Paris Climate Agreement's goal of limiting the rise in global temperature to 1.5 °C. To ensure that we achieve this, in the year under review we implemented and initiated measures to reduce our GHG emissions and also established fundamental principles for a more comprehensive and more precise GHG inventory. Building on this new, more comprehensive GHG inventory, in 2025 we will develop our strategic direction in climate protection to be started from 2026. In so doing, we will apply the SBTi criteria, to ensure that our reduction targets and paths conform with the 1.5 °C goal in line with recognized science-based standards. To undergird our reduction ambitions for the new targets with a neutral assessment, we seek validation by SBTi. Moreover, in 2025 we will work to further optimize the processes that we have implemented. Together with our customers and suppliers, we at TÜV Rheinland will continue along the path that we have started for climate protection, because the goal of limiting global temperature rise to 1.5 °C is a challenging societal task that requires persistence and demands a long-term perspective.



Greater China: Action week promotes environmental awareness

Building on the success of a World Environment Week in 2023, the Greater China region organized another action week in the year under review to broaden and strengthen awareness for sustainability and climate protection. The

Environment Week in June 2024 saw location-specific initiatives and actions call on employees in the region to test how GHG emissions can be reduced or how the environment and resources can be conserved. This included eliminating

the consumption of water from plastic bottles at the subsidiary in Shanghai to reduce plastic waste, for example, and a "green donation campaign" for used articles at our location in Hong Kong.

ACCOUNTING OF EMISSIONS IN TCO₂EQ FOR 2018 (REFERENCE YEAR), 2023, 2024, AND TARGET VALUES FOR 2025

	2025 (targets)	2024	2023	2018 (reference year)
Scope 3 – WTT [t CO ₂ eq]	6,829.3	8,965.3	8,099.3	8,277.9
Scope 3 – Business travel [t CO ₂ eq]	23,803.7	34,217.3	29,457.4	28,852.9
Total Scope 3 [t CO₂eq]	30,633.0	43,182.6	37,556.7	37,130.8
Total Scope 2 [t CO₂eq]	29,149.9	33,717.5	33,478.8	41,288.9
Scope 1 – Energy sources (natural gas, heating oil, pellets) [t CO ₂ eq]	846.1	1,805.4	1,655.8	1,198.4
Scope 1 – Automotive fleet, Germany [t CO ₂ eq]	4,808.3	7,333.5	6,744.5	6,810.6
Total Scope 1 [t CO₂eq]	5,654.4	9,138.8	8,400.3	8,009.0
Total Scope 1–3 [t CO₂eq]	65,437.3	86,038.9	79,435.8	86,428.7
Target path [t CO ₂ eq]	65,437.2	68,436.0	71,434.8	86,428.6

EVOLUTION OF RESOURCE CONSUMPTION PAPER AND WATER FOR 2018 (REFERENCE YEAR), 2023 AND 2024

	Water consumption, global [m³]	Water consumption per FTE, global [l/FTE]	Paper consumption, global [kg]	Paper consumption per FTE, global [kg/FTE]
2018 (reference year)	393,613	19,274	405,892	19.9
2023	320,609	14,513	262,074	11.9
2024	339,535	14,109	371,809	15.5
Reduction 2024 versus reference year	–13.7%	–26.8%	–8.4%	–22.4%

AT A GLANCE: FACTS AND FIGURES

Greenhouse gas emissions	Goal	KPI	Target 2025	Status 2024
Scope 1 – direct	Reduction of absolute Scope 1 emissions versus reference year 2018	CO ₂ eq emissions in metric tons, based on the consumption of natural gas, heating oil, pellets and fuel from the German automotive fleet	–29.40%	14.11%
Scope 2 – indirect	Reduction of absolute Scope 2 emissions versus reference year 2018	CO ₂ eq emissions in metric tons, based on the consumption of electricity and district heating	–29.40%	–18.34%
Scope 3 – indirect	Reduction of absolute Scope 3 emissions versus reference year 2018	CO ₂ eq emissions in metric tons, based on emissions from 3.6 Business travel activities and 3.3 Well-to-tank	–17.50%	16.30%

Profession

Trust and diligence: As an independent provider of testing and inspection services, we test, certify and advise on behalf of our customers, thereby helping them to achieve sustainable development. We continuously improve the quality of our services, handle the data of our customers, business partners and employees responsibly, and are committed to maintaining high ethical standards in our own business activities. All along the value creation chain, we arrange for processes that protect the climate and conserve resources, and we advocate for fair labor practices, increasingly in dialog with our suppliers. In so doing, we support the Sustainable Development Goals “Responsible Consumption and Production” (SDG 12) and “Peace, Justice and Strong Institutions” (SDG 16).

- 48 Service quality
- 52 Data integrity
- 56 Legal compliance and business ethics



Trust through diligence and expertise

SERVICE QUALITY

TÜV Rheinland's customers place extremely high demands on our service quality. This is particularly true of our core services: testing, inspection, certification, training and consulting. But it also includes their insistence on reliable adherence to sustainability standards – in their supply chain, for example. That is why we analyze risks, such as risks associated with fair labor practices and ecological standards – and in the course of this analysis, we increasingly engage in dialog with our suppliers. Moreover, we solicit regular feedback from our customers to achieve an even better understanding of what they expect from TÜV Rheinland.

Safety and quality are our mission. Accordingly, our customers expect us to deliver reliable and innovative solutions for sustainable value creation. Together with the Business Streams and other service functions of TÜV Rheinland, our Global Office QHSE ensures the continuous improvement of our service quality. Service quality also includes the thorough analysis of risks associated with suppliers, in order to identify and mitigate those risks early on, so the overall quality of services meets our customers' expectations. Together with the Global Office Corporate Procurement, we establish the relevant agreements with our suppliers. The QHSE Management function is the responsibility of the Global Officer Quality, Health, Safety and Environment.

IMPROVING SERVICE THROUGH FEEDBACK

Critical feedback helps us further develop our services and their quality, in order to meet our customers' needs and expectations, also in the future. With our complaint management system, we follow not only the applicable laws but also our accreditation guidelines and have established quality management processes at regional and local company level. There is a Groupwide standard operating procedure for handling critical feedback about our services via specified communication channels.

In the year under review, we extended the scope of our complaint management system to cover additional organizations, such as newly affiliated companies. This provides us with more comprehensive information about issues where we can improve performance and increase the effectiveness of our actions to enhance service quality. Although expansion to additional areas temporarily increases critical feedback, at the same time it also enables us to achieve greater transparency and to rapidly identify and close quality gaps.

Moreover, we have significantly reduced the time it takes to process inquiries. More than 80% of inquiries submitted to the complaint management system (including customer feedback) were answered within the standard response time (10 days for service complaints and objections, 30 days for brand monitoring and medical monitoring cases), which guarantees rapid customer support for problems and is a hallmark of our service quality. This improvement resulted also from specifically targeting training programs and better internal communication.

We have set ourselves the goal of reducing the complaint rate by 20% by 2025 based on the reference year 2022. The Global Office QHSE is responsible for coordinating the complaint management function, and operative responsibility falls under the purview of the Business Officers Accreditation & Quality Management, who transpose the function to their Business Streams on behalf of the companies.

Through professional analysis of customer feedback, we are able to identify exactly which points our customers find problematic and then use those findings to effectively improve our services. In 2024, we implemented various measures to promote customer orientation and process commitment and to further reduce the complaint rate. Our Business Streams successfully implemented numerous initiatives that promote service quality.

Launched four years ago in the MOBILITY Business Stream, the "Mobility in Action" project was handed over to routine operation in 2024. A toolbox for establishing new behaviors in everyday work routines was also developed for managers and employees. In the PRODUCTS Business Stream, internal structures, KPIs and processes were optimized to improve communication and reduce criticism due to supply delays. Customer inquiries on open projects can now be answered more transparently and efficiently.

In the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream in Germany, further measures to improve customer orientation were implemented in 2024. This includes the introduction of a customer-centered organizational structure and the improvement of our technological infrastructure. The creation of online shops for radiographic testing and penetration tests has enabled us to communicate with customers more efficiently and to reduce the error rate due to missing feedback through optimized feedback processes. Consistent application and proper handling of corrective and preventive measures (along with their comprehensive monitoring) have also helped us reduce the number of recurrent complaints we receive. Moreover, we have used clearly defined responsibilities and specifically targeted training measures to accelerate processes that rapidly restore customer satisfaction.

In the financial year, we posted a very low complaint rate of 0.010%. This represents a slight reduction of about 1% compared with reference year 2022, and a reduction of about 14% compared with 2023.

Another indication of what we can do to further improve our service is provided by our annual customer satisfaction survey. The Global Office Corporate Sales coordinates and structures that survey and then issues a report. Based on its findings, the Business Streams determine any required actions and implement them. We want to raise customer satisfaction by at least 10% by 2025. The applicable KPI for this is the so-called Net Promoter Score (NPS): It reports customer satisfaction on a scale of –100 to +100. Our current value for 2024 is 53. In reference year 2021, the value was 39.8. In the year under review, Argentina and Chile participated in this evaluation for the first time.

MANAGING SUPPLY CHAIN RISKS

As a company with operations all over the world, TÜV Rheinland procures goods from a large number of suppliers through global supply chains. For our customers, sustainability in the supply chain plays an increasingly important role as a criterion in the contracting process. We continuously integrate ESG criteria into our procurement processes. In our supplier assessment procedure, we have incorporated sustainability as a fifth element. It complements the four classic assessment criteria of quality, reliability, competitiveness and price, to ensure a coherent assessment of our suppliers.

In the TÜV Rheinland Supplier Code of Conduct (SCoC), we inform our business partners of our guiding principles for collaboration. This information about what we expect of our suppliers is available in the business languages of particular relevance to us, and is an integral part of our procurement procedures, such as in order processing. In this way, we aim to continuously increase the share of suppliers who accept the SCoC, and infuse our collaboration with shared values and sustainability standards.

To detect, analyze and assess potential risks related to human rights, labor standards and the environment, we collaborate more and more with our suppliers. The potential risk areas that we have identified in this context include discrimination and occupational safety and health, along with GHG emissions throughout our supply chain. Moreover, as a technical services provider with global operations, TÜV Rheinland is confronted with different risks depending on the country and product group. We continuously fulfill our duties of care and due diligence on a worldwide basis.

In the context of our ESG risk assessment for suppliers, 99.9% of our preferred suppliers have been screened for their potential risk factors regarding human rights and the environment. As a result, we nearly achieved our target of 100% for 2025. To ensure that the suppliers comply with our requirements, we take precise actions. Those actions are facilitated by the digitalization of our global risk management process, along with AI-based analysis mechanisms, the targeted use of supplier surveys, and prioritization of suppliers according to risk profile. Initial ESG supplier audits, for example, enable us to systematically verify whether our risk management strategies are effective and business partners are meeting our expectations or if joint actions must be undertaken. This approach allows us to continue to develop and refine our strategy, in order to make a positive contribution to sustainability and to constantly improve it. And successfully so, as evidenced by the Gold Status rating that TÜV Rheinland earned from EcoVadis in the year under review.

When suppliers have information about possible violations, they can report it to us through various communication channels. In the year under review, we made it easier for suppliers to contact us by integrating the key information about the whistleblower portal into the TÜV Rheinland website in all relevant languages.

In addition to ESG training courses across the entire Procurement organization, all our category managers received training on sustainable procurement. These offerings are intended to raise our employees’ awareness for sustainability matters. Moreover, we equipped the Sustainable Procurement team with additional resources. For example, the designation of local responsibilities with regard to the global ESG risk management process has strengthened central control capabilities.

The careful management of risks is vital to ensuring our service quality, and not only in the supply chain. TÜV Rheinland offers some 2,000 services in various Business Streams. Compre-

hensive operational risk management has identified and assessed specific risks associated with our services. When necessary, actions are implemented to minimize risks. In this way, we provide greater security for our customers and partners, for our employees, and for the company.

The primary objective remains the elimination or minimization of risk factors in order to improve service quality and increase customer satisfaction. To that end, the operational risk scorings were further reduced also during the reporting period: After the implementation of various actions, services in the higher risk levels 4 or 5 were reduced to risk level 3 or below.

AT A GLANCE: FACTS AND FIGURES

Service quality	Goal	KPI	Target 2025	Status 2024
High service quality	Compliance with specifications, accuracy and adherence to delivery deadlines	Improvement of the Net Promoter Score (customer satisfaction survey) (reference year 2021)	+ 10%	+ 33%
		Complaint rate (share of services performed resulting in justified complaints/objections) (reference year 2022)	–20%	– 1%
Sustainable value creation along the supply chain	Reduction of risks in operations and supply chain	ESG screening: – All SAP-listed suppliers with a procurement volume ≥ €10 thousand over which Procurement has influence	100%	99.9%
		Operational risk management: Risks assessed as risk level 4 or 5 will be reduced to no higher than risk level 3	100%	100%



Responsibility in the digital sphere

DATA INTEGRITY

As a provider of testing and inspection services with international operations, we carry a special responsibility for the integrity of the data we process. Moreover, the increasing displacement of communication, business and employment relationships to the digital sphere places high demands on the protection of personal rights. Along with basic data security, the processing of data by means of artificial intelligence (AI) is playing an increasingly important role. We are constantly working to adapt our processes to this new challenge, in order to reliably protect the data of our customers, business partners and employees, as well as those of our company.

Effective data protection is inextricably linked with robust IT security. TÜV Rheinland employs modern technology to ensure effective protection against unauthorized access and other potential risks associated with digital data processing. Moreover, we have a comprehensive data protection management system for the purpose of ensuring the protection of personal data. Our clear governance facilitates the uniform implementation of these requirements worldwide.

Together with Corporate Data Protection, the Global Office QHSE is responsible for the governance and monitoring of the data protection guidelines and the resulting provisions, which are applicable throughout the Group. The Corporate Data Protection Officer in the Global Office QHSE coordinates the worldwide activities and assists Data Protection Officers and Data Protection Representatives at regional and local level in the performance of their tasks. For those positions or individuals who process personal data, as a rule the legal responsibility for data protection operationally falls on the respective companies and their general managers.

CONSISTENTLY PROTECTING PERSONAL DATA

To ensure the protection of personal data at all times, TÜV Rheinland has established a comprehensive, Groupwide data protection management system. At the heart of this system are our Data Protection Guidelines, which constitute our central data protection regulations. They specify the data protection standards that must be complied with throughout the Group and the associated organizational requirements in the TÜV Rheinland Group, as well as the associated standard operating procedures, guidelines or other documents concerning data protection. These are complemented by applicable national data protection laws, as well as special data protection-related provisions that regulate the handling of personal data. For a globally operational company like TÜV Rheinland, harmonizing its own uniform data protection standard with the various statutory requirements of the different countries represents a special challenge. In this context, our Regional Data Protection Officers together with the national Data Protection Officers and local Data Protection Representatives form an essential pillar: in consultation with the Group Data Protection Officer, they adapt and implement strategies and processes pursuant to the requirements of their respective national legislation.

Employees and customers can report data protection violations via TÜV Rheinland's freely accessible contact and complaint channels or directly through the responsible data protection

authorities. All complaints are thoroughly examined by our Data Protection Officers or Representatives and processed in dialog with the affected parties and the data protection authorities. Regardless of whether a complaint is subject to compulsory reporting or not, we rigorously investigate every report to identify potential data protection violations and initiate appropriate actions if necessary.

EXPLOITING AI OPPORTUNITIES AND MANAGING RISKS

On the one hand, the growth of AI applications in a variety of fields is opening up many opportunities that will enable our company to optimize processes, improve products and develop new business models. On the other hand, however, we must not ignore the associated risks, such as complex and often inscrutable algorithms that impair the transparency and traceability of data processing operations.

To meet these challenges as we participate in the digital transformation, we are combining proven processes with innovative approaches where AI plays a double role as both testing tool and test object itself. Together with other TÜV companies, TÜV Rheinland has established the TÜV AI.Lab to develop transparent test criteria for AI systems and applications. Within the framework of TÜV Rheinland's AI initiative "Insight AI," specific application cases were defined to improve the Group's in-house processes using AI. Language-controlled solutions, for example, facilitate the work of our specialists as they record and document inspection and test results.

At TÜV Rheinland, the risks of AI applications are managed through a combination of technical and organizational measures. One example of this in the year under review is the work we started on our new "TUV GPT Hub." This platform serves as the central starting point for the use of generative AI at TÜV Rheinland. The TUV GPT Hub offers employees and partners direct access to AI-supported tools and applications that make work processes more efficient, reliable and secure. The goal is to bundle and standardize the use of AI systems, promote transparency and ensure compliance with regulatory requirements. At the heart of this hub is a model based on OpenAI's GPT-4 model, which will be operated within our own TÜV Rheinland cloud environment and infrastructure. Here we are making use of advanced encryption and access control mechanisms to guarantee the security of the data to be protected – not only our customers' data, but also that of our own company – and to prevent unauthorized access.

RAISING EMPLOYEES’ AWARENESS FOR IT SECURITY

To raise our employees’ awareness of the importance of data protection and data integrity, we are investing in regular training courses. Our AI training initiative, which began in August 2024, plays a key role in minimizing risk. This initiative is designed to inform our employees about the capabilities, applications and effects of AI, and to strengthen their ability to handle AI safely. The training courses cover specific learning units such as “AI Awareness,” which provides a basic understanding of AI applications and the TUV GPT model, “AI Guidelines,” which covers important topics such as data protection, ethical principles and transparency, and “Prompting Essentials,” which teaches how to formulate structured prompts for the effective use of TUV GPT. These courses can be accessed via the company’s in-house e-learning platform and are currently available in multiple languages to reach a broad target group throughout our workforce.

Through these comprehensive actions and initiatives, we are taking steps to ensure that we make responsible and effective use of the opportunities offered by AI while minimizing our operational risks and our risks associated with data protection law.

To ensure that our protection measures always remain up to date and effective, we audit them regularly. We have set ourselves the goal that by 2025 we will significantly increase the number of data protection audits, not only within our own company, but also at our service providers. All service providers that process personal data on our behalf are contractually obligated to comply with our strict data protection standards.

In the year under review, along with three incidents that presented only low risk for the rights and freedoms of the individuals affected, we were notified of one case of loss or theft of data. The comprehensive and swift actions that we took successfully minimized the risks for the affected individuals to the greatest possible extent. All complaints submitted to us were processed and substantively settled in due time.

AT A GLANCE: FACTS AND FIGURES

Data integrity	Goal	KPI	Target 2025	Status 2024
Protection of data	Guaranteeing a high level of security for personal data	Number of internal data protection violations that were reported to the national data protection authorities (reference year 2020)	–50%	To comply with specific state and national statutory regulations, the accountability relative to data protection is placed under the responsibility of the respective legal entity. A central reporting system is currently under development, so no data can be provided for reference year 2020. Four internally identified cases of violations concerning personal data were reported to the responsible data protection regulatory authorities in the financial year. While three cases apparently involved no major risk for the rights and freedoms of the affected individuals, in one case the possibility of major risk for the affected individuals could not be completely excluded. None of these cases resulted in sanctions by the responsible data protection regulatory authorities in the financial year.
		Share of internal data protection audits conducted	100%	To comply with specific state and national statutory regulations, the accountability relative to data protection is placed under the responsibility of the respective legal entity; at present, no information is collected on a centralized basis for this purpose.
Transmission of data to third parties	Guaranteeing a high level of security in the transmission of data to third parties	Number of data protection violations by suppliers that were reported to the national data protection authorities (reference year 2020)	–50%	To comply with specific state and national statutory regulations, the accountability relative to data protection is placed under the responsibility of the respective legal entity. A central reporting system is currently under development, so no data can be provided for reference year 2020. In the financial year, processors reported two data protection incidents to the responsible data protection regulatory authorities.
		Share of external suppliers audited by TÜV Rheinland	50%	To comply with specific state and national statutory regulations, the accountability relative to data protection is placed under the responsibility of the respective legal entity; at present, no information is collected on a centralized basis for this purpose.



Alignment with binding rules and values

LEGAL COMPLIANCE AND BUSINESS ETHICS

We have established clear rules specifying how we conduct business. In addition to applicable laws, we also align ourselves with voluntary commitments laid out in the Code of Conduct of TÜV Rheinland and in other guidelines. We use a comprehensive compliance management system to continuously monitor the legal compliance of our actions and their adherence to our own rules.

