

SUSTAINABILITY REPORT 2021

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FOREWORD

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Foreword



»As a family entrepreneur,
the things I do today,
I want to be able to explain
to my children tomorrow.«

Stefan Dräger, Chairman of the Executive Board

Dear Readers,

I am the fifth generation of my family to be responsible for the company that bears our name. Sustainability and the continuous development of Dräger are an important part of our company's DNA. Here at Dräger, we are committed to turning technology into ›Technology for Life.« This is our guiding principle, and it gives our day-to-day work an important, deeper meaning. For us, it means taking responsibility in many different ways: For the quality of our products, which protect, support, and save lives. For our customers, who place their trust in our products. For our employees, whom we value, support and encourage. For our investors, so that they can sleep at night. For our environment, so that future generations will be able to live safely and breathe clean air. For society, to which we feel an obligation.

The people who use our products entrust us with their most valuable possession: their lives or the lives of others. As a result, they have to be able to trust in our products at all times. This is our top priority. Our products are also subject to the strict regulatory requirements applicable to medical and safety products.

For the second year in a row, our activities and our business were dominated by the impacts of the coronavirus pandemic in 2021. Demand for our ›Technology for Life« was even higher than forecast at the start of the year. In particular, we received major orders from various emerging economies for products used to treat COVID-19 patients. The order situation then gradually began to return to normal over the course of the year. Throughout this time, we continuously sought to balance the need to both maintain our operations and protect the health of our employees.

I would like to expressly thank all our employees for the tremendous dedication with which they are rising to the current challenges. The motto of our anniversary year 2014 continues to apply: They are working ›with heartfelt dedication!‹

Encouraging and supporting our employees has always been very important to us. Company founder Johann Heinrich Dräger set up the company hardship fund Hülfe back in 1897, which was supplemented by a company for the financing of employee homes in 1910. In 1904, he also introduced a bonus system designed to give employees a stake in the success of the company as an incentive for his employees and workers. That same year, a workers' committee was introduced that helped create a dialogue between the Dräger workforce and the company. It was not until 1920 that the government followed suit by passing the Works Council Act. At Dräger, we can therefore proudly look back on more than a century of employee co-determination. Back in 1913, my great-grandfather, Bernhard Dräger, dedicated himself to improving his employees' working conditions and opened a factory with a ›beneficial working environment.‹ He placed great value on an alcohol-free company, which was anything but a matter of course at the time. Occupational health and safety is a core element of our business and is one of the main aspects of sustainability: the safety and health of our employees, our customers and society. That is why today we are actively supporting the Vision Zero initiative that aims to create a world without occupational accidents or illnesses.

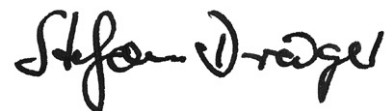
Dräger was founded as a company over 130 years ago and is still managed by the founding family today. After five generations, something very special has emerged, namely a true corporate personality. This, in turn, shapes the people who work for Dräger, as well as thoroughly infusing our thinking and actions from the inside out. In that way, the corporate personality can live on, even if those who embody it today have passed on the baton to the following

generations. That is precisely the objective of all of our work: the successful longevity of the company. This can only be achieved through sustainable action and sustainable economic success, with consistently satisfied customers, suppliers, financial backers, and neighbors in the communities and countries in which we live.

Balancing the interests of our stakeholders has always been an important concern for us. It gives us great pleasure when those who previously only focused on shareholder value now come to this realization, investors rate us using ESG criteria, and banks lend according to EU taxonomy. We want to help shape this trend and not simply leave it to the consultants. It was precisely for this reason that, in 2021, Dräger joined the international Value Balancing Alliance, which aims to develop methods for assigning monetary value to companies' contributions to the environment and society and including them in financial statements. As such, Dräger also seeks to make its own contribution to climate protection and reduce its CO₂ footprint through its own efforts and without purchasing certificates.

As a family entrepreneur, I want to hand over the company to my successors in excellent condition, even better than when I took it over. As part of our corporate responsibility, that also means addressing the challenges of tomorrow today—and making a contribution to ensuring that the world remains a place worth living in for generations to come.

Yours sincerely,



ABOUT THE REPORT

About the report

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Our sustainability report is published annually, most recently on March 4, 2021. It provides information on our concepts, measures, and targets pursuant to the Act on the Strengthening of Non-financial Reporting by Companies in Their Management and Group Management Reports. This report was prepared in accordance with the Core option¹ under the GRI Standards.

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This report contains Standard Disclosures from the internationally recognized Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, which are identified in marginal notes and in a → [GRI index](#) in the appendix. For the first time, we assessed the possible proportion of turnover, capital expenditure, and operating expenditure attributable to environmentally sustainable economic activities in accordance with the new → [EU Taxonomy Regulation](#). In the notes to this document, we have also stated how our activities match up with the respective → [Sustainable Development Goals \(SDG\)](#).