As basic prerequisites for trust-based business relationships, integrity and reliability are decisive factors in our entrepreneurial success. That's why we have voluntarily committed to a series of behavioral rules that go beyond mere compliance with statutory regulations and are binding for all our employees and managers. Those rules are based on our mission statement and our core corporate values. In their entirety, they reflect various facets of our business ethics. Accordingly, our Code of Conduct and our Compliance Guideline help guide our daily work. Moreover, in 2024 we implemented a global guideline for risk classification and decision-making as they relate to cooperation with defense companies.

The Global Officer Legal and Compliance heads the Corporate Legal & Compliance department at TÜV Rheinland and reports directly to the Executive Board. In his role as Global Officer Compliance, he acts independently and serves as a member of a risk management unit that acts on a Groupwide basis. The Head of Global Compliance coordinates our international compliance activities. Moreover, regional and local compliance officers, compliance experts and compliance ambassadors in the various countries and regions are also involved in the management and further development of the compliance management system.

To monitor compliance with our rules, we have established a comprehensive compliance management system, which is audited annually by an external auditor according to the requirements of the TIC Council. We use that audit to continuously update, improve and adapt our system. We also expect our business partners and suppliers to act in accordance with applicable laws, acknowledge our guiding principles for responsible collaboration, and put them into practice. In the year under review, we implemented and rolled out further provisions of our Supplier Code of Conduct. We are continuously adapting internal regulations at global, national and state levels. Moreover, in the course of digitalization we are gradually eliminating manual processes.

ANCHORING CORPORATE VALUES IN THE WORKFORCE

Our behavioral rules are based on the core corporate values defined in the mission statement of TÜV Rheinland. Along with integrity, these also include excellence and customer orientation. To inform employees and managers about the corporate values and the applicable regulations, and to raise their awareness for compliance and ethical behavior, we offer them regular training. For example, we conduct annual compliance training courses, which all employees must attend. In 2024, to translate our compliance e-learning courses into additional languages, we initiated projects that will be implemented in 2025. This will expand our language offering for locations in countries recently added to the Group as a result of major acquisitions or rapid organic growth.

By 2025 we want all employees worldwide to complete these training courses annually. Within the framework of the Sustainability Strategy, progress toward our defined goals is monitored and documented in a database in the Business Intelligence (BI) portal. In the year under review, more than 95% of all employees participated in the training courses. All managers were asked to sign a Voluntary Declaration of Commitment to Compliance, which is submitted annually as an integral part of the compliance management system. In the year under review, all our managers fully complied with this request.

Moreover, in 2024 we also reissued our Personal Commitment Card for all employees in all regions. With this card, all TÜV Rheinland employees are empowered by the Chief Executive Officer to halt any work immediately if they believe that the work cannot be performed safely. A statement has been added to the card prohibiting the performance of any task that conflicts with our compliance principles or could damage the image of TÜV Rheinland. This also applies whenever employees have the impression that customers or business partners are urging them to act in ways that could damage TÜV Rheinland's reputation.

MANAGING AND MONITORING COMPLIANCE

At TÜV Rheinland, a worldwide compliance network monitors compliance with laws and adherence to our own rules. In the financial year, we held two Integrity Board meetings, which will also be held at least twice per year in the future. That forum allows the Executive Board and the senior managers to discuss matters such as the monitoring of the Compliance Strategy, examine questions of implementation and communication, and identify possible new areas of action. For the coming years we plan to continue developing our reporting via the BI portal and our whistleblower platform, and also to digitalize our “Business Partner Management Process.” We also conduct integrity monitoring in the Greater China and IMEA regions. We use this supplemental measure to track our own service performance, in order to proactively ensure integrity.

For alleged compliance violations and other cases of suspected misconduct, TÜV Rheinland established a whistleblower management system back in 2007. Employees and external stakeholders can use this to report information about criminal offenses such as corruption, bribery and fraud as well as other violations of our corporate values. This also includes the topics of human and labor rights as well as environmental protection. A digital platform for confidential information has also been available since 2018. In addition, information about possible misconduct can be submitted through other channels such as our Corporate Compliance e-mail address. Reports of suspected misconduct are processed consistently. In the year under review, we achieved our goal of ensuring 100% follow-up by 2025.

Core elements of our business ethics

- Alignment with the UN Global Compact and the principles of the TIC Council
- Sustainability Strategy with business ethics as material category
- Compliance management system
- Our mission statement with the core corporate values: integrity, excellence and customer orientation

Guidelines of TÜV Rheinland

- Code of Conduct
- Compliance Guideline
- Guideline for the Prevention of Conflicts of Interest and Corruption
- Business Partner Management Guideline
- General Terms and Conditions of Procurement and Business
- Supplier Code of Conduct
- Sustainable Procurement Policy

AT A GLANCE: FACTS AND FIGURES

Legal compliance and business ethics	Goal	KPI	Target 2025	Status 2024
Ethical corporate values	Ethical corporate values	Share of TÜV Rheinland employees who receive annual training in basic compliance requirements	100%	95.2%
Honesty and integrity of employees	Establishment of “Integrity Boards”	Number of Integrity Board meetings held per year	2	2
Corruption and bribery	Confirmed cases and follow-up investigation	Number of confirmed cases	0	1
		Investigation rate of reported complaints	100%	100%
Local laws and regulations	Full coverage of signatories to Voluntary Declaration of Commitment to Compliance	Percentage of managers who have signed the Voluntary Declaration of Commitment to Compliance annually	100%	100%

4

Financial Report

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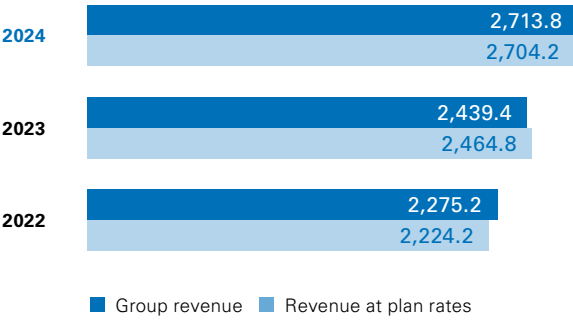
TÜV Rheinland at a glance

GROUP REVENUE

- TÜV Rheinland Group (hereinafter referred to as “TÜV Rheinland”) succeeded in maintaining its growth course in the 2024 financial year and achieved Group revenues (including changes in inventories) totaling to €2,713.8 million; this represents a year-over-year increase of 11.2%. Hence, the forecast of generating 5.0% revenue growth in 2024 was surpassed. On a comparable basis, i.e. applying the prices planned for the 2024 financial year for the previous year as well, Group revenues totaled to €2,704.2 million, representing growth of 12.8%.
- The €274.4 million year-over-year upturn in total revenue was attributable to both domestic and international business. Organic revenue growth stood at €241.3 million. Domestic business recorded a revenue increase of 5.6%, while revenue through international business increased by

a full 16.9% year-over-year. Revenue generated in the international regions totaled to €1,421.9 million, representing 52.4% (previous year: 49.9%) of total revenue.

GROUP REVENUE in € millions

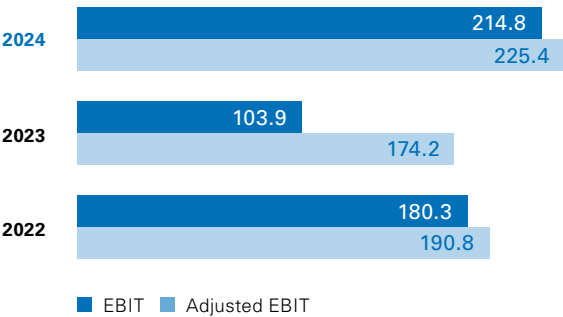


OPERATING RESULT (EBIT)

- The operating result (EBIT) in the 2024 financial year totaled to €214.8 million, thus significantly exceeding (by €110.9 million) the previous year's figure.
- After adjusting for special effects totaling €–10.6 million, EBIT stood at €225.4 million. Special items included effects from €–9.2 million in purchase-price allocations (PPA) and €–1.4 million in restructuring measures.
- Amortization of intangible assets and depreciation of property, plant and equipment were close to prior-year levels and stood at €143.3 million.
- With investments of €86.1 million in intangible assets (excluding goodwill) and property, plant and equipment (excluding right-of-use assets) in the 2024 financial year, the investment volume was slightly lower than the previous year's level of €87.9 million.

- The EBIT margin that expresses EBIT in proportion to Group revenue stood at 7.9% in the 2024 financial year; this was 3.7% higher than the previous year. The target that had been set for 2024 – to generate an EBIT margin of 6.5% to 7.0% – was thus exceeded. Taking the above-mentioned special items into account, the adjusted EBIT margin stood at 8.3% (previous year: 7.1%).

EBIT in € millions

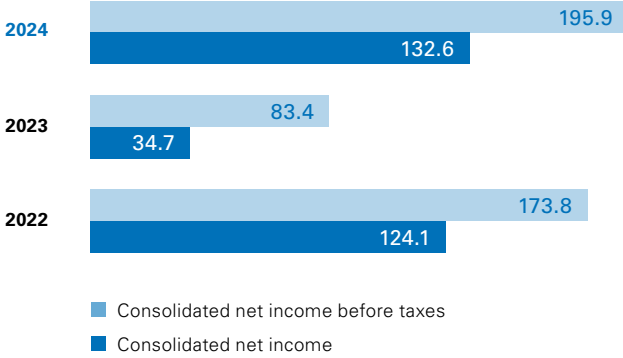


CONSOLIDATED NET INCOME

- TÜV Rheinland generated €132.6 million in consolidated net income for the 2024 financial year; this was €97.9 million higher than the previous year's value.
- Income tax expenses were €14.6 million higher year-over-year and stood at €63.3 million. The tax rate was around 32.3%, well below the previous year's level. This was primarily the result of the increase in operating result and temporary differences on which no deferred taxes could be recognized in the previous year.
- The negative financial result improved €1.6 million year-over-year and stood at €–18.9 million in the 2024 financial year. The improvement owed mainly to lower losses from currency translation and to interest expenses that were offset by interest income.

- Consolidated net income attributable to non-controlling interests totaled to €15.0 million in the current financial year (previous year: €8.8 million).

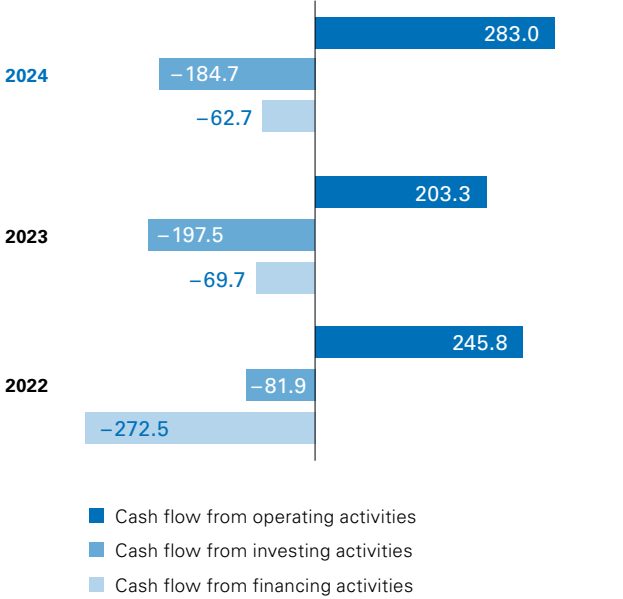
CONSOLIDATED NET INCOME in € millions



CASH FLOW

- The positive cash flow from operating activities amounted to €283.0 million in the 2024 financial year, which exceeded the previous year's value by 39.2%. This change is mainly attributable to the improved consolidated net income.
- The consolidated net income of €132.6 million contrasted with non-cash depreciation and amortization of €143.3 million (previous year: €145.4 million).
- The negative cash flow from investing activities decreased slightly year-over-year, by €12.8 million.
- The negative cash flow from financing activities totaled to €62.7 million in the 2024 financial year and was nearly unchanged year-over-year. Lease payments under IFRS 16 stood at €76.5 million (previous year: €68.4 million). Payments to equity holders of TÜV Rheinland AG amounted to €7.0 million in the financial year under review (previous year: €48.1 million).

CASH FLOW in € millions



Presentation of the Business Streams

For more than 150 years, TÜV Rheinland has stood for improvements in technical safety and quality in the ways in which people, technology and the environment interact. Its mission rests on the conviction that social and technical progress are inextricably intertwined and must be made sustainable. At TÜV Rheinland, this modern understanding of progress manifests itself in the active monitoring and testing of innovations, services, products and systems in the fields of technology and industry in an effort to permit their safe and responsible use. This helps make clients more successful while boosting trust in products and processes along global value chains.

We offer our testing, inspection, certification, consulting and training services in approximately 50 countries around the world, chiefly for companies and private clients, and also, to a lesser extent, for the public sector. Germany, Greater China and Western Europe are our regions with the highest revenue. As a rule, the services performed are based on recognized standards and on the requirements of national and international laws – always in pursuit of our mission statement: “We make the world a safer place.”

The organizational structure of the company is presented below:

To implement this formative role at operational level, TÜV Rheinland has been organized into four Business Streams since January 1, 2024: The SYSTEMS and ACADEMY & LIFE CARE Business Streams have been merged to create a new Business Stream: PEOPLE & BUSINESS ASSURANCE. The vision – “We advise, develop and audit organizations and their employees holistically and from a single source. This is how, in an increasingly complex environment, we create added value for our customers and contribute to sustainable further development” – provides a clear framework for the strategic orientation of the new Business Stream.

INDUSTRIAL SERVICES & CYBERSECURITY

This Business Stream comprises the Business Fields of Pressure Equipment, Elevators & Lifting Equipment, Electrical Engineering & Building Technology, Industrial Inspection & Materials Testing, Infrastructure & Project Supervision, Energy & Environment and Cybersecurity & Functional Safety. The services include, for example, the testing of vessels, elevators and lifts, and systems in building technology; monitoring of industrial and infrastructure projects; and building technology. Services for the protection of the climate are offered as well and include environmental and contaminant analysis; these services are intended to help TÜV Rheinland’s clients reduce their CO₂ footprint. The services of this Business Stream include the certification of green gas, green electricity and hydrogen. In

addition, the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream comprises testing, audit and certification services in the field of industrial automation, and functional security and cybersecurity in particular, as well as consulting, testing and administrative services in information technology (IT) and operational technology (OT).

MOBILITY

The MOBILITY Business Stream comprises five Business Fields: Periodical Technical Inspection, Driver’s Licenses, Car Service & Appraisal, Engineering & Type Approval as well as Rail. The Periodical Technical Inspection Business Field consists of classical motor-vehicle inspection, with its network of testing centers in Germany, Spain, France, Latvia, Chile and China. This network has grown thanks to an acquisition in Sweden at the end of last year. Hence, in the future, TÜV Rheinland can offer this core service in seven countries. The Driver’s Licenses Business Field offers both theoretical and practical testing for driver’s licenses. Damage and valuation reports, car services and after-sales services are part of the Car Service & Appraisal Business Field. The Engineering & Type Approval Business Field combines audits of road eligibility and the testing of vehicles and vehicle components. The Rail Business Field (expertise in the field of railway technology) comprises technical and economic consulting, test execution and monitoring, and assessments including independent safety assessments. The MOBILITY Business Stream views itself as an “enabler of better mobility” and is involved in developing new services for safety and the conservation of resources in the networked mobility of the future.

PRODUCTS

This Business Stream conducts testing for product safety, functionality, serviceability, ergonomics and lifecycle assessments, as well as product certification. This is often a prerequisite to ensuring that manufacturers, importers or trading companies can offer their products in certain markets. The Softlines Business Field involves the testing of toys, cosmetics and textiles, among other things; the Hardlines Business Field, on the other hand, entails testing of furniture and household

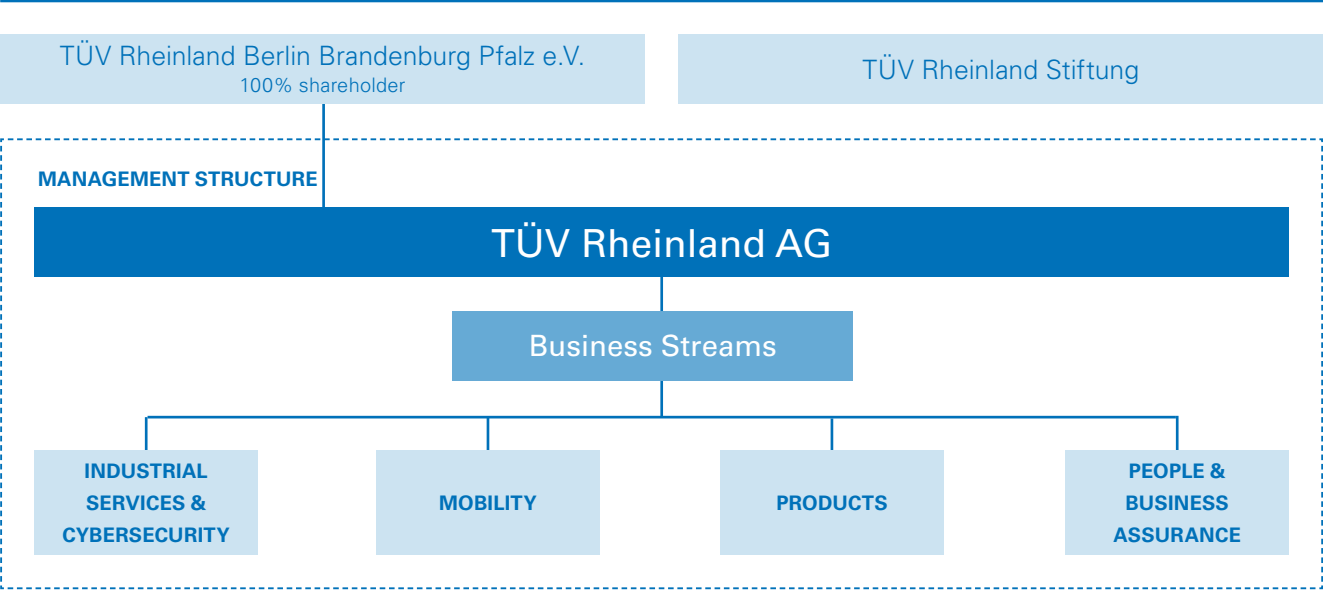
goods as well as mechanical products. The Electrical Business Field provides inspections of consumer electronics, among other things, along with tests of the electromagnetic compatibility (EMC) of electrical and electronic products. The Solar and Commercial Products Business Field concentrates on the testing of components, solar systems and modules, batteries and machinery. Added to this are the auditing, testing and certification of medical products and manufacturers of medical devices. These services are assigned to the Medical Business Field.

PEOPLE & BUSINESS ASSURANCE

The expertise and services of the “new” Business Stream are offered in seven Business Fields: The Certification of Management Systems Business Field certifies processes, services and companies on the basis of internationally recognized standards. This effort extends to quality, environmental and energy management systems as well as other management systems, e.g. in the information-, food- and occupational-safety areas.

Audits along the value chain, focusing on social responsibility and environmental or sustainability requirements, are the main service offered through the Customized Services Business Field. Another area of focus is on client- or sector-specific audit procedures. The Government Inspections & International Trade Business Field offers conformity assessments and inspections in international trade as part of government programs or based on industry and customer requirements. As an independent body, this ensures that imported goods and the related documentation are in compliance with national regulations and any requirements stipulated by contract. Consulting and project services, which include the topic of “sustainable organization,” among other things, are located in the Digital Transformation Business Field. With its services around occupational medicine, occupational safety and occupational health management, the Occupational Health & Safety Business Field helps foster employees’ effectiveness and their readiness to perform. Implementation of online and in-person seminars, training and further education, including contemporary learning solutions and skills development, are the mission of the Training & HR Development Business Field. Services in the labor market are included in the Labor Market Services Business Field.

COMPANY LAW STRUCTURE



General conditions

GENERAL ECONOMIC CONDITIONS

The global economy has recently shown very moderate growth. Following a slowdown in the spring, global economic performance managed to grow only marginally during the third quarter. The economy grew by 3.2% during the year under review (previous year: 3.1%). The US economy continued to grow, while production in other advanced economies barely improved. Growth in China was subdued as well. The mood of companies improved significantly early in the year but subsided again in the half-year covering the summer months. Industrial production and trade grew only slightly, and global expansion continued to be driven mainly by the services sector. Global industrial production recovered significantly in the first half of the year but lost momentum more recently. Overall economic momentum experienced a downturn in the advanced economies. The strong expansion in the US continued almost unchanged, while the economy in the Eurozone remained subdued. Growth in gross domestic product in the Eurozone was chiefly the result of special developments, such as the activi-

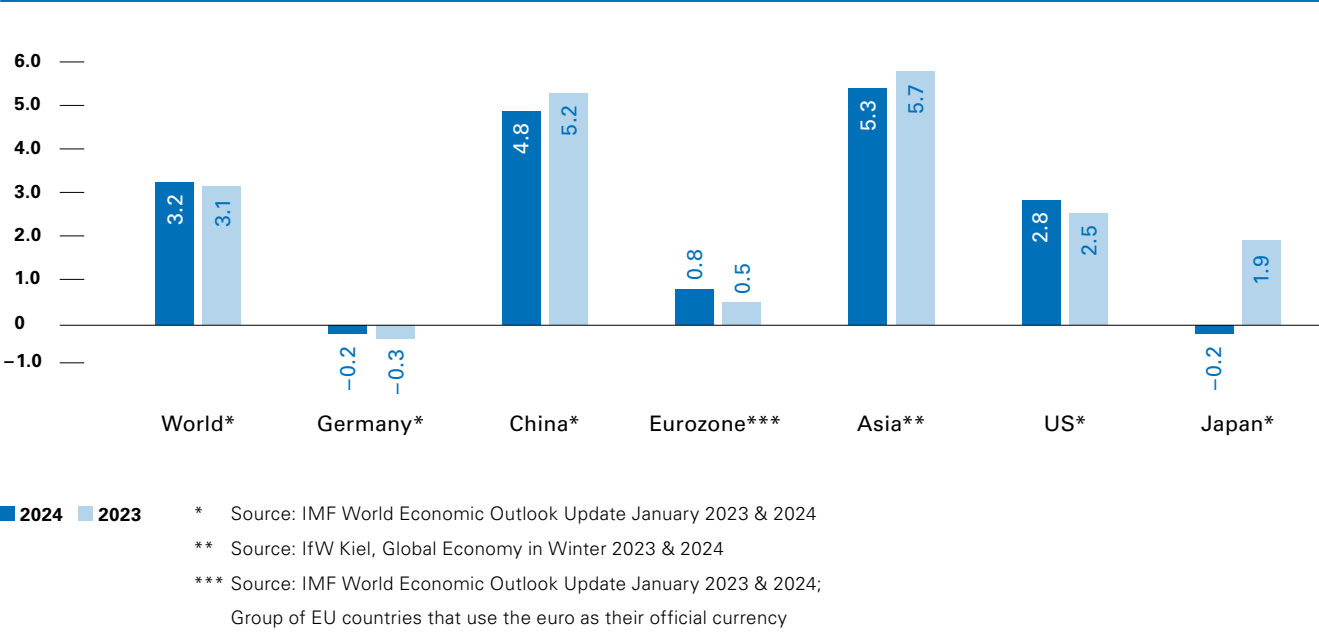
ties of multinational corporations in Ireland and the Olympic Games in France. The economic trend in Germany lagged significantly behind the other European countries and again led to an economic decline of –0.2% in the current financial year under review. Economic growth was significantly slower in Japan as well, with this country also ending the year with a recession of –0.2%.

Global inflation has been slow to subside. The consumer price index rose less steeply in 2024, by 6.9% compared to the previous year’s figure of 8.0%. This decrease was mainly due to the energy component. The core rate of inflation (excluding energy and food) stagnated at around 3.0% beginning mid-year. The rise in the prices of services was particularly steep and persistent, while prices for industrial goods were only slightly higher in most countries.

What follows is a presentation of economic growth, expressed in percentages in the key markets served by TÜV Rheinland:

DEVELOPMENT OF THE GLOBAL ECONOMY IN 2023 AND 2024

in %



Germany

The German economy continued to grapple with persistent stagnation. There was a lack of discernible momentum toward growth overall, and only the service sectors exhibited some upward movement. The manufacturing sector, on the other hand, has been contracting for more than a year. Value creation in this area recently reached its lowest point in nearly four years and was well below pre-pandemic levels. Industrial capacity utilization reached a level that still fell short of the lows of ordinary recessionary periods. Theoretically, this was a sign of considerable potential for expansion, but as overall circumstances showed, the weakness in the industrial sector owed to considerable structural causes in addition to economic ones. Industrial production worldwide, especially in China, had long since resumed its pre-pandemic trend, but German industry suffered from specific competitive disadvantages and increasing competitive pressures. Uncertainty about the direction of future economic policy placed an additional burden on the German economy. This hampered the willingness to invest and led to a deterioration in consumer confidence. This was aggravated by continued protectionism in US trade policy, leading to additional headwinds in foreign trade. The German economy remained stagnant during the reporting year; as in the previous year, it ended the year with an overall downturn of –0.2% (previous year: –0.3%). The rate of inflation was significantly lower in 2024 than it had been in previous years and reached a moderate level of 2.2% by year’s end (previous year: 5.9%). The weakness in the economy also made itself felt in the jobs market, where the unemployment rate rose further and stood at 6.0% (previous year: 5.7%).

China

Growth in China in the current reporting year fell to an estimated 4.8% (previous year: 5.2%); except for the pandemic years, this is the slowest rate of growth in more than three decades. Economic activity softened during the second half of the year, impacted by further declines in real-estate investment and slower growth in consumption in view of weak consumer confidence. Growth in retail revenue remained subdued when compared to pre-pandemic levels. Investments in infrastructure and manufacturing were resilient, however, with the latter

benefiting from solid external demand. Exports recovered, driven by the revival in global trade, but weak domestic demand weighed on imports. Subdued domestic demand and the economic slump continued to mitigate price pressures, with both overall and core inflation far below their average pre-pandemic levels. The consumer price index stood at around 0.3% in the current reporting year (previous year: 0.4%). Amid low inflation, weak domestic demand and monetary easing in major advanced economies, the People’s Bank of China took several steps in late 2024 building upon previous shifts in policy to bolster the real-estate market and overall economic activity. Key interest rates, rates of interest on existing mortgages and reserve requirements for banks have all been lowered, although the impact of these steps was cushioned somewhat due to weak confidence and lower borrowing demand. Expansion in the issuance of government bonds permitted growth in public outlays, but increasing fiscal burdens on local governments continued to limit all fiscal support.

Eurozone

The economic situation in the Eurozone remains subdued. After a significant increase in gross domestic product during the third quarter, economic growth slowed again toward the end of the year. This is due not only to the expiration of the temporary factors that bolstered macroeconomic output in the third quarter. Current indicators, such as industrial production and corporate and consumer confidence, also point to a further weakening in economic momentum. Overall, gross domestic product in the Eurozone was 0.8% higher in the reporting year (previous year: 0.5%). The heterogeneity among Eurozone Member States was particularly pronounced again during the current reporting year. Several countries in addition to Germany ended the 2024 reporting year with a recession, but numerous countries also managed to demonstrate growth. These included France, for example (1.1%; previous year: 0.8%), Italy (0.5%; previous year: 0.7%) and Spain (3.1%; previous year: 2.4%). Thus far, the labor market in the Eurozone has been resilient. The unemployment rate fell to 6.0% during the current reporting period (previous year: 6.5%) to reach a historically low level. Consumer prices fell significantly in 2024 and were just 2.3% higher (previous year: 5.4%).

Asia

In addition to countries such as Indonesia, Thailand, Malaysia and the Philippines, the Kiel Institute for the World Economy also subsumes large emerging markets such as China and India under the Asia region. Economic growth in the region climbed to 5.3% during the current reporting year (previous year: 5.7%). China reported an increase of 4.8% (previous year: 5.2%). As in the previous year, India experienced very robust expansion, as seen in a 6.7% increase in gross domestic product (previous year: 7.3%). The other emerging markets of Asia contributed toward economic growth as well, reporting overall growth of 4.7% (previous year: 4.5%). Consumer prices were 1.8% higher overall in Asia, although the trend across the various countries was very heterogeneous.

US

In the US, growth was slightly stronger than expected during the first half of 2024. The first signs of a slowdown in economic activity emerged toward the end of the year, however; these were attributable to a slowdown in the jobs market and a downturn in consumer confidence. The US economy grew by 2.8% overall in 2024 (previous year: 2.5%). The unemployment rate was higher year-over-year, rising from 3.6% to 4.0%. The consumer price index continued to decline and stood at 2.9% in the reporting year (previous year: 4.2%).

Japan

The Japanese economy reported a downturn in the first half of the year but gathered momentum in the second half. Gross domestic product shrank slightly overall, however, by –0.2% (previous year: 1.9%). A major reason for this was the decline in private consumption, which suffered for a long period because of declining real incomes. Real wages trended upward, however, beginning in the summer of 2024. The consumer price index fell to a level of 2.5% (previous year: 3.3%). The situation on the job market was somewhat more relaxed than in the previous year, and the rate of unemployment was just 2.5% in 2024, instead of 3.0%.

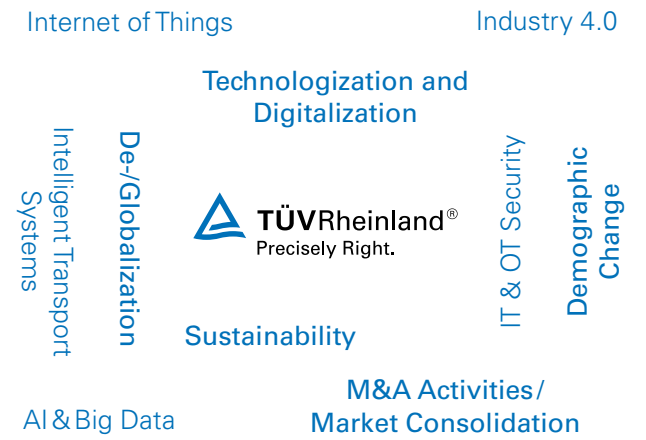
MARKET-SPECIFIC DEVELOPMENT

TÜV Rheinland offers its testing, inspection, certification and training services through numerous companies on six continents operating in the global TIC (Testing, Inspection, Certification) market. This gives the Group the ability to fully serve its clients’ often worldwide value chains.

Market influences

By and large, the global TIC market, and hence the business of TÜV Rheinland as well, are influenced by the following market parameters and trends:

MARKET PARAMETERS AND TRENDS



De-/Globalization

Issues such as energy supply, infrastructure, international division of labor and mobility are of major importance to a global economic society. In spite of increasingly visible protectionist tendencies, globalization continues to present the TIC market with opportunities and risks. Liberalization efforts in individual markets are strengthening global trade and opening up opportunities to enter new markets. Worldwide supply chains and their constant transformations and shifts require uniform testing standards and certification services. Due to its strong international orientation and worldwide presence, in this regard TÜV Rheinland is very well positioned in around 50 countries and is thus in a position to offer product, machinery and component approvals for most of the world’s markets.

Technologization and Digitalization

The advance of new information technologies is changing society as well as global markets and products. Thanks to its services, and even in the context of the digital transformation, TÜV Rheinland enables technologies to be safe and meet specified quality requirements. The following technological trends are of particular importance in this regard:

■ Intelligent Transport Systems

Modern vehicles are highly digitalized; some of them can already drive (semi-)autonomously, permit remote diagnostics and are fitted with numerous safety and comfort systems. Securing these increasingly complex components and systems along with the necessary communication infrastructure are central challenges for the mobility market, and TÜV Rheinland is actively addressing these challenges with a wide variety of services.

■ Industry 4.0

Industry 4.0 remains an active trend in the manufacturing sector. “Industry 4.0” describes the vision of an ultramodern, digitalized approach to production, an approach characterized by the networking of machines, products and people. This digital networking permits a flexible and customizable approach to mass production in which all elements of production can be seamlessly connected and optimized in real time at the highest level of sophistication. In a production system like this, customers and suppliers are interconnected via complex data networks all along the value chain, and some of the labor-intensive, hazardous and monotonous activities in production are performed by robots. The resulting requirements for data and network availability, functionality and cybersecurity are systemically essential and an important area of activity for TÜV Rheinland.

■ AI & Big Data

The collection, analysis and use of vast amounts of data is an important prerequisite for efficient business today. The goal is to identify data, understand the data correctly, evaluate them accordingly and put them to profitable use. Particularly the application of Artificial Intelligence (AI), including on the basis of the latest large language models (LLMs), permits processing of large amounts of data in an effort to identify patterns and achieve performance targets.

Users of AI-supported systems must be in a position to have faith that the risks involved – owing to factors such as faulty AI applications or intrusions into privacy – will be kept to a minimum. TÜV Rheinland – including through its participation in the TÜV AI.Lab established by TÜV companies in the 2023 financial year – is committed to establishing verifiable security standards that make AI applications transparent and secure at the same time. In some cases, we are also making use of AI components to create a smart and seamless customer experience in our own services and to promote greater efficiency and productivity in our internal processes.

■ Internet of Things (IoT)

Thanks to the networking of everyday technologies with the internet – in the area of smart home solutions or industrial components and products, for instance – the physical and digital worlds are converging. This creates not just far-reaching opportunities for providers and consumers, but new security risks as well. TÜV Rheinland leverages its expertise in the field of security and quality testing to help create the conditions for IoT devices that are reliable and secure.

■ IT & OT Security

The availability and transmission of data at all times, whether in mobile-payment processes or data storage in the cloud, offer examples of the importance of IT security. The risk of hacker attacks and cybercrime is constantly on the rise – as are the requirements for information technology (IT) and IT security in the business setting. Incidents in modern plant- and process-control systems in operational technology (OT) have increased in recent years as well. A holistic approach to security design is required here to ensure not only that accidental or systematic technical failures can be avoided, but also that cyber-attacks on networked production facilities can be fended off.

Demographic Change

When compared to technological progress, demographic change is a slow and steady trend – and it, too, has a significant impact. It influences the supply of qualified workers – the key term here being “shortage of skilled workers” – and leads to a change in the demand for certain TIC services, such as in the market for healthcare and nursing. It also shifts the approach taken to service provision, such as through increased demand for digital and remote-controlled services.

Sustainability

For more than 150 years, as described above, TÜV Rheinland has stood for quality, efficiency and safety in the interaction between people, technology and the environment. Hence, its core business has always comprised services that today are undoubtedly linked to what we understand by “sustainability.” In TÜV Rheinland’s view, sustainability comprises the contents of the ESG categories (ESG – Environment, Social, Governance) in conjunction with sufficient economic profitability. This ensures long-term existence and business success while at the same time helping achieve the United Nations Sustainable Development Goals (SDGs). As many developments throughout the world have shown, taking all aspects of sustainability into account is more important today than ever before. This is

particularly true with regard to the steps taken to protect the climate. Through the services it provides, TÜV Rheinland actively helps its clients achieve their own sustainability goals.

M&A Activities/Market Consolidation

The consolidation trends in the market for technical services, and particularly in the TIC market, are continuing. These consolidations accelerate transformations in the TIC market and offer TIC providers an opportunity to acquire other TIC firms that fit, or offer a useful complement to, their core business. As in the two preceding years, TÜV Rheinland was actively involved in market consolidation again in the 2024 financial year and made seven acquisitions (ten in the previous year). These also included an acquisition in Sweden, the largest in the company’s history.

Regional influences

TÜV Rheinland provides TIC services in and for different markets and industries all over the world. The macroeconomic trend in these markets is fundamentally important for TÜV Rheinland; due to cross-sector and regional diversification, however, this has only an indirect and delayed impact on business success.

Below is an overview of the year-over-year trend in the regional distribution of Group revenue.

Europe

The trend in TÜV Rheinland’s European business (incl. Germany) was a positive one in the financial year under review, with a 7.8% (€119.8 million) increase in revenue; this significantly outpaced the general economic environment, which registered just 0.8% growth in gross domestic product. Central & Eastern Europe generated a year-over-year revenue increase of 19.3% (€12.5 million). Western Europe reported a 15.9% (€38.3 million) upturn in revenue. Only Luxembourg recorded a slight revenue decline. Business in Germany climbed by 5.6% (€68.9 million), outperforming the overall German economy, which closed 2024 still in recession. The increase in German business was generated in particular by the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream, with 9.4% revenue growth, and the PRODUCTS Business Stream, with revenue growth of 7.4%. As in the previous year, the MOBILITY Business Stream presented the largest contribution to revenue in absolute terms. In addition to strong organic growth in most European locations, the net income was influenced by the acquisitions made in the second half of the previous year and during the 2024 financial year. Industrial services saw strong market demand for risk and safety services, as well as quality assurance for the oil and gas sector, but also for renewable energy, particularly in the UK and Italy. The trend in PTI business in the MOBILITY Business Stream was a positive one in Spain, France and Latvia, while the Rail business encountered difficulties as a consequence of the market trend and reduced spending by major customers in the UK. The PRODUCTS Business Stream had a strong showing in the Medical Business Field in Italy and Poland, along with flourishing business in solar and commercial testing and certification in Italy, France, Poland and Hungary. Some restructuring was required, however, in the business for electrical testing and certification – such as in Sweden or the Netherlands. Certification of management systems was strong across the region in the PEOPLE & BUSINESS ASSURANCE Business Stream, due particularly to the recurrence of the recertification cycle in 2024. Occupational health and safety gained in significance in Western Europe, while the training business gained momentum in general.

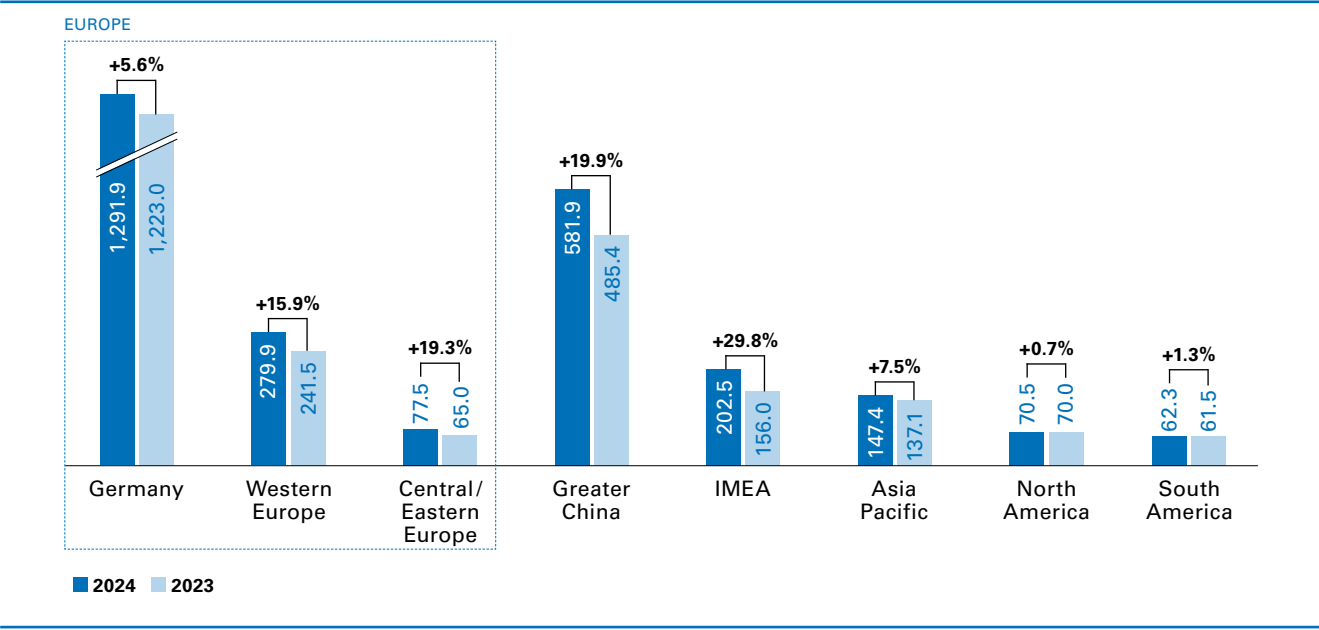
Greater China

In spite of a persistently weak macroeconomic trend, China’s growth during the past financial year stood at 4.8%. With a 19.9% upturn in revenue, TÜV Rheinland’s business in this country far exceeded the economic forecast. Also, in an international comparison, Greater China remained the strongest foreign region, accounting for 21.4% of total revenue in the 2024 financial year. At the same time, two newly acquired companies in Greater China were successfully integrated into the TÜV Rheinland Group. Organic revenue growth can be attributed mainly to the PRODUCTS Business Stream. The Electrical Business Field saw an increase in the testing of household appliances and a moderate upturn in the testing of IT audio and video products. Along with this, the passenger car business in the Engineering & Type Approval Business Field made a particular contribution to revenue growth in the MOBILITY Business Stream.

IMEA

TÜV Rheinland’s India/Middle East/Africa (IMEA) business once again exceeded the significant revenue increase of the previous year, achieving relative revenue growth of 29.8% (previous year: 25.7%), representing absolute growth of €46.5 million (previous year: €31.9 million). Save for Oman, Kuwait and Egypt, all of the countries in the region reported revenue growth. Saudi Arabia remained the region’s highest-revenue country in absolute terms, but Qatar registered the highest percentage growth in revenue, at 197.3%. This represented an increase of €9.3 million and was the result of securing long-term projects in the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream. A strong and consistent trend in Saudi Arabia, as part of the “Kingdom of Saudi Arabia Vision 2030,” secured a significant order volume for TÜV Rheinland across all Business Streams, contributing to 32.1% in year-over-year revenue growth. In India, revenue growth of 28.3% was also achieved in the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream, thanks in part to new projects from key customers.

GROUP REVENUE BY REGION
in € millions and growth in %



Asia Pacific

TÜV Rheinland reported 7.5% (€10.3 million) growth in overall revenue in the Asia Pacific region. The region accounted for 5.4% of total revenue. The three countries in the region with the highest revenue were Japan, South Korea and Indonesia. Japan and Singapore were not able to increase revenue year-over-year. The Philippines achieved revenue growth of 28.7%, followed by Indonesia at 22.7% and Malaysia at 19.7%.

North America

While economic growth in the US during the financial year under review was 2.8% – slightly higher than the previous year’s figure of 2.5% – TÜV Rheinland’s business in the region also recorded a slight increase in revenue in the amount of 0.7%. Overall, the trend in the region fell short of forecasts for the 2024 financial year.

South America

TÜV Rheinland is active in South America, with operations in Brazil, Chile and Argentina; revenue in the region largely remained at the previous year’s level, recording growth of 1.3%. This is due primarily to the continued high inflation and currency devaluations in Argentina. Brazil remained the highest-revenue country in the region. The INDUSTRIAL SERVICES & CYBER-SECURITY Business Stream in particular was awarded new projects in Brazil. In Chile, investments were made in the MOBILITY Business Stream in an effort to expand technical testing and further strengthen our leadership position through process innovations, advanced technologies and outstanding customer service.

As a globalized service company, the goal of TÜV Rheinland is to systematically strengthen business operations worldwide. TÜV Rheinland focuses its efforts in this regard on expanding operations in the markets in which the company can optimally develop its competitiveness. Overall, TÜV Rheinland views itself as very well-positioned compared to the international competition, and is confident that it will continue to strengthen its position in the global TIC market.

Corporate management

Corporate management entails a Group-wide management information and controlling system, creating cost and income transparency in all areas and thus contributing to profitable earnings performance. Reporting is standardized worldwide and is based on the International Financial Reporting Standards (IFRS).

The focus each year is on the financial target and management figures. The most important of these are revenue and the EBIT margin. In addition to this, workflows are managed based on key process indicators. The Group’s value-oriented management is further strengthened by making these performance and management figures a fixed component of the executive-level compensation structure.


The Group’s long-term target vision and strategic direction are defined in TÜV Rheinland’s TR+ strategy. Profitable growth, the reduction of complexity, expansion of scalable businesses, acceleration of digitalization and consistent implementation of quality leadership are all core elements of the current Group strategy.

Target vision

The target vision of TÜV Rheinland defines the level of future aspirations. With this in mind, looking as far ahead as 2030, the company will remain a dependable and integral partner for safety, quality, new technologies and sustainability for its clients – a professional, sustainably positioned and economically successful company with highly satisfied clients and employees. With excellent services, the Group will continue to operate profitably, shaping its own future, retaining its independence and thus positioning itself as a significant global provider in the sector. Global expansion will continue to be driven, subject to the condition that the Group does not grow too dependent on individual markets (countries and/or services) while at the same time avoiding the emergence of fragmentation and complexity. Given the high technological expertise of its employees, TÜV Rheinland will also consistently establish itself as the preferred TIC partner for selected new technologies. The effort to protect the TÜV Rheinland brand and its reputation has a high priority within the context of the target vision. Above and beyond this, the objective remains to further reduce the numbers of accidents, to promote client satisfaction and to offer clients ESG services for effective assistance toward achieving their sustainability goals.

Strategic direction

The strategic direction of TÜV Rheinland defines the central levers for achieving the goals described. It specifies the direction in which the Group should develop in the long term in its effort to secure competitive advantages and promote sustainable success. The strategic thrust includes a set of defined and binding guidelines that the Group’s organizational units uniformly and consistently observe. In this connection, there are four strategic guidelines that should be emphasized:



Simplify!

Scale!

Digitalize!

Quality!

Simplify!

This guideline has multiple facets, all of them dedicated to the goal of reducing complexity. SIMPLIFY! thus locates the core business of TÜV Rheinland in the service categories of testing, inspection, certification, consulting and training. SIMPLIFY! also comprises a regular review of services with the goal of keeping the complexity of the service portfolio narrow and manageable. Services that generate losses, are not promising in the long term or are not part of the core business will be discontinued or sold in an effort to consistently focus on services from a single source that are sustainably profitable and ideally scalable. SIMPLIFY! also stands for simplifying the internal organizational structure and harmonizing processes. This applies not just to processes in the IT system landscape but to all structures and processes throughout the Group – in the Business Streams, in the regions and in the service functions.

Scale!

Scaling is a basic strategic principle designed to raise returns with increasing business volume, particularly in areas with high levels of investment. Expanding scalable services is an essential lever to help place us among the world’s leading providers in our key Business Fields. Investments are prioritized in businesses that offer the greatest scaling potential. These potentials are identified across Business Streams, particularly in the case of inspections and laboratory testing. Significant acquisitions are a tried-and-tested means of consistently pursuing economies of scale in light of relevant market opportunities.

Digitalize!

To accelerate the digital transformation, we distinguish between three levers:

- Transferring analog and physical processes into digital workflows. This applies specifically to client communication, which grows more efficient and client-friendly through innovations such as digital test reports and invoices. The goal is to achieve standardized data management that uses only a single central source for important client or material data while also enabling operation of shared service centers at Group level.
- Evaluating existing data in useful ways and deriving information from which to generate added value, e.g. in the form of client benchmarks.
- Developing and establishing new digital business models and services. One example here is the successful “myCompetence” platform that offers online training for use not just by TÜV Rheinland but by external providers as well.

Quality!

TÜV Rheinland’s positioning as a leading provider of high-quality services will be maintained and expanded. The effort is to consistently meet the requirements of clients, legislative bodies and regulators as well as the high demands we place on ourselves. For this purpose, the processes of service provision are standardized and automated – wherever possible – as the grasp of the quality requirements in service provision is continuously promoted. These measures also help minimize risk.

The strategic thrust of TÜV Rheinland’s TR+ strategy, in its initial stages, was systematically developed on the basis of external and strategic scenarios. These made it possible to imagine the future in an open-minded way while integrating unconventional constellations into the strategy process. This resulted in a consistent expectation of the future as well as preferred strategy principles.

The assumptions that underlie these expectations and principles are regularly subjected to critical, in-depth and comprehensive review, taking into account the dynamic changes in geopolitical, social and technological factors along with more immediate considerations of TIC clients and competitors. These expectations and strategy principles were stress-tested to review their validity and to assess their resilience to plausible as well as extreme conditions. A resilience test was also performed to assess TÜV Rheinland’s resilience to possible discontinuities or turbulence.

The outcome of the reviews shows that TÜV Rheinland’s strategic direction can still be seen as competitive and largely robust and resilient to future uncertainties and turbulence. It is flexible enough to permit suitable responses to a large number of possible future developments and to proactively address the resulting opportunities and risks. The four central guidelines – Simplify!, Scale!, Digitalize! and Quality! – have proven themselves to be value drivers and are being pursued and accelerated. These are the basic principles around which the Group’s decision-making and behavior are oriented.

In keeping with these basic principles, the strategies of the Business Streams and Business Fields are regularly reviewed, updated and revised wherever necessary. This ensures that organizational units’ operating activities will remain sustainable and successful in a dynamic TIC market marked by further consolidation and that they will consistently contribute to TÜV Rheinland’s target vision.

Earnings situation

GROUP REVENUE

TÜV Rheinland’s Group revenue (including inventory changes) rose to €2,713.8 million in the 2024 financial year (previous year: €2,439.4 million). The presentation below shows unconsolidated additional revenue per Business Stream, including at projected exchange rates in light of exchange-rate fluctuations. The revenue of the SYSTEMS and ACADEMY & LIFE CARE Business Streams, which were merged effective January 1, 2024, to create the new PEOPLE & BUSINESS ASSURANCE Business Stream, have been summarized for the 2023 financial year for purposes of comparability:

GROUP REVENUE PER BUSINESS STREAM

in € millions	2024	2024*	2023
Industrial Services & Cybersecurity	812.6	805.7	686.8
Mobility	759.4	760.2	709.7
Products	733.8	733.3	657.6
People & Business Assurance	619.4	614.9	572.7
Other (Intra-group revenues and central functions)	–211.4	–209.9	–187.4
Group revenue	2,713.8	2,704.2	2,439.4

* Revenue figures at plan rates

All of the Business Streams succeeded in increasing their revenue figures compared to the previous year. The Business Streams of INDUSTRIAL SERVICES & CYBERSECURITY, with an increase of 18.3%, and PRODUCTS, which grew by 11.6%, contributed significantly to the overall 11.2% growth in revenue.

Germany

Germany had a 47.6% share of total revenue and was able to increase its revenue over the previous year. The year-over-year increase in Germany, from €68.9 million to €1,291.9 million, was attributable mainly to the INDUSTRIAL SERVICES & CYBERSECURITY Business Stream, with an increase of €33.0 million, and to the MOBILITY Business Stream, which was €20.7 million higher. All the other Business Streams managed to increase their revenue by single-digit percentages year-over-year.

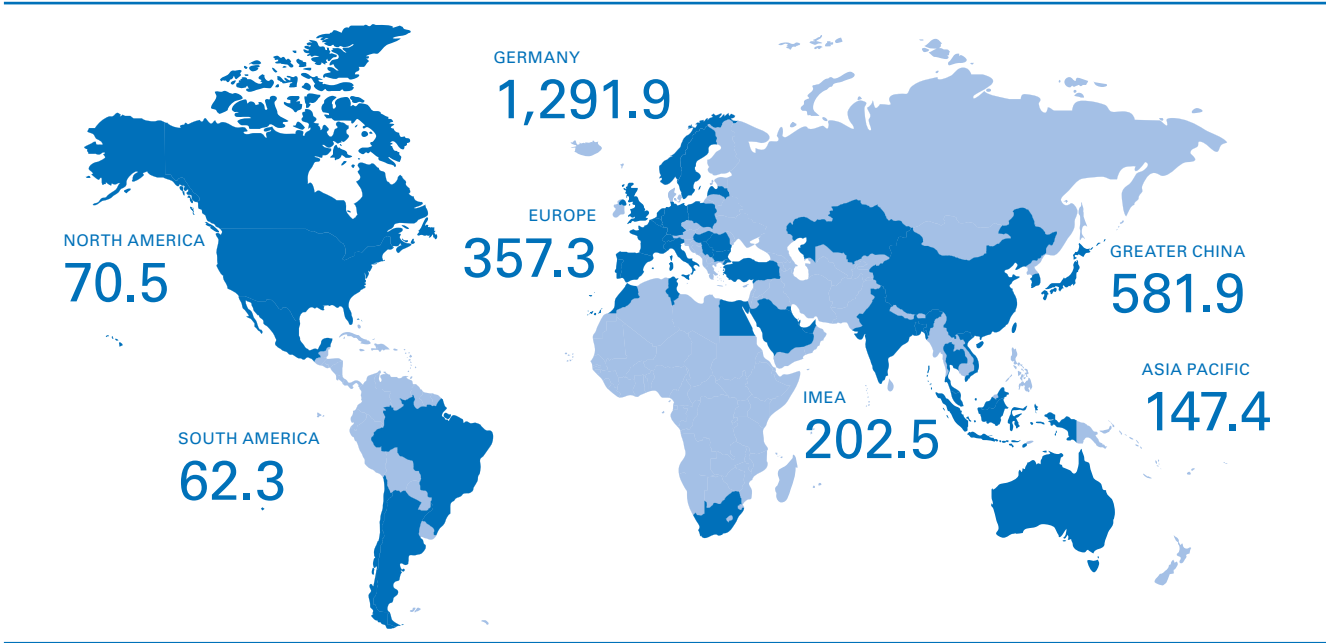
International

International revenue totaled to €1,421.9 million and was 16.9% higher than the previous year. International revenue accounted for more than half (52.4%) of Group revenue for the first time. The Greater China region accounted for 21.4% of total Group revenues, followed by the regions of Western Europe (10.3%), IMEA (7.5%) and Asia Pacific (5.4%). North and South America each accounted for less than 3.0% of revenue.

Below is a global overview of revenue by region:

GROUP REVENUE BY REGION

in € millions



Industrial Services & Cybersecurity

This Business Stream reported an 18.3% year-over-year increase in revenue. The region of Germany as well as international business contributed toward the significant growth in this Business Stream. Revenue growth for nearly all the Business Fields was in the double-digit percentage range, with the Infrastructure & Project Supervision Business Field registering particularly robust growth as a result of an acquisition in Greater China. The Energy & Environment Business Field also made a significant contribution to revenue growth. Alongside stable organic growth, acquisitions made in 2023 and 2024 had an impact here. The Industrial Inspection & Materials Testing Business Field registered growth once again as well. This includes projects with high order volumes in Saudi Arabia, Kazakhstan and Greater China. Positive trends in revenue were recorded internationally in the Cybersecurity & Functional Safety Business Field as a result of organic growth and increases due to the acquisitions made in 2023. The remaining Business Fields that form part of the regulated testing and certification market – including Electrical Engineering & Building Technology, Elevators & Lifting Equipment and Pressure Equipment – benefited from optimization of our processes in service provision in Germany as well as from robust demand in Germany and Europe.

Mobility

With a 7.0% increase in revenue, this Business Stream outperformed revenue targets. In total, the MOBILITY Business Stream generated revenue of €759.4 million; this was €49.7 million higher year-over-year. The Periodical Technical Inspection Business Field again outmatched its strong previous year. Encouraging revenue growth was seen in the Driver’s Licenses Business Field. The main generators of growth here were a robust upturn in the final quarter and a fee adjustment at the beginning of the year. The Car Services & Appraisal Business Field achieved the revenue targets that had been set. The conversion to digital vehicle registration was also successfully advanced and carried to completion. The Engineering & Type Approval Business Field exceeded its revenue target once again. In this respect, each region made a positive contribution to revenue growth, with the Greater China region standing out in particular. Despite the difficult market trend seen in the Rail Business Field in Europe – particularly in the UK – the revenue trend in this Business Field significantly exceeded targets; this was a reflection of the stable overall order situation in the other regions.

Products

In the past financial year, this Business Stream managed to increase its revenue by 11.6% year-over-year to €733.8 million; almost all of the increase was due to organic effects. The IMEA, Central & Eastern Europe and Greater China regions were key drivers of growth in the financial year under review. The Solar & Commercial Products Business Field, which includes the testing of machines, components and solar modules, among other things, achieved the largest absolute year-over-year revenue growth; Greater China in particular contributed to this. This was followed by the Electrical Business Field, which also registered an encouraging upturn in revenue. Following a considerable downturn in their revenue in the previous year, the Softlines and Hardlines Business Fields were able to achieve medium-to-high single-digit growth. This was also due to the stabilization in the market situation for German retail customers. The Medical Business Field exhibited a stable revenue trend, especially in Greater China and the US.

People & Business Assurance

This Business Stream exceeded its growth targets, reporting 8.2% total revenue growth and standing at €619.4 million by year-end. The Certification of Management Systems Business Field benefited from cyclical recertifications, particularly in Germany and Greater China. The Customized Services and Government Inspections & International Trade Business Fields also experienced very significant growth. The IMEA and Greater China regions in particular were the growth drivers in both Business Fields. The business in further education also performed better than expected in the home market of Germany, as well as in the IMEA region. Of particular significance here is the revenue generated by the training centers in Saudi Arabia. In spite of an increase in the intensity of competition, the Occupational Health & Safety Business Field continued to register moderate growth. In the Digital Transformation Business Field, the German business in the Research Management segment held very steady; consulting services in the Infrastructure Management and Systems & Processes segments, on the other hand, fell short of expectations. Demand in the Labor Market Services Business Field has yet to regain the levels seen before the coronavirus pandemic; the content and sales for this Business Field underwent extensive reorientation and restructuring as a result. Across all the Business Fields, there was a focus on expanding services in the area of sustainability and in further investments in the digitalization strategy.

OPERATING RESULT (EBIT)

The operating result amounted to €214.8 million in the 2024 financial year (previous year: €103.9 million). After adjusting for €–10.6 million in special effects, EBIT stood at €225.4 million (previous year: €174.2 million). Special items generally comprise four categories: past purchase-price allocations (PPA), changes in the scope of consolidation, restructuring measures and exceptional provisions. During the 2024 financial year, special effects included €–9.2 million in effects on past purchase-price allocations (PPA) as well as €–1.4 million in restructuring measures.

The EBIT margin in the 2024 financial year stood at 7.9%, up 3.7 percentage points compared to the previous year. The target that had been set for 2024 – to generate an EBIT margin of 6.5% to 7.0% – was thereby exceeded. Taking the above-mentioned special items into account, the adjusted EBIT margin stood at 8.3% (previous year: 7.1%).

The following is a presentation of the year-over-year trend in operating result:

OPERATING RESULT

in € millions	2024	2023
Earnings before interest, taxes, depreciation and amortization (EBITDA)	358.2	249.3
Amortization of intangible assets and depreciation of property, plant and equipment	–143.3	–145.4
Operating result (EBIT)	214.8	103.9
Financial result	–18.9	–20.5
Earnings before income taxes	195.9	83.4
Taxes	–63.3	–48.7
Consolidated net income	132.6	34.7

At €358.2 million, earnings before interest, taxes, depreciation and amortization (EBITDA) for the financial year were considerably higher than the previous year’s total of €249.3 million. The operating result was €110.9 million higher, and earnings before taxes €112.5 million higher, than in the previous year.

The changes within EBIT are as follows:

Third-party services

Third-party services totaled to €462.5 million in the 2024 financial year; this was €39.0 million higher than in the previous year. The third-party services ratio stood at 17.0%, representing a decrease of 0.4 percentage points compared to the previous year’s value of 17.4%. Greater China recorded €17.6 million more in third-party services year-over-year. German business in MOBILITY registered an €8.3 million increase in third-party services during the reporting year.

Personnel expenses

Personnel expenses were 9.4% higher year-over-year and stood at €1,462.6 million. The personnel expense ratio was around 53.9%, which was slightly lower than the previous year’s level of 54.8%. Expenses for wages and salaries, including social security contributions, were 9.2% higher. This is due not only to Group-wide recruitment but also, and particularly in Germany, to salary increases and payments of the inflation-compensation premium. Expenses for pensions were 14.5% higher year-over-year. The average number of full-time employees increased to a total of 23,920 employees during the 2024 financial year, representing an 8.3% year-over-year increase. Personnel expenses per full-time employee amounted to €61.1 thousand and experienced a slight increase of 1.0% during the reporting year.

Amortization and depreciation

Amortization of intangible assets and depreciation of property, plant and equipment stood at €143.3 million and were 1.4% lower year-over-year. Excluding depreciation of right-of-use assets under IFRS 16, depreciation was €72.3 million, which was €7.6 million lower than in the previous year.

Expenses

Other expenses decreased by €30.3 million year-over-year in the 2024 financial year and totaled to €509.4 million. This decrease was chiefly the result of a €10.3 million decrease in exchange-rate losses along with lower year-over-year additions to provisions, which had been increased by €47.2 million in the 2023 financial year in light of ongoing legal proceedings. This contrasts with increased advertising and travel expenses, which were €4.2 million and €7.1 million higher respectively in the reporting year, as well as other operating expenses, which were €9.2 million higher year-over-year.

Income

Other income was lower, falling by €31.1 million to a level of €78.8 million. The decrease was mainly the result of services not invoiced from previous years, which decreased by €17.5 million, a €5.4 million decrease in foreign-currency gains and a €4.2 million downturn in income from the reversal of provisions.

The following presentation of earnings (EBIT) by Business Stream or by region does not take consolidation and special effects into account.

Industrial Services & Cybersecurity

This Business Stream generated an operating result of €88.1 million, which exceeds the previous year’s figure of €72.4 million by 21.7%. The Business Stream significantly outperformed its targets. The region of Germany as well as international business contributed toward strong growth in earnings. The operating result was higher across all regions and Business Fields, and the overall EBIT margin improved year-over-year. Along with an upturn in revenue, the Infrastructure & Project Supervision Business Field also reported a significant improvement in results. Contributions as a result of the acquisition in Greater China and the successful optimization of business in Germany should be highlighted in this connection. In the Energy & Environment Business Field, which was also strengthened by acquisitions in 2023 and 2024, there was a significant upturn in earnings due to solid demand not only in consulting and testing services in renewable and conventional energy sources but also in the field of risk & safety management. The Industrial Inspection & Materials Testing Business Field managed to reach the earnings targets set for it, thanks to projects with high order volumes, particularly in the Middle East and Kazakhstan in the area of supplier inspection and construction supervision, and thanks as well to increased demand for materials-testing services in Germany. The operating result held steady year-over-year in the Cybersecurity & Functional Safety Business Field. In the regulated testing and certification market, robust demand in the Electrical Engineering & Building Technology, Elevators & Lifting Equipment and Pressure Equipment Business Fields led to an increase in operating result and EBIT margin, with the set targets exceeded.

Mobility

The primary objective set here for the past financial year was to increase the EBIT margin. In spite of tightening market conditions in the automotive industry, not only were the targets set exceeded, but the previous year’s solid earnings were also exceeded. The operating result was 17.2% or €7.7 million higher and stood at €52.5 million. In the Periodical Technical Inspection Business Field, weather-related downtime in Chile and the anticipated wage-cost increases in Germany led to increased margin pressure. Because this was partially offset by the positive business trend in the Western Europe and Central & Eastern Europe markets, however, the annual target was exceeded overall. The restructuring measures initiated in the Car Services & Appraisal Business Field in the 2023 financial year and the strategic focus on core services made a material contribution toward improving the operating result and profitability. Targets were significantly exceeded here as a result. The Driver’s License and Engineering & Type Approval Business Fields also managed to exceed the targets that had been set. The Rail Business Field also registered increased earnings, although the forecast increase could not be fully realized due to project-related delays, especially in the Western Europe, Central & Eastern Europe and North America regions.

Products

This Business Stream generated an operating result of €130.9 million, which was significantly higher than the previous year’s result of €91.0 million. The targets that had been set for 2024 were also significantly exceeded across all Business Fields. A highlight in this regard is the trend in the Solar and Commercial Products Business Field in Greater China, which achieved the greatest absolute growth in EBIT. The other Business Fields and regions also managed to successfully convert their increased revenue into positive earnings. The only exception here was the US, where the main source of the difference was a delay in launching the new laboratory location in Boston, while operating costs increased as expected. Several high-loss locations in Europe were also closed in an effort to improve the focus and continuously improve the trend in cash flow. All in all, the PRODUCTS Business Stream remained the largest contributor to the overall result at TÜV Rheinland.

People & Business Assurance

This Business Stream generated earnings growth of 35.3% to finish the reporting year at €68.3 million. The trend in operating result was significantly influenced by the positive developments on the revenue side. In the Certification of Management Systems Business Field, the effects of cyclical recertification requirements were also reflected in a year-over-year upturn in earnings. Earnings in the Customized Services Business Field also improved significantly, especially in Greater China and IMEA, thanks to a strong trend in supply-chain audits and in the eCommerce sector. The Government Inspections & International Trade Business Field improved significantly as well, particularly in Saudi Arabia. In the Digital Transformation Business Field, one-time expenses from 2023 were eliminated in Germany, and internationalization is advancing successfully, especially in IMEA. Business in further education significantly outperformed forecasts in the home market of Germany as well as in the IMEA region, but failed to fully match the previous year’s record levels. Earnings in the Occupational Health & Safety Business Field held steady during the reporting year. Weak revenue as a result of market-based factors in the Labor Market Services Business Field could not be fully offset through operational means.

Regions

With an EBIT of €210.0 million, business operations in Germany were markedly higher at the close of the 2024 financial year (previous year: €123.0 million). The INDUSTRIAL SERVICES & CYBERSECURITY Business Stream continued to make the largest contribution to earnings in Germany in absolute terms, but the PRODUCTS Business Stream reported the greatest growth in earnings. This compared with a negative EBIT of €242.4 million (previous year: €170.1 million) among the central functions. International business also reported a positive EBIT of €247.1 million, exceeding the previous year’s earnings by €96.2 million. The Greater China, IMEA, Asia Pacific, Western Europe and South America regions managed to increase earnings year-over-year.

Financial result

The financial result in the 2024 financial year amounted to €–18.9 million, representing a year-over-year improvement of €1.6 million. Interest expenses from financial liabilities totaled to €16.0 million, with €9.0 million of this amount related to leasing. Interest income was €1.6 million higher year-over-year and stood at €8.5 million. Interest expenses from pension obligations were €1.0 million lower in the reporting year and totaled to €8.6 million.

Taxes

Earnings before income taxes stood at €195.9 million, which considerably exceeded the previous year’s figure of €83.4 million. Income tax expenses amounted to €63.3 million, which was €14.6 million higher than in the previous financial year. The tax rate stood at 32.3%, which was 26.1 percentage points lower than the previous year’s level. The reduction was primarily attributable to the positive net income and to temporary differences on which no deferred taxes could be recognized in the previous year.

Consolidated net income

Consolidated net income totaled to €132.6 million, exceeding the previous year’s figure by €97.9 million.

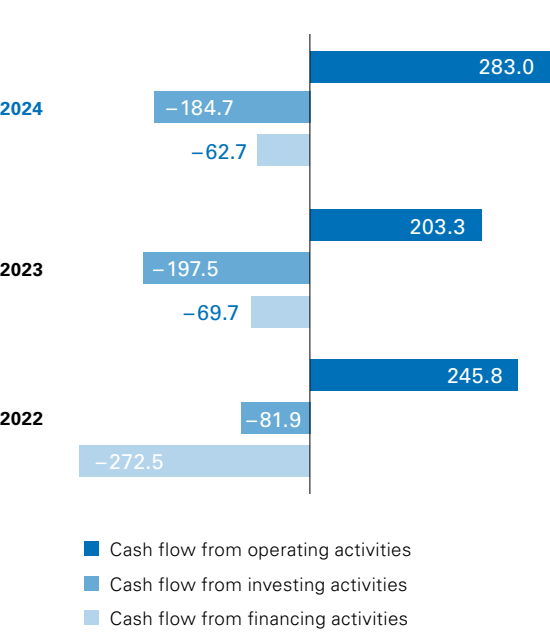
Financial position

The financing activities of TÜV Rheinland are designed in such a way as to provide sufficient liquidity at all times and to permit all payment obligations to be met. The reasons for this include the fact that long-term and sustainable coverage of pension obligations represented 18.3% of total assets.

What follows is a presentation of the trend in cash flow from operating activities and from investing and financing activities.

CASH FLOW

in € millions



Cash flow from operating activities

At €283.0 million, the positive cash flow from operating activities in the financial year exceeded the previous year's figure of €203.3 million. The €79.7 million increase was mainly the result of the improved consolidated net income of €132.6 million. Non-cash depreciation and amortization was only slightly lower during the financial year under review, going from €145.4 million to €143.3 million.

Cash flow from investing activities

At €184.7 million, the negative cash flow from investing activities was €12.8 million lower year-over-year. The higher payments from company acquisitions stood at €47.3 million and compare with a €61.2 reduction in investments in non-current financial assets. Investments were significantly higher in the past financial year due to implementation of a back-to-back loan of €50.0 million in Greater China. Investments in property, plant and equipment and in intangible assets amounted to €86.1 million, nearly matching the previous year's level of €87.9 million.

Cash flow from financing activities

Cash flow from financing activities was negative again in the 2024 financial year; at €62.7 million, it remained at a level similar to the previous year. At €7.0 million, the significantly lower disbursements to shareholders of TÜV Rheinland AG (previous year: €48.1 million) offset the lower taking out of new loans, higher repayments of existing loans and higher lease payments. Lease payments under IFRS 16 amounted to €76.5 million, which was €8.1 million higher than the previous year's figure.

Cash and cash equivalents

Cash and cash equivalents amounted to €311.4 million as of the balance sheet date; this was €33.7 million higher than the previous year. Restrictions that affected the availability of capital totaled to €171.5 million as of the balance sheet date of December 31, 2024. These mainly involved cash and cash equivalents that were subject to restrictions on movements of capital, among other places in China, Saudi Arabia, Taiwan and Korea.

To manage liquidity risks, TÜV Rheinland always has an up-to-date liquidity plan in place and sufficient reserves of liquidity in the form of liquid funds as well as a syndicated line of credit (revolver) of €155.0 million. This line of credit was concluded on March 23, 2020. As of the balance sheet date, this credit line was granted until 2027, thus constituting an essential component of the Group's liquidity. In the 2024 financial year, €50.0 million of the syndicated line of credit was used for company acquisitions.

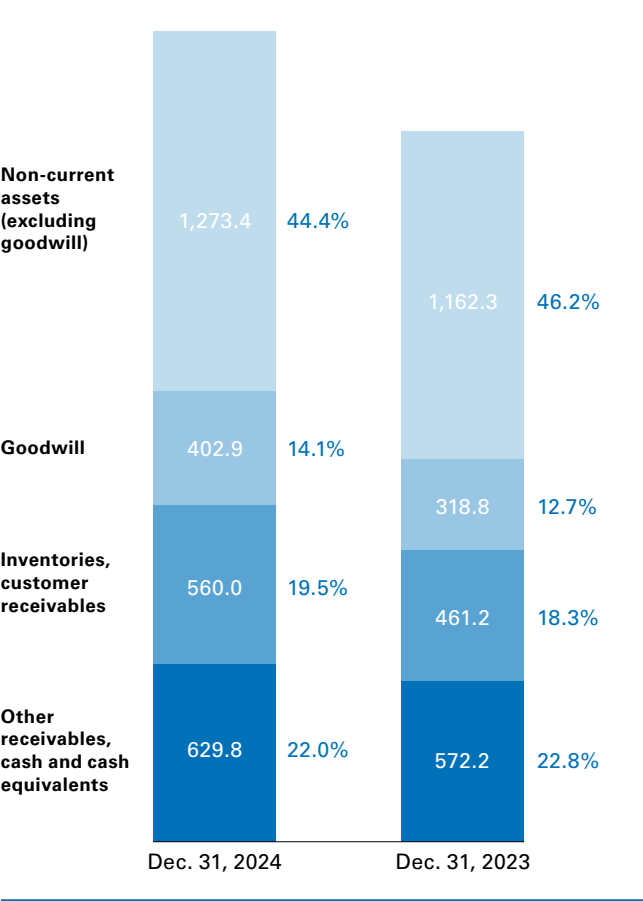
Results of operations

In the 2024 financial year, total assets increased by €351.5 million or 14.0% and totaled to €2,866.0 million.

TÜV Rheinland's assets at a glance:

ASSETS

in € millions and share in %



Non-current assets

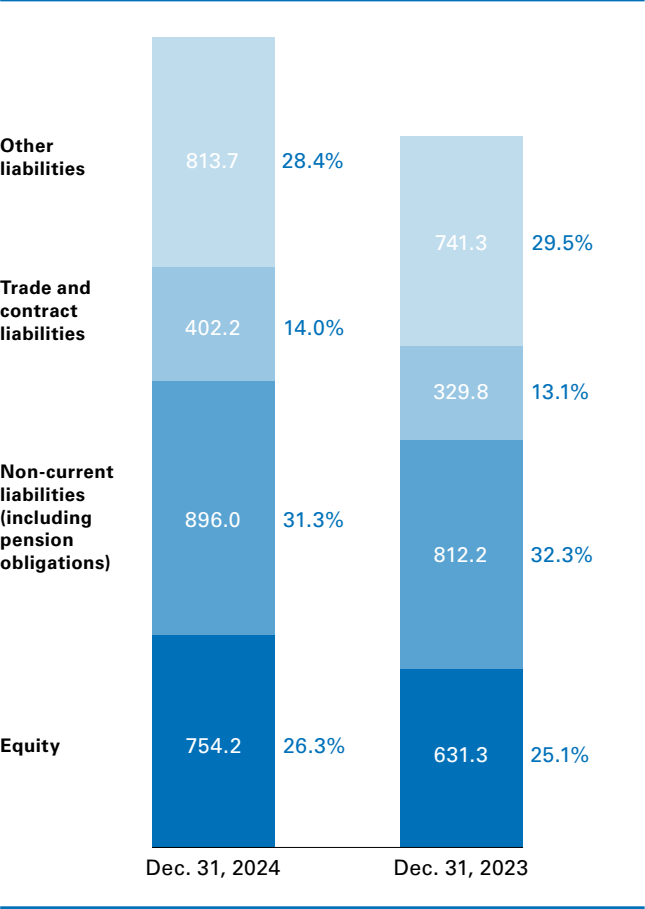
Non-current assets (excluding goodwill) rose €111.1 million and totaled to €1,273.4 million. Property, plant and equipment in particular increased by €79.1 million and intangible assets by €30.1 million due to an investment volume similar to that of the previous year and the similarly high increase due to company acquisitions. Goodwill as of the balance sheet date totaled to €402.9 million. The €84.1 million year-over-year increase is mainly the result of the acquisition of AB Svensk Bilprovning in Sweden at the end of the financial year in the MOBILITY and INDUSTRIAL SERVICES & CYBERSECURITY Business Streams. The effects of currency translation increased this amount by €5.1 million. Overall, goodwill accounted for 14.1% of total assets.

Current assets

The positive trend in consolidated net income in the 2024 financial year was also reflected in current assets. The volume of trade receivables as well as inventories and contract assets increased by a total of 21.4% year-over-year. Contract assets within client receivables amounted to €151.5 million as of the balance sheet date, which was €30.9 million higher than the previous year's figure. Other current assets were €24.8 million higher year-over-year as well, mainly as a result of an increase in receivables from other taxes and other deferred charges and prepaid expenses. Assets classified as held for sale, which were also reported in other current assets, were €1.0 million lower year-over-year. As of December 31, 2024, cash and cash equivalents totaled to €311.4 million, representing a year-over-year increase of €33.7 million. This increase was mainly a result of the cash and cash equivalents added as part of the company acquisitions in the 2024 financial year.

The liabilities and equity of TÜV Rheinland at a glance:

LIABILITIES AND EQUITY
in € millions and share in %



Equity

Equity was 19.5% higher in the financial year and totaled to €754.2 million as of the balance sheet date. The €122.9 million increase was mainly due to the higher consolidated net income of €132.6 million, which significantly exceeded the previous year’s figure by €97.9 million. At the same time, foreign-currency gains increased equity by €7.4 million, whereas a dividend distribution of €7.0 million to the equity holder and actuarial losses from the measurement of pension obligations led to a €1.4 million decrease in equity. The minority interest increased by €6.3 million and totaled to €39.6 million as of the balance sheet date. The equity ratio rose from 25.1% in the 2023 financial year to 26.3% in the 2024 financial year.

Non-current liabilities

Non-current liabilities were higher year-over-year by a total of €83.8 million. The increase was mainly due to a €64.4 million increase in non-current lease liabilities as new non-current leases of significant value were concluded in the 2024 financial year. Non-current financial liabilities stood at €74.8 million as of the balance sheet date. Within non-current liabilities, pension provisions were €12.3 million lower and totaled to €525.5 million, thus representing 18.3% of total assets. Pension provisions were offset by an actuarial reserve quota in the form of reinsurance policies with a total value of €255.9 million and stated under non-current assets. A portion of the slight decrease in pension obligations relative to total assets was attributable to the somewhat higher rate of interest of 3.4%. The rate of interest in the previous financial year was still 3.3%. The decline in pension obligations nearly offset the €10.3 million increase in deferred tax liabilities and €1.2 million increase in other non-current provisions.

Current liabilities

Current liabilities were higher year-over-year by a total of €144.7 million. Contract liabilities and trade payables were €72.4 million higher year-over-year and corresponded with the robust trend in business in the 2024 financial year. Slight optimizations in working capital also made a minor contribution to the increase in these items. Other material drivers were a €21.2 million increase in other current liabilities, an €18.0 million increase in financial liabilities and an increase of €13.0 million in tax liabilities due to deferred tax liabilities. The increase in other current liabilities is mainly the result of liabilities added in the course of the company acquisitions carried out in the 2024 financial year. The increase in current financial liabilities as of the balance sheet date was mainly due to partial use of the €50.0 million line of credit; repayment of the final tranche of €15.0 million under a promissory note loan that dated to 2014 had the opposite effect.

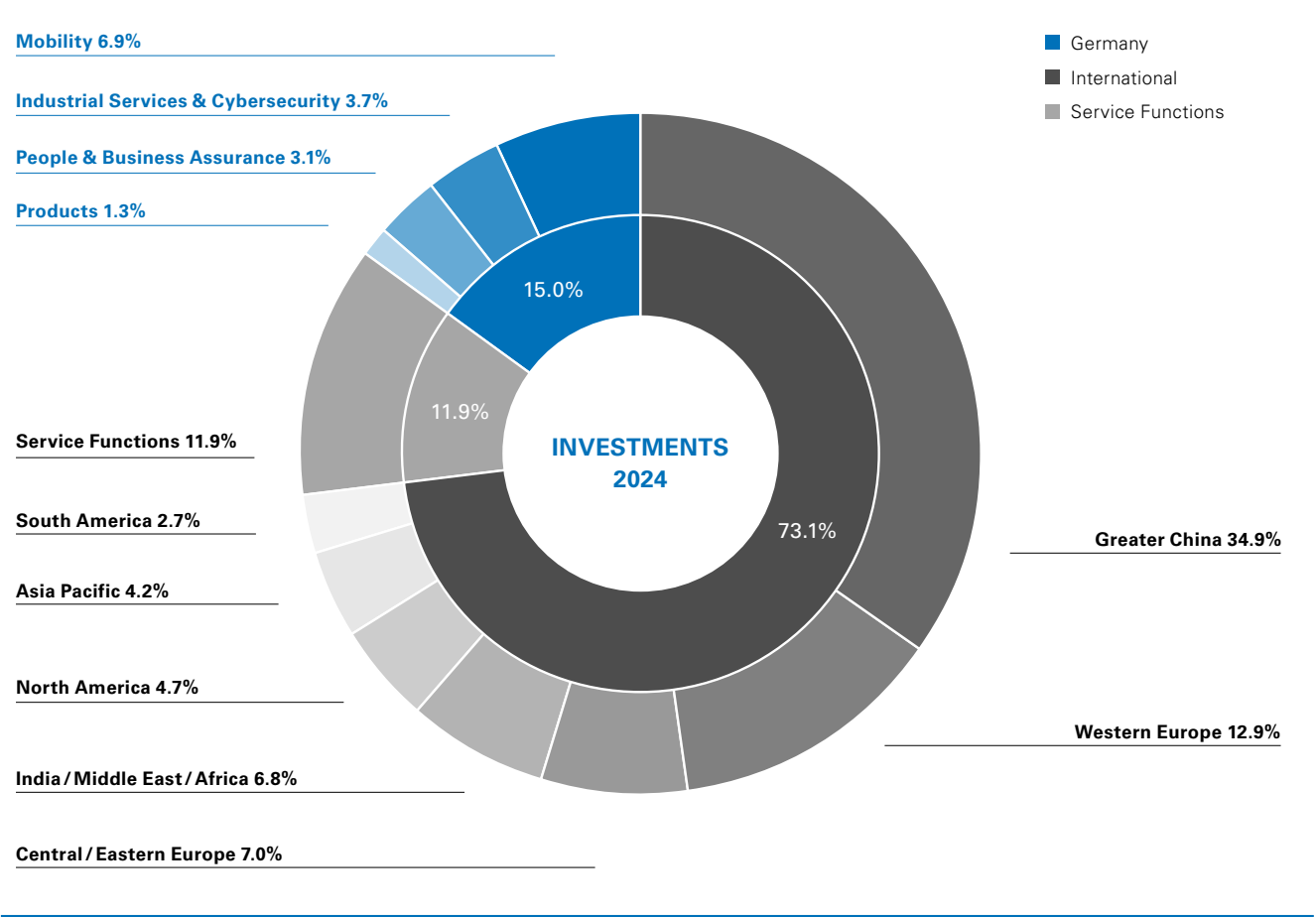
Investments

The investment volume for intangible assets (excluding goodwill) and property, plant and equipment (excluding rights of use) totaled €86.1 million in the 2024 financial year. The investment volume stood at roughly the previous year’s level of €87.9 million. The breakdown into intangible assets (4.9%) and property, plant and equipment (95.1%) also makes it clear that most of the investment volume continued to flow into property, plant

and equipment during the 2024 financial year. TÜV Rheinland continues its increased focus on innovative capacity and is investing in future- and digitalization-related topics.

Significant investment areas in the 2024 financial year consist of the following regions, business operations in Germany and service functions:

INVESTMENTS BY REGION | GERMAN BUSINESS OPERATIONS | SERVICE FUNCTIONS
in %



Germany

15.0% of the total investment volume of €12.9 million was invested in the Business Streams in Germany. The MOBILITY Business Stream remained the most capital-intensive area. The investments of €5.9 million included, among other things, the purchase of test equipment for the purpose of classic periodic technical inspections as well as construction work in various locations.

International

At international level, with a total investment volume of 73.1%, the largest investment volumes could be found in the Greater China (34.9%) and Western Europe (12.9%) regions.

Greater China

At €30.0 million, the Greater China region claimed the largest investment volume in the 2024 financial year. As before, the largest investments were made in the Yangtze River Delta (YRD) Operation Hub in Taicang and the Greater Bay Area (GBA) in Shenzhen. A total of €9.4 million was invested in YRD in the 2024 financial year. The YRD Operation Hub, which already opened in the 2022 financial year, managed to complete another key phase (Phase II) during the 2024 financial year. Now fully functional, the center works with TÜV Rheinland Shanghai to provide local customers with practical and efficient services from a single source. The offerings of the YRD Operation Hub include safety and performance tests for textiles, toys, products for babies and children, chemicals, household appliances, electrical and garden equipment, lighting fixtures, audio and video products, and optical distance and speed measurements for motor vehicles. Together with the laboratories for

photovoltaic modules, electromagnetic compatibility (EMC), automotive electronics and vehicle-parts testing, it forms a modern and comprehensive test center. A total of €9.5 million was invested at the location in Shenzhen, including capital expenditures for the GBA project. Completed in 2024, the test center includes a testing platform and a center for technological innovation. In the future, it will include advanced laboratories for medical devices, chemicals, hardlines, new energy batteries, as well as smart electronic and electrical products.

Western Europe

At €11.1 million, Western Europe claimed the second-largest share of total investment volume. The new office building in Belvaux, Luxembourg, was an extensive investment project that extended several years and involved a total investment of €36.8 million. The workforce moved into the new office building there in October 2024. A sum of €4.8 million was invested during the 2024 financial year. This included expenses for outfitting the building and the establishment of the new asbestos laboratory.

Service Functions

The €10.2 million invested in locations in Germany accounted for 11.9% of total investment volume. At the location in Cologne, investments were made in the network infrastructure in an effort to ensure a faster and secure network connection along with the necessary manufacturer support. A modern workspace concept was also created and implemented that redesigned workspaces to accommodate the latest requirements. The scope of the project also included revisions to the fire-protection plan.

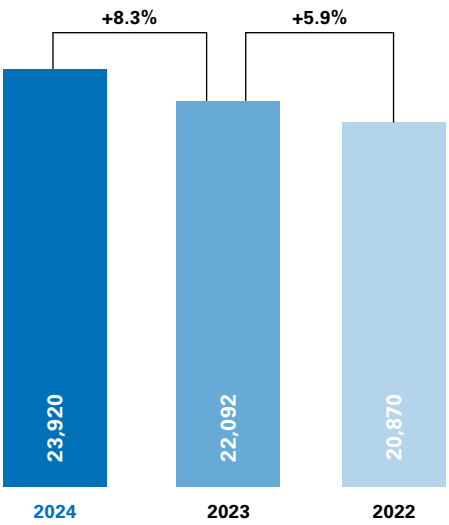
Employees

TÜV Rheinland had a total of 25,177 employees (full-time) or 25,900 employees (headcount) on payroll worldwide as of the balance sheet date of December 31, 2024. The average number of full-time employees (full-time equivalents) during the financial year was 23,920 employees. Year-over-year, this meant an increase of 1,828 employees (FTE) or 8.3%. Internationally, there were an average of 15,049 employees (FTE); this repre-

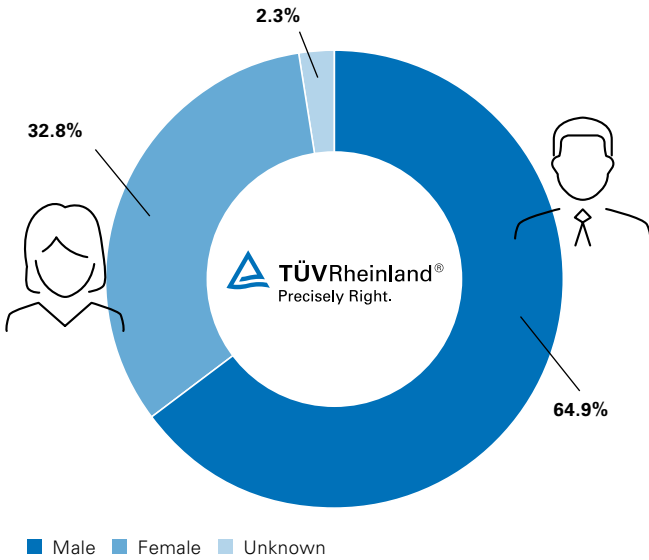
sented a share of approx. 62.9% and a year-over-year increase of 12.3%. In Germany, the average number of employees (FTE) rose from 8,686 to 8,871; this represented an increase of 2.1%.

While 64.9% of the employees (FTE) at TÜV Rheinland were male, the share of women was 32.8%, with the remaining 2.3% of employees not reporting a gender.

TOTAL STAFF (AVERAGE)
based on FTE



EMPLOYEES BY GENDER
in %



Risk management system and corporate governance

For an international company such as TÜV Rheinland, a comprehensive internal control system (ICS) in relation to IT-assisted business processes, paired with effective and efficient risk management, are indispensable control elements that define the framework for management and monitoring. The ICS is intended to ensure compliance with statutory requirements, TÜV Rheinland-specific guidelines, and its corporate objectives. The goal of risk management is for the Executive Board to take appropriate measures to identify and evaluate, at an early stage, potential threats to the companies, to permit initiation of suitable precautionary, control and protection measures as well as proactive countermeasures. A detailed description in the quality management system and explicit treatment in the management framework manual define the risk management process of TÜV Rheinland. In addition, risks are recorded as process characteristics in the sense of quality management documents (Standard Operating Procedure [SOP]) in “EtQ,” the Group-wide quality management system. These documents are available around the world on the company’s intranet. Risk assessments of our service are conducted based on uniform criteria and give the Business Fields an opportunity to develop targeted risk-reducing measures in the provision of services. In addition, TÜV Rheinland has a long-standing interdisciplinary risk-management unit consisting of the service functions of Corporate Audit, Corporate Development (including Corporate Sustainability), Controlling, Finance & Accounting (including Insurance), Legal & Compliance, QHSE (Quality Management, Health, Safety and Environment) as well as Accreditation & Certification, Human Resources (HR) and IT.

Section 91 of the German Stock Corporation Act (AktG), entitled “Organization; accounting,” consistent with international standards, requires the Executive Board to take suitable steps to ensure that developments which might pose a threat to the company’s continued existence are identified at an early stage. The Group’s Corporate Audit Department also works on the basis of a risk-oriented audit approach and based on internationally recognized auditing standards to check the ICS and risk management at TÜV Rheinland companies around the world. In

addition, information derived from semiannual risk reporting by the executives in charge of the Business Streams (Executive Vice Presidents) is subject to detailed analysis in connection with the regions involved. Material risks are also reported to the Executive Board on an ad hoc basis. Based on the information obtained, all of this information is then aggregated into a single risk report. This report is then appraised from portfolio and Group viewpoints. Risk determination is based on areas of risk specific to TÜV Rheinland. These areas comprise the categories of market/clients, processes, personnel, finances, accreditations/standards/legal cases, sustainability and miscellaneous. In short- and medium-term views, risks are quantified based on the anticipated impacts on the EBIT of the TÜV Rheinland Group as well as the associated likelihood that a risk will occur. In addition, the planned countermeasures as well as the assignment of monitoring and implementation responsibility are identified. Beyond this, the review of the Group’s risk-bearing capacity forms a central component of the risk-management process.

Dealing with risks is also a part of the ongoing reporting process. Reporting follows the requirements of the matrix structure and, in addition to regularly updating the economic outlook, also takes business-specific early indicators into account. This forms an essential foundation for recognizing risks as well as introducing and pursuing specific efforts to avert possible damage to TÜV Rheinland. In the case of transactions that may have a significant impact on the performance of a Business Stream or Business Field, an approval process established worldwide provides transparency and reduces risk.

Risk management thus forms an integral part of the Group’s standard planning, reporting and control processes and is thus tightly incorporated into TÜV Rheinland’s information and communication system. It is continuously enhanced and adapted to changing general conditions. Risk management is therefore suitable for identifying risks at an early stage that pose a threat to the Group’s continued existence and for taking appropriate countermeasures.

For TÜV Rheinland, protecting the brand is the top priority. In particular, the Group utilizes a professional compliance management system that is designed with prevention in mind and delineates the relevant framework for TÜV Rheinland. Specifically, this framework includes the Code of Conduct, a compliance guideline, a guideline for avoiding conflicts of interest and corruption, a guideline for donations and sponsoring, and an external helpline for matters concerning compliance. An active worldwide network of compliance officers has also been established and is available to our employees as qualified points of contact. Quality management plays a decisive role as well, as it is the essential guarantor of brand protection within the context of the provision of services. Continuous monitoring and improvement of processes in quality management ensures that TÜV Rheinland’s high standards are observed worldwide, which contributes significantly to the protection and strengthening of the brand. Critical feedback from our clients is also helpful to continuously improve our services and their quality. Our complaint management is based on applicable laws and accreditation guidelines, complemented by regional and local quality management processes.

TÜV Rheinland is convinced that proper corporate governance is of great importance to its long-term success and that the implementation of and adherence to the corresponding guidelines play a key role in permanently strengthening the trust placed in the Group by all stakeholders.

Above and beyond this, TÜV Rheinland systematically and continuously prepares for potential exceptional situations. Its corporate crisis management ensures that the Group will respond professionally and appropriately to unforeseen events. This also ensures the fastest possible return to normal operations in tandem with appropriate utilization of experience gained in addressing exceptional situations. The Group applies an all-hazards approach to ensure responsiveness and deploys preventive and preparatory measures that sustainably strengthen the resilience of TÜV Rheinland.

VALUE MANAGEMENT AND BUSINESS-RELATED ENVIRONMENTAL AND SOCIAL FACTORS

TÜV Rheinland is committed to conducting itself in accordance with the principles of the UN Global Compact and the world group for testing, inspection and certification service providers, the TIC Council. These principles specifically entail explicit consideration of human rights, labor standards, the concerns of environmental protection and the fight against corruption as well as their implementation in practice.

TÜV Rheinland systematically continued its activities in regard to social responsibility and sustainability during the 2024 financial year. TÜV Rheinland has specific sustainability and compliance management systems in place to manage issues in these two areas. With its three dimensions of “PEOPLE, PLANET & PROFESSION,” the sustainability strategy for 2025, which was developed and adopted in 2020 on the basis of an extensive materiality analysis – and which makes the widely known ESG structure company-specific – helps strengthen key success factors, thus meeting the goal of “making the world a safer and more sustainable place.” The targets set for TÜV Rheinland – in the areas of employee safety, labor law, non-discrimination, diversity, employee development, legal compliance, business ethics, data integrity, service quality and greenhouse-gas emissions – were at the root of the substantive continuation of the program for sustainability again in 2024. The Sustainability Report provides detailed information on this.

Opportunities and risks

In connection with risk management, special attention is paid to opportunities and risks that are not explicit elements of planning. Important aspects result from TÜV Rheinland’s global orientation and primarily relate to customers and markets as well as to legal and political framework conditions.

The opportunities and risks that arise in the numerous Business Fields are regularly identified and assessed in the context of strategic planning. The following describes the main opportunities and risks of TÜV Rheinland. Unless indicated otherwise, the opportunities and risks relate to all the Business Streams.

OPPORTUNITIES

The sequence of the opportunities presented reflects the current assessment of the relative extent for TÜV Rheinland and therefore provides an indication of the current significance of these opportunities for us. Moreover, our assessment of opportunities is subject to change given that, as TÜV Rheinland, our markets and technologies are constantly evolving.

TÜV Rheinland continues to see its opportunities in service innovations, in international growth, in the regulatory environment and in M&A activities.

Service innovations

Opportunities are mainly associated with service innovations, as in the case of automation and digitalization, for instance. We continue to drive innovation by investing in new technologies, particularly to develop sustainable solutions for our clients while strengthening our own competitiveness at the same time.

As part of our services, we leverage our expertise and experience to make plants, products and processes safer for the sake of people and the environment, and to dedicate our services to facilitating the transformation into a sustainable economy and society. Climate protection and sustainable business management are the decisive issues for the coming years and will determine the future viability of TÜV Rheinland. We align our business activities and services around social and environmental standards.

One of our goals is to be an innovative corporate group that continuously offers new service technologies that meet our clients’ current and future requirements. The expansion of our digital client platforms will improve the availability of digital products and systems for our clients, further boosting their productivity and efficiency in the process. The institutionalized, close coordination between business-specific and regional expertise results in additional opportunities – for example, in identifying new fields of activity as well as the effective and efficient handling of cross-border projects (e.g. innovative IT applications based on client requests).

International expansion

Through sales initiatives and client-oriented support, we continuously strive to expand our services in established markets. We are also opening up new markets in an effort to continue to evolve over the long term in our core business. We also see great potential in the increased acquisition of large orders in international markets, such as support for infrastructure projects. We are continuously growing our presence in countries such as China, the US, the UK or Saudi Arabia, accompanied by constant diversification of the range of services we offer.

Regulatory environment

A calming in the geopolitical environment can quickly contribute to a more positive climate for investment in industry, thus driving demand for our inspection and testing services. State initiatives – for example in the areas of infrastructure, energy (e.g. hydrogen) or digitalization and, in particular, sustainability – will generate demand potential as well.

M&A activities

As TÜV Rheinland, we continuously monitor our current and potential markets with an eye to opportunities for strategic mergers, acquisitions, shareholdings and partnerships with which we can complement our organic growth. Activities like these can help us strengthen our position in our markets, develop new or under-served markets, or complement our service portfolio in strategic areas.

RISKS

Below, we describe risks that may have an adverse impact on our business, assets, financial position, profitability and reputation. The presentation reflects the current assessment of the relative extent of risk for TÜV Rheinland and therefore provides an indication of the current significance of these risks. Additional risks of which we are not yet aware, or risks that we currently consider to be insignificant, may also negatively impact our business activities and objectives. Unless indicated otherwise, the following risks apply to all TÜV Rheinland companies. Based on the feedback within the Group (Business Streams and central functions) and weighted with the respective likelihoods of occurrence, we see a weighted risk volume of €23.0 million as at the reporting date. At 46.0%, the largest share of the total risk volume can be found in the market/customer category.

STRATEGIC RISKS

We continue to see considerable uncertainties relating to global economic trends and regional economic outlooks. Ongoing events, such as those that surround the Russia-Ukraine war, continue to pose a significantly elevated risk in global and geopolitical terms.

Furthermore, geopolitical risks continue to exist, for example, as a result of the still-unresolved conflict in the Middle East and existing tensions in areas around the South China Sea. Intensification of tensions can have significant impacts on the global economy, and thus on TÜV Rheinland, for which the Chinese market is essential. This also includes negative impacts on world trade due to increasing trade conflicts, particularly as a result of the imposition of significant import duties by the US and any corresponding backlash from the countries affected.

Demographic change represents another dimension of strategic concern to TÜV Rheinland. Among other studies, one conducted by the Nuremberg Institute for Employment Research (IAB), for

instance, found that the German labor market will lose seven million workers by 2035 due to demographic change. The principal backdrop for this forecast is the fact that many employees born during what are referred to as the “baby boomer years” (1955 to 1969) will retire from the job market. Given its employee structure, this development also poses a risk for TÜV Rheinland.

In addition to this, in various markets, there is also the challenge of finding skilled workers in numbers sufficient to enable further innovation and growth or training personnel while avoiding high rates of staff turnover. German engineering is held in high regard worldwide for its quality and innovation. According to a study by the Federal Statistical Office of Germany, the number of young people electing to pursue studies in STEM subjects – science, technology, engineering and mathematics – is falling. The situation on the labor market and the search for qualified personnel also pose challenges for TÜV Rheinland.

FINANCIAL RISKS

At TÜV Rheinland, the financial risks are broken down into foreign-currency, interest-rate, translation and liquidity risks.

Foreign-currency risk

TÜV Rheinland is exposed to risks arising from fluctuations in exchange rates if a TÜV Rheinland company concludes transactions with international contractual partners, if loans are made within the Group, or if profit distributions are collected and will result in future cash flows in foreign currencies that do not correspond to the functional currency of the respective TÜV Rheinland operating company. Foreign-currency risk is also largely considered to be low, as the individual Group companies carry out their operating activities predominantly in their respective functional currency. Operating companies are not permitted to accept or invest funds in foreign currencies for speculative reasons. Intra-group financing or investments by the TÜV Rheinland companies are preferably carried out in the respective functional currency, or on a currency-hedged basis.

Interest-rate risk

Interest-rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the market rate of interest. The risk always occurs when the conditions governing the rate of interest differ from financial assets and liabilities. An interest-rate risk exists particularly with regard to pension obligations, which constitute the largest item in the consolidated balance sheet.

Using derivative financial instruments where appropriate, we perform comprehensive, Group-wide management of interest rate risks with the goal of managing the company’s interest rate risk, interest income and interest expense. In the absence of country-specific regulations to the contrary, intra-group financing takes the form of loans or intra-group fixed-interest clearing accounts.

Translation risk

Many TÜV Rheinland companies are located outside the Euro-zone. Because the reporting currency at TÜV Rheinland is the euro, when drawing up its consolidated financial statements, TÜV Rheinland converts these companies’ financial statements into euros. In order to take translation-related foreign currency risks into account in risk management, the general assumption is that investments in foreign companies are long term, and that the earnings will be continuously reinvested. The effects of fluctuations of exchange rate in the translation of net asset positions into euros are stated in the Equity item and/or the Other comprehensive income item of the consolidated financial statements of TÜV Rheinland.

Liquidity risk

The liquidity risk for TÜV Rheinland is the risk that it might be unable to meet its financial obligations. As TÜV Rheinland, we pursue a financing policy that is geared toward a balanced financing portfolio, a diversified maturity profile and a comfortable buffer of liquidity. We circumscribe liquidity risk through effective management of net current assets and cash and cash equivalents and through a syndicated line of credit of €155.0 million with a pool of six banks. Financing within TÜV Rheinland is provided by means of cash pooling and in-house banking.

COMPLIANCE RISKS

As TÜV Rheinland, our global business has an obligation to comply with a variety of service- and country-specific regulations, laws and policies that have an impact on our business activities and processes. We monitor the political and regulatory situation in all our important markets in order to anticipate potential problem areas with the aim of quickly tailoring business activities and processes to changes in general conditions. Nevertheless, changes in regulations, laws and policies can adversely affect our business activities and processes as well as our assets, financial position and profitability. TÜV Rheinland is currently confronted with legal disputes, and this situation could continue in the future; risks ultimately arise not only from entrepreneurial actions of our own, such as the violation of compliance guidelines by individual employees in the context of service provision, but also from external factors.

For example, in the case of breast implants by the French manufacturer Poly Implant Prothèse (PIP), TÜV Rheinland is mentioned as a Notified Body in connection with conformity-assessment procedures under the now-superseded European Medical Devices Directive. PIP intentionally deceived the Notified Body TÜV Rheinland LGA Products GmbH (TRLP) by using, in some cases, a silicone gel for the production of the implants which was not approved for this purpose and was not covered by the certification by TRLP.

The German courts consistently confirm that TRLP fulfilled the duties of a Notified Body responsibly and in compliance with applicable laws and legal norms. All German legal proceedings have been successfully completed.

TÜV Rheinland’s legal view was also declared correct in a judgment handed down by the appellate court in Aix-en-Provence, France, in 2015. The appellate court found that TRLP fulfilled the tasks as Notified Body in keeping with applicable law and standards. This judgment was overturned on appeal (in the “Court of Cassation”), however, in 2018. Consequently, the case law pronounced by the appellate courts in France was inconsistent, with appellate courts in Aix-en-Provence and

Paris in particular allowing the plaintiffs’ compensation claims, whereas appellate courts in Versailles and Poitiers did not recognize any liability on the part of the Notified Body. Appeals have been filed against several of the appeals rulings. Against this backdrop, in 2023 the French Court of Cassation vacated all appeals rulings and remanded these to courts of second instance. In its rulings, the Court of Cassation has assumed that the Notified Body is liable in principle. These rulings led to a need to reassess the opportunities and risks involved in the context of these cases brought for damages. Specifically, since 2023 it has been overwhelmingly likely that convictions could be handed down in all French judicial districts in the future. TÜV Rheinland continues to adhere to its legal position and will continue to defend itself in all respects where the reasoning and amounts are concerned.

The first decisions were rendered in 2024, and further decisions are expected in the years to come. As of January 2024, the commercial court of first instance of Nanterre, in the Versailles judicial district, awarded damages to more than 600 (out of some 1,400) plaintiffs against the Notified Body and TÜV Rheinland France and proceeded to dismiss the remaining lawsuits. This decision is neither provisionally enforceable nor final. This French ruling has not yet had any impact on proceedings in other countries to date, and such a scenario remains unlikely.

There were provisions in the amount of €272.8 million for ongoing legal proceedings recognized with regard to this matter as of December 31, 2024. This compares with recourse claims against insurance companies, some of which have not yet occurred, in an amount of €162.8 million, some of which have already begun to be enforced.

Material uncertainties affect the effort to determine the risk position of the TÜV Rheinland companies involved, as this is a function of the total number of claims made, possible invocations of the statute of limitations, the amount of damages awarded and the amount of existing recourse claims. Irrespective of this, TÜV Rheinland’s liquidity is ensured at all times through currently available funds as well as by additional financing opportunities.

OVERALL ASSESSMENT

Due to the integration of risk management into the management information system of TÜV Rheinland, risk is controlled by appropriate weighting consistently in all Business Streams and companies as well as at the Group level. Targeted countermeasures are undertaken comprehensively at an early stage to minimize risks. Focusing measures for risk management on the quality of the services forms a central element of corporate strategy. Finally, TÜV Rheinland sees opportunities in the field of service innovations and continues to invest in technologies to develop sustainable solutions for clients while at the same time strengthening competitiveness. This is designed not least to prevent negative repercussions for the reputation of the TÜV Rheinland brand. This applies not only to market, client and competition issues but also to internal processes in particular, such as systematic integration following M&A transactions. Continuous tracking of measures and updating of risk reports in the course of the year are obligatory. The risk management unit installed by the Executive Board is tasked to perform a regular analysis and assessment of the risks identified and stated through a structured process and to report these to the Executive Board. In summary, it can be observed that all of the above-mentioned risks can have impacts on the company’s goals, and thus correspondingly on the TR+ corporate strategy, and are thus continuously monitored, analyzed and evaluated by the Executive Board with the aid of the risk management unit.

There has been no material year-over-year change in the overall risk situation of TÜV Rheinland. TÜV Rheinland continues to monitor the current and potential market situation with regard to M&A activities. Opportunities and risks must be weighed as well with respect to acquisitions of major orders in international markets. TÜV Rheinland is financially sound and well positioned and, among other things in addition to its own liquid assets, also has firmly committed lines of credit. There were no risks during the 2024 financial year that jeopardized the continued existence of the company as a going concern and that could significantly impair TÜV Rheinland’s ability to continue its business activities.

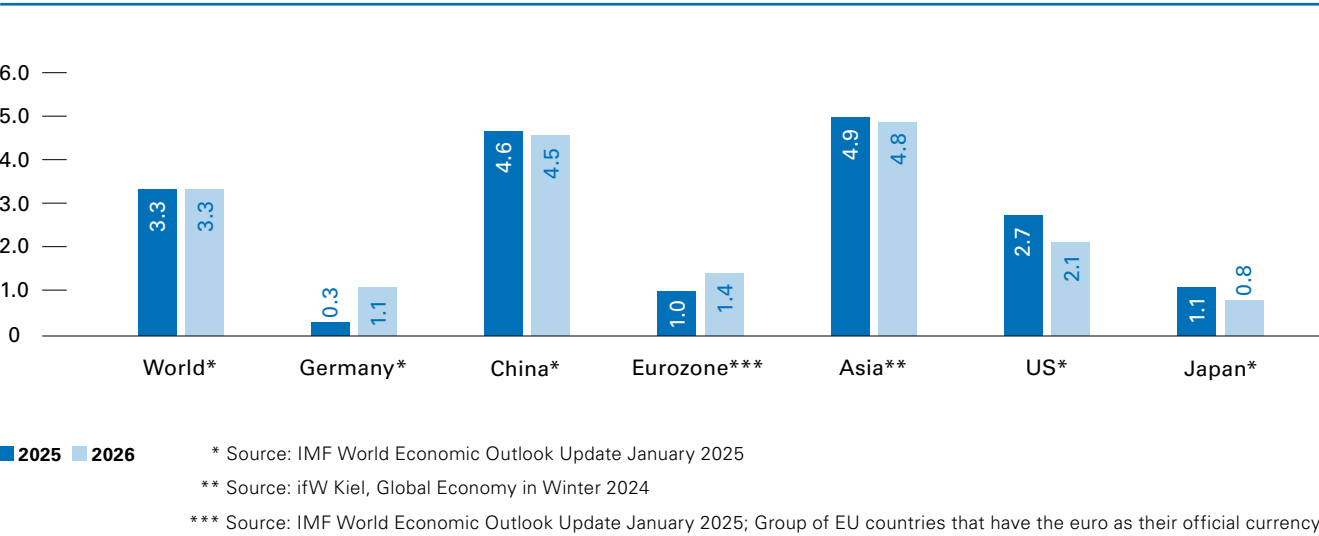
Outlook

The global economy is projected to lose momentum in the forecast period. In its IMF World Economic Outlook in January 2025, the International Monetary Fund forecast economic growth of 3.3% for the years 2025 and 2026. Thus, the global economy seems to be stuck at a low level of growth that will not be sufficient to promote sustainable economic development. Potential risks exist due to a high level of political uncertainty, unfavorable trade policies, geopolitical tensions, continuing inflation and climate-related natural disasters. For the period covered by the forecast, growth in the US and China is expected to be slower than in previous years but still at a com-

paratively high level. For the Eurozone, on the other hand, economic growth is expected to gather pace, albeit at a level lower than in the US and China. Japan is also expected to see a renewed economic upturn following its year of recession. Overall global inflation is expected to decline to 4.7% in 2025 and to 3.9% in 2026 and is projected to reach target levels sooner in advanced economies than in emerging and developing countries.

What follows is the forecast for economic growth expressed in percentages, in the key markets served by TÜV Rheinland:

FUTURE ECONOMIC OUTLOOK: OUTLOOK 2025 TO 2026
in %



Germany

The German economy remains in a phase of stagnation, with no clear signs of an imminent recovery. Instead, indications are increasing that the current economic weaknesses are predominantly structural and less cyclical in nature; this leaves little room for an upturn in output in the near term. Additional challenges loom in 2025. If the new US government implements its protectionist plans, this could place further strain on already-weak German exports. German companies are already struggling to keep pace with global trade as a result of declining competitiveness. The political uncertainty brought on by provisional budgeting as a result of the break-up of the governing coalition and the coming federal elections in February 2025 could continue well into next year and slow down economic performance, even if these effects are likely to remain small. Viewed against this backdrop, only slight economic growth of 0.3% is forecast for 2025. A significant recovery and a 1.1% increase in gross domestic product are not forecast until the following year, with almost 0.3 percentage points of this growth attributable to additional working days. It is assumed that the consumer price index will continue to decline slightly, returning to a healthy level of around 2.0% during the forecast period. Given the continued low willingness of companies to hire, the unemployment rate is likely to rise further at first, reaching 6.3% in each of the forecast years.

China

Chinese exports are expected to slow considerably in 2025 as a result of tightened trade policies, particularly in the US and Europe. This could lead to diminished momentum in the manufacturing sector, which is currently the most dynamic segment of the Chinese economy. The unresolved crisis in the real-estate sector and the debt problems facing individual local governments also continue to weigh on the Chinese economy. It remains open to question whether the government will be able to use the announced measures in monetary and fiscal policy to boost domestic demand sufficiently to offset the negative factors. The general mood among consumers and companies is too pessimistic, and the uncertainty too great.

With this in mind, the economy is projected to weaken further during the course of the period forecast. Rates of growth in gross domestic product (GDP) are projected at 4.6% in 2025 and 4.5% in 2026. The Kiel Institute for the World Economy (IfW) even estimates growth of just 4.4% and 4.0%, respectively, during the forecast period. In view of these developments, inflation will remain very low.

Eurozone

The forecast period is expected to witness weak economic momentum in the Eurozone. Still, private consumption is likely to continue to trend upward thanks to rising real wages, and the projected easing of monetary policy will improve financing conditions. Persistent weakness in the manufacturing sector, however, which is also the result of structural factors, along with the absence of fiscal stimulus and a large number of uncertainties in the field of economic policy, are projected to have a braking effect. This particularly includes risks for foreign trade. New tariffs in the US, for example, are expected to make exports more difficult, and the risk of trade conflicts with China is likely to increase. Against this backdrop, the economy in the Eurozone as a whole is expected to barely gather any momentum. The rate of growth in gross domestic product is expected to increase just slightly – to 1.0 and 1.4%, respectively, over the forecast period. As for the job market, the unemployment rate is projected to fall to 6.3% in 2025 and to 6.1% in 2026. In view of the weak economy, inflation is likely to gradually decline and, at 2.1% in 2026, reach a level close to the targets.

Asia

Slightly lower yet stable economic growth of 4.9 and 4.8% is projected for the next two years. India will remain the main driving force in this connection, with growth of 6.3 and 6.9% over the two years forecast. Growth in gross domestic product in Indonesia, Thailand, Malaysia and the Philippines is expected to remain at the previous year's level of 4.7% in 2025 before falling to 4.4% in 2026. Consumer prices across the region of Asia will fall slightly over the period in question, and an inflation rate of 1.6% is forecast in 2026.

US

The expansion of the US economy is beginning to slow down. To date, gross domestic product (GDP) has been fueled mainly by strong growth in private consumption. The latest data revisions have presented the income trend of recent years in a much more positive light than previously announced. The revisions also show that the private household savings were significantly higher than originally assumed. Consequently, no significant increase in the rate of savings is projected. Significant changes in economic policy are expected as a result of the election of Donald Trump as the new US president. Fiscal policy is expected to be more expansive than previously assumed. Measures to limit irregular migration, however, coupled with additional tariffs on imports, could slow the potential for economic growth. As a result of these changes, inflation is expected to be slow to reach the Federal Reserve’s target, and monetary easing is expected to be less extensive than originally planned. Gross domestic product is projected to grow by 2.4% and 1.7% during the forecast period. The unemployment rate is expected to rise slightly during this period, to 4.3%. Inflation of 2.2% in 2025 and 2.3% in 2026 is forecast, slightly exceeding the target set by the Federal Reserve.

Japan

The sharp depreciation of the yen in recent years has improved the competitiveness of Japanese products in international markets, boosting profitability for export companies and making the country more attractive as a tourist destination. This is why the Japanese economy is expected to strengthen in the coming months. To support purchasing power, subsidies for natural gas and electricity will be reintroduced in 2025 and the price cap on gasoline extended. The economic program adopted in 2024 also includes additional financial support for low-income households. Once these economic stimuli expire, the pace of expansion is then predicted to slow again in 2026. Overall, growth in gross domestic product of 1.1% in 2025 and 0.7% in 2026 is projected.

TÜV Rheinland

The outlook for the future development of TÜV Rheinland is presented against the backdrop of the TR+ strategy, which includes market influences, among other things; the presentation also takes current global economic conditions into account. It should be pointed out that the following projections concerning the development of TÜV Rheinland in the 2025 financial year may deviate from actual results if there is a significant change in global economic conditions.

Sub-goals for the 2025 financial year were defined based on the updated TR+ strategy and strategic financial planning with a time horizon until 2026. Specifically, the findings from the stress test of the TR+ strategy as described in the “Corporate management” section were taken into account. This stress test examined changes in the geopolitical, social and technological environment and changes in considerations involving TIC clients and competitors and assessed the impacts of these on TÜV Rheinland. As a result, for example, changes in major currencies and key interest rates as well as sustained global inflation will remain in place as macroeconomic premises in the 2025 financial year.

The effort to protect the TÜV Rheinland brand and its reputation will remain a top priority for us again in the 2025 financial year. At the same time, where sustainability is concerned, we will provide effective support to our clients’ attainment of their sustainability targets while significantly increasing revenue with ESG services. Overall, we expect revenue growth in the mid-single-digit-percentage range for the 2025 financial year along with an EBIT margin at the level of the 2024 reporting year.

Industrial Services & Cybersecurity

This Business Stream managed to strengthen its customer and service portfolio significantly in 2024 through strategic acquisitions and further development of existing business. This created the potential to serve existing and newly acquired customers with an expanded range of services. We expect the successful progress of the integration of acquired companies and their integration into our service network, combined with a solid orders situation, to continue to drive optimistic future prospects and solid revenue growth in the mid- to upper-single-digit-percentage range. The solid orders situation owes to the fact that we consistently align the evolution of our services to the needs of our clients and developments in society as a whole. Among other things, new services in the field of hydrogen production and certification, as well as in the field of artificial intelligence, have been developed to permit the safe and standards-compliant application of new technologies. Where our service-delivery processes are concerned, we will continue to invest in modernizing, digitalizing and harmonizing our applications landscape. We project stable operating result margins in the lower-double-digit-percentage range.

Mobility

Given the worsening crisis in the automotive industry over the past year, persistent inflation and mounting tendencies toward protectionism, we expect stiffer market pressure in the coming year. This assessment applies to Germany as well as to international markets in Europe, Asia Pacific and North and South America. Based on our position in the markets, our reputation and our strategic positioning, we still expect stable organic revenue growth in the mid-single-digit-percentage range again for the 2025 financial year. The largest strategic acquisition in the company’s history at the end of the financial year, in Sweden, marked a decisive step in the expansion of periodic technical inspections in the Scandinavian market. Overall revenue growth in the Business Stream is projected to be in the double-digit-percentage range. We anticipate positive effects from completion of the restructuring measures in the Car Services & Appraisal Business Field along with continuous investments in our ability to deliver while optimizing margins at the same time. These factors form the basis for the projected upturn in operating result in line with our strategic targets for the coming financial year. Overall, the Business Stream projects an EBIT margin in the upper-single-digit-percentage range.

Products

We continue to project revenue growth in the mid-single-digit-percentage range for this Business Stream in the 2025 financial year. Investments in laboratory locations will continue to be pursued. In the US, the focus will be on significantly increasing capacity utilization of the newly opened laboratory locations in Bentonville, Arkansas, and Boxborough, near Boston, Massachusetts. Greater China can concentrate on further gains in efficiency through successful relocation of large portions of its operating units from Shanghai to Taicang (YRD) and within Shenzhen (GBA). The restructuring measures undertaken over the past two years in Germany and other European countries are designed to improve earnings. Plans entail a moderate increase in the size of the workforce. The service potentials in the area of sustainability will be expanded further and developed into an even more important pillar of the Business Stream. Advances to improve internal IT systems will continue, further simplifying and automating essential end-to-end processes. Overall, the Business Stream is expected to increase its EBIT contribution further in 2025.

People & Business Assurance

In the 2025 financial year, in addition to organic growth, such as expansion of government inspections in Africa or occupational medicine in Indonesia, there will also be a focus on acquisitions in selected markets and services that will bolster and expand the presence of the Business Stream in core markets. The service strategy is focused on sustainability (i.e. topics relating to climate change, renewable energies, energy management, safety culture, supply chain and compliance) and on the digital transformation and artificial intelligence. Global economic conditions remain characterized by major uncertainties. Public funds for labor-market services and research management have been severely curtailed, with expenditures on these suspended for the time being; this has a negative impact on these Business Fields. While the area of certification cannot expect to see increased revenue from the recertification cycle next year, above-average growth in sustainability is still expected across all Business Fields. The Business Stream thus expects moderate overall revenue growth in the low-single-digit-percentage range in 2025 along with a steady to slightly improved EBIT margin.

Overall, Management sees TÜV Rheinland as well and solidly positioned to respond appropriately to the challenges of the 2025 financial year and to actively seize the opportunities offered by the market. Our strategic orientation and targeted investments make us well-equipped to succeed, even in a challenging market environment. Our efforts in the field of sustainability and digital transformation help us continuously grow our service portfolio and adapt it to our clients’ needs. The successful acquisitions and further developments in the various Business Streams will also strengthen our market position in the long term. With this positive outlook in mind, we are optimistic about the future and convinced that TÜV Rheinland will continue to be perceived as a reliable partner.

Consolidated balance sheet

in € thousands	2024	2023
ASSETS		
Intangible assets	514,644	400,508
Property, plant and equipment	750,144	671,070
Investments accounted for using the equity method	193	199
Other financial assets	317,102	317,116
Other assets	16,394	16,135
Deferred tax assets	77,820	76,150
Non-current assets	1,676,297	1,481,178
Inventories	2,799	5,349
Contract assets	151,491	120,563
Trade receivables	405,693	335,249
Income tax receivables	28,649	19,654
Other receivables and other assets	288,053	272,215
Cash and cash equivalents	311,427	277,748
Assets held for sale	1,625	2,619
Current assets	1,189,737	1,033,397
TOTAL ASSETS	2,866,034	2,514,575

in € thousands	2024	2023
EQUITY AND LIABILITIES		
Issued capital	35,000	35,000
Capital reserves	23,802	23,802
Other reserves	655,749	539,137
Non-controlling interests	39,648	33,337
Equity	754,199	631,276
Provisions for pensions and similar obligations	525,466	537,762
Other provisions	23,504	22,266
Financial liabilities	74,801	52,892
Other liabilities	239,927	177,270
Deferred tax liabilities	32,303	21,964
Non-current liabilities	896,001	812,154
Provisions	404,897	405,109
Income tax liabilities	26,645	16,355
Contract liabilities	198,285	168,637
Trade payables	203,876	161,173
Financial liabilities	65,981	47,997
Other liabilities	316,149	271,701
Liabilities held for sale	–	173
Current liabilities	1,215,834	1,071,145
TOTAL LIABILITIES	2,866,034	2,514,575

Consolidated statement of comprehensive income

in € thousands	2024	2023
Revenue	2,712,578	2,439,535
Inventory changes	1,228	– 125
Cost of purchased services	– 462,451	– 423,476
Operating services	2,251,355	2,015,934
Personnel expenses	– 1,462,613	– 1,336,838
Amortization of intangible assets and depreciation of property, plant and equipment	– 143,327	– 145,429
Other expenses	– 509,401	– 539,718
Other income	78,813	109,928
Operating result (EBIT)	214,826	103,877
Interest income	17,621	17,368
Interest expenses	– 33,709	– 33,884
Other financial result	– 2,843	– 3,989
Financial result	– 18,931	– 20,506
Earnings before income taxes	195,895	83,371
Income taxes	– 63,291	– 48,666
Consolidated net income	132,604	34,705
Thereof attributable to:		
TÜV Rheinland Aktiengesellschaft equity holders	117,574	25,908
Non-controlling interests	15,030	8,796
Earnings per share (in €), undiluted and diluted	3,359	740

Consolidated cash flow statement

in € thousands	2024	2023
Consolidated net income	132,604	34,705
Amortization, depreciation, and impairment / Reversal of impairment of intangible assets and property, plant and equipment	143,327	145,429
Impairment/Reversal of impairment of financial assets	24	–
Change in non-current provisions	–17,407	–19,254
Change in deferred tax assets and deferred tax liabilities	9,364	4,195
Profit/Loss from the disposal of intangible assets and property, plant and equipment	–1,041	–501
Other non-cash income/expenses	–	1,049
Change in inventories, receivables and other assets	–92,747	–35,539
Change in liabilities and current provisions	108,841	73,174
Cash flow from operating activities	282,966	203,257
Payments for investments in:		
intangible assets and property, plant and equipment	–86,081	–87,945
financial assets	–10,727	–71,898
shares in fully consolidated companies (less cash and cash equivalents taken over)	–109,799	–62,459
Receipts from disposal of:		
intangible assets and property, plant and equipment	4,328	1,421
financial assets	17,025	23,410
shares in fully consolidated companies (less cash and cash equivalents handed over)	506	–
Cash flow from investing activities	–184,749	–197,472
Payments to equity holders of TÜV Rheinland Aktiengesellschaft	–7,000	–48,112
Payments to non-controlling shareholders	–9,170	–5,919
Receipts from bank borrowings	54,966	67,072
Payments from repayments of lending from banks	–24,985	–14,385
Payments from repayments of leasing liabilities	–76,506	–68,369
Acquisition of shares in subsidiaries	–	–
Cash flow from financing activities	–62,695	–69,713
Change in cash and cash equivalents	35,523	–63,928
Exchange rate-related change in cash and cash equivalents	–2,147	–6,303
Scope of consolidation-related change in cash and cash equivalents	303	3,912
Cash and cash equivalents at beginning of period	277,748	344,068
Cash and cash equivalents at end of period	311,427	277,748

Auditor's Report

The auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, has audited the consolidated financial statements prepared by us – consisting of the Consolidated Balance Sheet as of December 31, 2024, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the financial year from January 1 to December 31, 2024, together with the Notes to the Consolidated Financial Statements, including a summary of significant accounting policies.

The Group Management Report of TÜV Rheinland Aktiengesellschaft for the financial year from January 1 to December 31, 2024, was also audited.

Following the final results of the audit, we were issued an unqualified audit opinion.

Limited Assurance Report of the Independent Practitioner Regarding the Sustainability Reporting for the Financial Year from January 1 to December 31, 2024

To TÜV Rheinland AG, Cologne/Germany

ENGAGEMENT

We have performed a limited assurance engagement on the chapters “Sustainability Report” and “GRI Index” of the Corporate Report 2024 of TÜV Rheinland AG, Cologne/Germany (hereafter referred to as “the Company”), for the period from January 1 to December 31, 2024 (hereafter referred to as “sustainability reporting”).

Our assurance engagement does not cover the references to external sources of documentation and websites, including their contents, contained in the sustainability reporting, disclosures relating to prior periods as well as disclosures and risks resulting from proprietary TÜV products and services and statements relating to proprietary TÜV products and services.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS

The executive directors of the Company are responsible for the preparation of the sustainability reporting with reference to the Sustainability Reporting Standards of the Global Reporting Initiative (hereafter referred to as “Reporting Criteria”).

These responsibilities of the executive directors of the Company include the selection and application of appropriate methods for sustainability reporting and the use of assumptions and estimates for individual sustainability disclosures which are reasonable under the given circumstances. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of a sustainability reporting that is free from material misstatement, whether due to fraud or error.

The preciseness and completeness of the environmental data in the sustainability report is subject to inherent existing limitations resulting from the manner in which the data was collected and calculated and from assumptions made.

RESPONSIBILITIES OF THE INDEPENDENT PRACTITIONER

Our responsibility is to express a conclusion on the sustainability reporting based on our work performed within our limited assurance engagement.

Our audit firm has applied the requirements of the IDW Quality Management Standards. We have fulfilled the professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Code of Conduct for German Public Auditors and Sworn Auditors (BS WP/vBP) including the requirements on independence.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)), developed and approved by the IAASB. This Standard requires that we plan and perform the assurance engagement so that we can conclude with limited assurance whether matters have come to our attention that cause us to believe that the sustainability reporting – other than the references to external sources of documentation and websites, including their contents, disclosures relating to prior periods as well as disclosures and risks resulting from proprietary TÜV products and services and statements relating to proprietary TÜV products and services – has not been prepared, in all material respects, in accordance with the relevant Reporting Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The choice of assurance work is subject to the independent practitioner’s professional judgment.

Within the scope of our limited assurance engagement, which we performed between December 2024 and March 2025, we notably performed the following work:

- Gaining an understanding of the structure of the Group’s sustainability organization and stakeholder engagement,
- Inquiries of the executive directors and relevant employees involved in the preparation process about the preparation process, about the internal control system related to this process and about disclosures in the sustainability reporting,
- Identification of likely risks of material misstatements in the sustainability reporting,
- Analytical evaluation of selected disclosures in the sustainability reporting,
- Examination of processes for collecting, controlling, analyzing and aggregating selected data from different locations of the Company on a sample basis,
- Evaluation of the presentation of the sustainability report.

ASSURANCE CONCLUSION

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability reporting for the period from January 1 to December 31, 2024 of TÜV Rheinland AG, Cologne/Germany, has not been prepared, in all material respects, in accordance with the Reporting Criteria.

We do not express a conclusion on the references to external sources of documentation and websites, including their contents, contained in the sustainability reporting, disclosures relating to prior periods as well as disclosures and risks resulting from proprietary TÜV products and services and statements relating to proprietary TÜV products and services.

RESTRICTION OF USE AND REFERENCE TO LIMITATION OF LIABILITY

This report is intended for TÜV Rheinland AG, Cologne/Germany, only and must not be handed to or used by third parties without our previous consent. We assume no responsibility with regard to any third parties.

We issue this report as stipulated in our engagement letter agreed with the Company. We are liable solely to TÜV Rheinland AG, Cologne/Germany, and our liability is governed by that engagement letter dated December 16, 2024 as well as the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]” in the version dated January 1, 2024 (IDW-AAB). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Düsseldorf/Germany, March 21, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Max Schürtz Sebastian Dingel
Wirtschaftsprüfer
(German Public Auditor)



Annex

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About this Report

For 2024, the TÜV Rheinland Corporate Report contains the Financial Report and the Sustainability Report. The Financial Report is aligned with the International Financial Reporting Standards (IFRS) and the Sustainability Report was compiled with reference to the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). The GRI Content Index lists which GRI criteria were used in the TÜV Rheinland Corporate Report. The content of the Sustainability Report reflects the Sustainability Strategy of TÜV Rheinland. In the ten categories defined as material, we report on goals, measures and status quo.

The Corporate Report 2023 was published in April 2024. It will also continue to be published on an annual basis in the future.

An introduction to the Corporate Report and examples of our ESG services will be made available under www.tuv.com/corporate-report.

Methodology used in this report

The reporting period is the 2024 financial year.

Greenhouse gas emissions

German companies

The data taken into account in the financial year cover all locations and consolidated companies in Germany. The activity and consumption parameters documented relate to electricity consumption, business travel and the use of paper. All consumption of natural gas, heating oil, pellets and district heating was documented at the locations that actually consumed the energy, and any missing data, primarily from small locations, were extrapolated based on activity. For the water consumption figures recorded, the collected data were extrapolated for the total workforce in Germany, whereby FTE (full-time equivalent) figures were applied. In extrapolating for the remaining locations, the location type/usage was also taken into account (mainly locations with low per capita consumption).

Other bases for calculation are stated separately. Estimates and assumptions are identified as such in the source data.

Foreign subsidiaries

To achieve global coverage in the collection of key environmental impact figures, data were collected across all TÜV Rheinland regions (75 foreign subsidiaries in all). Company-level reporting took into account each of the consolidated foreign subsidiaries with an average of more than ten employees (FTEs) during the financial year. For the foreign subsidiaries, this resulted in data collection that allowed us to cover at least 98.4% of employees (FTEs), e.g. for the consumption of electricity, paper and water. For other key environmental figures such as gas consumption or business travel, coverage is less in some cases or there was no consumption. Where appropriate, data were extrapolated to the total workforce of the foreign subsidiaries or a region. In so doing, the annual average FTE value was used. Other bases for calculation are stated separately. Estimates and assumptions are identified as such in the source data.

Employee key figures

Unless otherwise specifically indicated as being expressed in FTEs, disclosures concerning employee structure relate to headcounts. Both types of disclosures relative to employee structure represent closing-date disclosures as of December 31, 2024, unless otherwise stated. The data collected cover around 95.2% of the total. Information collected about workforce age excludes the corporate region North America and the country Poland. Nationality figures exclude the North America region and the KPI “Share of newly hired women” excludes the country Poland.

GRI Index

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
The organization and its reporting practices		
2-1 Organizational details	p. 64–65 p. 70	TÜV Rheinland AG Am Grauen Stein, 51105 Cologne, Germany
2-3 Reporting period, frequency and contact point	p. 104	
2-4 Restatements of information	p. 104	
2-5 External assurance	p. 100–101	
Activities and workers		
2-6 Activities, value chain and other business relationships	p. 56–59, p. 64–72, p. 75–85	
2-7 Employees	p. 32–35, p. 85	The employee figures are not subject to seasonal variations. 82.8% of our employees are permanent employees. 64.9% of those permanent employees are male. 61.2% of the employees with fixed-term employment contracts are male. The share of permanent employment contracts in each region is as follows: D: 94.4%; WE: 96.6%; CEE: 96.2%; AP: 98.5%; GC: 45.2%; NA: 99.8%; SA: 94.8%; IMEA: 85.2%. 93.6% of men and 84.2% of women in the Group work on a full-time basis. This is a headcount calculation; cf. chapter “About this Report.”
Governance		
2-9 Governance structure and composition	p. 113–115	
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	p. 5	
2-23 Policy commitments	p. 56–59 p. 86–87	
2-27 Compliance with laws and regulations	p. 16–17 p. 56–59	All cases of suspected compliance violations reported in the year under review were thoroughly investigated.
2-28 Membership associations	p. 16–17	

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
Stakeholder engagement		
2-29 Approach to stakeholder engagement	p. 15–16	
Disclosures on material topics		
3-1 Process to determine material topics	p. 13–14	In determining the report content, we relied on the material categories and associated topics of the Sustainability Strategy 2025, which is based on a stakeholder survey.
3-2 List of material topics	p. 14	
Data integrity		
3-3 Management of material topics	p. 13–14	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 15–16 p. 52–55	There were no sanctioned complaints from external parties or data-protection authorities regarding breaches of customer privacy or loss of customer data during the reporting year. Four internally identified cases of violations concerning personal data were reported to the responsible data protection regulatory authorities in the financial year. While three cases apparently involved no major risk for the rights and freedoms of the affected individuals, in one case the possibility of that major risk for the affected individuals could not be completely excluded.
Work safety of employees		
3-3 Management of material topics	p. 15–16, p. 20–23	
403-1 Occupational health and safety management system	p. 15–16 p. 20–23	We have implemented a management system for Occupational Health and Safety in all legal entities of the Group. It covers all jobs, employees and activities of the Group. The system was developed on the basis of ISO 45001 and ISO 14001 as well as the statutory requirements in each country in which we operate, and it applies for all employees who work for or on behalf of TÜV Rheinland.
403-2 Hazard identification, risk assessment, and incident investigation	p. 15–16 p. 20–23	The HSE Risk Management SOP is part of the HSE Management System and defines how HSE risks are identified, evaluated and managed. This includes the performance of risk assessments and the implementation of control measures. All employees who work for the company are authorized by the Executive Board to interrupt work when they feel that something is unsafe and then to discuss the situation with their manager or supervisor. Personal Commitment Cards (PCCs) are used to communicate this authorization to the employees. HSE incidents are documented, reported and – in compliance with the HSE Incident Management SOP – investigated.

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
403-3 Occupational health services	p. 15–16 p. 20–23	The HSE Risk Management SOP includes the assessment and management of risks that can affect the health of employees. In Germany, there is a medical officer who offers an independent occupational medical service for employees. Information about consultations with the individual employees is confidential.
403-4 Worker participation, consultation, and communication on occupational health and safety	p. 15–16 p. 20–23	The employees’ consultation and participation in the company’s HSE Management System are described in the HSE Communication and Awareness SOP. In Germany, there is a network of occupational safety committees (OSCs) in the divisions, and HSE committees at company level outside of Germany. The OSCs represent all employees in Germany. Throughout the Group, an HSE committee was set up in the reporting year for each company with more than 50 employees; these committees are to meet quarterly.
403-5 Worker training on occupational health and safety	p. 15–16 p. 20–23	We train our employees regularly in the area of occupational health and safety, whether through personal training courses such as instruction classes or through e-learning programs via the myHR platform (in compliance with the HSE Competence and Training SOP).
403-6 Promotion of worker health	p. 15–16 p. 20–23	The health of the employees is promoted at country level. Flu and COVID vaccinations are offered in Germany, and emphasis is also placed on employees’ mental health.
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 15–16 p. 20–23	The HSE Risk Management SOP and the HSE Emergency Response SOP contain detailed prevention and mitigation plans for health and safety at the workplace.
403-8 Workers covered by an occupational health and safety management system	p. 15–16 p. 20–23	We monitor 100% of our employees through our occupational health and safety management system.

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
403-9 Work-related injuries	p. 15–16 p. 20–23	Work-related injuries are recorded for all employees and contractors. Because we do not keep records of the number of hours worked by contractors, the rates shown refer only to the employees. The rates are calculated per 1,000,000 hours worked. The number of hours worked is based on 7.7 hours per day and 220 workdays per year. The three main causes of injuries are cut injuries from sharp objects, slipping/tripping and impact against an object. Work-related hazards are investigated at local level in the context of the risk management process, as described in detail in the SOP for HSE Risk Management. All workers are encouraged to report hazards when they see them. The measures for minimizing and possibly eliminating hazards are implemented at local level because the activities and conditions on location or in the respective country differ.
403-10 Work-related ill health	p. 15–16 p. 20–23	There were no deaths due to occupational diseases. Cases of occupational disease are included in the figures for work-related injuries and are not currently counted separately. No employees are excluded from the figures. The occupational diseases of other groups of people are not included here, as no reports to this effect have been received.
Service quality		
3-3 Management of material topics	p. 15–16, p. 48–51	
416-1 Assessment of the health and safety impacts of product and service categories	p. 15–16 p. 48–51	Analyzing the effects of products and services with regard to their repercussions for health, safety and the environment is TÜV Rheinland’s core area of expertise. Because all of TÜV Rheinland’s services have the objective of contributing to an improvement in health, safety or environmental compatibility, the percentage of the significant product and service categories for which the effects on health and safety are analyzed with regard to improvement potentials is not systematically documented. An overview of our services can be found at www.tuv.com/world/en
417-1 Requirements for product and service information and labeling	p. 15–16 p. 48–51	Our companies have no specific requirements for the labeling of products or services. There is a catalog for our test marks, however, that provides transparency about the underlying testing services.

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
417-2 Incidents of non-compliance concerning product and service information and labeling	p. 15–16 p. 48–51	Within the framework of our complaint management system, we know of no incidents that fall into these categories in reporting year 2024.
Employee development		
3-3 Management of material topics	p. 15–16 p. 24–27	Violations of the Code of Conduct of TR, or of guidelines or regulations, can be reported worldwide using the “Whistleblower Platform.” That system is backed up by a standardized process that involves Compliance and, as needed, HR.
404-2 Programs for upgrading employee skills and transition assistance programs	p. 24–27	TÜV Rheinland offers numerous personnel development programs for different hierarchical levels within the company. Detailed information is available on our website.
404-3 Percentage of employees receiving regular performance and career development reviews	p. 24–27	The Development & Performance Dialog facilitates continuous feedback between managers and employees and is offered globally (except in Germany). This performance review is an opportunity to discuss skills and competencies, individual actions for further development, and interest in talent- and career-development activities. In this, employees can play an active role in setting targets and their own development. We used 2024 to simplify the process in myHR, thereby raising its acceptance. For this reason, no systematic evaluation by gender and employee category was undertaken for reporting year 2024. As a result of the process modifications, the target for 2025 was also raised and the focus was directed toward specific target groups.

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
Business ethics		
3-3 Management of material topics	p. 15–16 p. 56–59	Workers and external stakeholders can use an online platform and our central compliance e-mail address to anonymously submit reports of potential misconduct or criminal offenses such as corruption, bribery, fraud and other violations of our corporate values.
205-2 Communication and training about anti-corruption policies and procedures	p. 15–16 p. 56–59	Information analyzed on the basis of employee and business-partner categories is not available at this time. We follow a standardized approach for the entire Group, irrespective of employee category or region. The training topic of “Anti-Corruption” is addressed within the mandatory annual compliance training. Consequently, there is no separate survey here apart from the main compliance training rate of 95.2%.
205-3 Confirmed incidents of corruption and actions taken	p. 15–16 p. 56–59	In the year under review, there was one confirmed case of corruption, which underwent a 100% follow-up.
415-1 Political contributions	p. 15–16 p. 56–59	According to our donation and sponsoring guidelines, political parties may not be supported without the prior written authorization of the Executive Board. Corporate GO Compliance must be informed about political contributions. No known contributions were made to political parties during the year under review.
Legal compliance		
3-3 Management of material topics	p. 15–16, p. 56–59	

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 15–16 p. 56–59	To our knowledge, there were no known significant legal actions due to anti-competitive behavior during the year under review.
Labor rights		
3-3 Management of material topics	p. 15–16, p. 28–31	
402-1 Minimum notice periods regarding operational changes	p. 15–16 p. 28–31	Based on statutory regulations (§§ 111, 112 German Labor-Management Relations Act [BetrVG]), in Germany the responsible works council is fully informed on a timely basis about planned operational changes which might result in material disadvantages for the workforce or for significant parts of the workforce, and the works council is consulted regarding the planned operational changes. The notice periods for termination at least satisfy or exceed the requirements of law. We comply with the national or local notification deadlines and obligations applicable to us.
405-2 Ratio of basic salary and remuneration of women to men	p. 15–16 p. 28–31	
Non-discrimination		
3-3 Management of material topics	p. 15–16, p. 32–35	

Key topics and GRI Indicators	Page references in the Corporate Report	Disclosure in GRI Index 2024
406-1 Incidents of discrimination and corrective actions taken	p. 15–16 p. 32–35	TÜV Rheinland consistently investigates all reports of discrimination. Internationally, there were six cases of discrimination that were investigated during the reporting period. In Germany, two individuals consulted the company or its HR department with regard to discrimination. In two cases, the individuals who engaged in discrimination were subject to disciplinary measures (termination). In six cases, other actions were taken (verbal warning, training/coaching, discussion with the affected individuals).
Diversity		
3-3 Management of material topics	p. 15–16, p. 32–35	
405-1 Diversity of governance bodies and employees	p. 15–16 p. 32–35	<p>The age distribution of the total workforce breaks down as follows (headcounts):</p> <p>up to 30 years old: 19.6% 30 to 50 years old: 55.0% over 50 years old: 21.2% no data: 4.3%</p> <p>The age distribution among managers breaks down as follows (headcounts):</p> <p>up to 30 years old: 2.6% 30 to 50 years old: 64.8% over 50 years old: 26.8% no data: 5.8%</p> <p>Two members of the Executive Board are male, one is female. All members of the Executive Board are German. Two members are between 30 and 50 years old, and one is over 50 years old.</p>
Greenhouse gas emissions		
3-3 Management of material topics	p. 15–16, p. 38–45	
305-1 Direct (Scope 1) GHG emissions	p. 15–16 p. 40–44	
305-2 Energy indirect (Scope 2) GHG emissions	p. 15–16 p. 40–44	
305-3 Other indirect (Scope 3) GHG emissions	p. 15–16 p. 40–44	
305-4 GHG emissions intensity	p. 15–16 p. 40–44	
305-5 Reduction of GHG emissions	p. 15–16 p. 40–44	

Supervisory Board and Executive Board of TÜV Rheinland AG

The Executive Board of TÜV Rheinland AG leads the company jointly and under its own responsibility. Members of the Executive Board include Dr.-Ing. Michael Fübi (Chairman of the Executive Board), Katharina Baran and Philipp Kortüm. The current

Supervisory Board of TÜV Rheinland AG comprises 16 members. Chairman of the Supervisory Board is Prof. Dr. Michael Hüther, Director and Member of the Executive Board of the Institute of the German Economy.

Chairman of the Supervisory Board



Prof. Dr. Michael Hüther

Executive Board



Dr.-Ing. Michael Fübi
Chairman of the Executive Board



Katharina Baran
Member of the Executive Board for
Human Resources and Legal Affairs
Director of Labor Relations



Philipp Kortüm
Member of the Executive Board for
Finance and Controlling

Organization of TÜV Rheinland

The responsibility for results lies with the global heads of the Business Streams. The regional heads are the top representatives of TÜV Rheinland in the respective regions and coordinate activities there which concern all Business Streams. The heads of the Business Streams and of the regions jointly prepare the content of important decisions taken by the Executive Board; they reach agreement in the Group Executive Council, the top advisory body of TÜV Rheinland AG below the Executive Board.

As of January 1, 2025, in Greater China as of April 1, 2025, the region-wide responsibilities of the regional heads will be discontinued, and with them their role. The operational parent company of the subsidiaries belonging to the Group is TÜV Rheinland AG, the shares of which are wholly owned by TÜV Rheinland Berlin Brandenburg Pfalz e.V. In accordance with Germany’s right of co-determination, the workforce is represented by employee representatives on the Supervisory and Management Boards.

Heads of the Business Streams



Industrial Services & Cybersecurity
Petr Láhner



Mobility
Dr. Matthias Schubert



Products
Kimmo Fuller



People & Business Assurance
Markus Dohm

Regional Heads



Germany
Katharina Baran



Western Europe/
Central and Eastern Europe
Kirsten Raapke



India, Middle East, Africa
Benedikt Anselmann



Asia Pacific
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