Data is not always gathered for the entire Group. Any statements relating only to parts of the company have been clearly indicated.

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In January and February 2022, Internal Audit and the Legal Department audited the sustainability report on behalf of the Audit Committee. The review revealed no indications of non-compliance with the law and/or of missing content required under law. Following the preliminary examination by the Audit Committee, the Supervisory Board examined and approved the Sustainability Report.



Centerpiece Our company headquarters located in Lübeck, Germany

¹ There are two options for preparing a report in accordance with the GRI Standards: Core and Comprehensive. **Core:** This option indicates that a report contains the minimum information needed to understand the nature of the organization, its material topics and related impacts, and how these are managed. **Comprehensive:** This builds on the Core option by requiring additional disclosures. Source: GRI Standard 101



EXTERNAL RECOGNITION OF OUR SUSTAINABILITY PERFORMANCE

Dräger has been audited by reputable rating agencies. In its ISS ESG Corporate Rating from July 2020, ISS awarded us its Prime label, giving us the best rating in the health care equipment and supplies industry. The EcoVadis institute's 2020 CSR assessment also placed Dräger among the top 5 percent of the sector, earning the company Gold status and allowing us to distinguish ourselves as a sustainable supplier. In 2021, Dräger retained its AA rating in the MSCI ESG² Ratings from the previous year. MSCI ESGResearch provides ratings on global public companies and select private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers.

SUSTAINABILITY AS PART OF THE FINANCING STRATEGY

To ensure our liquidity, we renewed and expanded our master loan agreement with our core banks to EUR 415 million in 2021. As the master loan agreement constitutes the Dräger Group's most important external financing instrument, we made sure that it is directly tied to sustainability criteria. The interest on the loan is linked to the EcoVadis sustainability rating, meaning that there is a direct economic impact for Dräger when the sustainability rating improves or deteriorates.



Marathon 2021 was another big year for ventilator production and orders

² The use by Dräger of any MSCI ESG RESEARCH LLC or its affiliates' (MSCI) data, and the use of MSCI logos, trademarks, service marks, or index names herein, does not constitute a sponsorship, endorsement, recommendation, or promotion of Dräger by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

SUSTAINABILITY AT DRÄGER

Sustainability at Dräger

INCLUSION OF SUSTAINABILITY IN OUR CORPORATE STRATEGY

»Lever Schaden as Schimp«—better a loss than a disgrace—is the guiding principle formulated in Low German by the mother of our company founder. It guides the company to this day and aptly sums up Dräger's sustainability-oriented strategy: we would rather lose money than risk the company's good reputation and the trust that people place in it. That remains our guiding principle and commitment, especially in our dealings with customers, for whom we want to be the first choice.

At Dräger, we see sustainability as being essential to our economic success. We must act responsibly at all our international locations and throughout our supply chain if we want to survive. We are convinced that compliance with legal and regulatory requirements, as well as free and fair competition, must be the basis for all business activity—and that we must fight corruption and protect human rights.

Our sustainability strategy is based on our company values and our guiding principle. It defines four focal points for sustainable action:

- We improve healthcare for people around the world.
- We strive for a future in which everyone is safe at work.
- We not only protect the environment ourselves, but also help our customers in doing so.
- We carefully select our suppliers and work together with them to implement our vision throughout the supply chain.

Under this approach, we have set both strategic and specific objectives that we intend to further develop in the coming years. In doing so, we have not only

placed importance on improvements within the company, but also on our ability to make a measurable contribution to current social challenges.

WE IMPROVE HEALTHCARE FOR PEOPLE AROUND THE WORLD

Both the number and average age of intensive care patients will continue to rise in the coming decades. This increase also means that we will have to care for more patients with conditions such as cardiovascular insufficiency, diabetes, cancer or respiratory diseases, posing further challenges to critical care in hospitals. More and older patients with increasing rates of multi-morbidity lead to more complexity in medical care, and this will be most likely combined with a continued shortage of qualified specialist personnel.

As a medical technology manufacturer, Dräger has no influence over the availability of more hospital personnel, a factor that has proved to be a critical bottleneck during the COVID-19 pandemic. However, we have set ourselves the goal of reducing the physical and psychological burden on doctors and nursing staff in critical care by automating routine work and therapy processes, as well as providing support in clinical decisions. In doing so, we also create solutions that contribute to a more sustainable and long-term success of treatments and improve the patients' quality of life.

The foundation for these solutions lies in the networking and intelligent interaction of medical technology in critical care. We therefore want to help hospitals improve treatment outcomes through therapy support and automation in the coming years.

- By 2030, all relevant medical devices in our portfolio are to be equipped with the network interface so as to comply with the new ISO/IEEE 11073 SDC interoperability standard.

At the same time, there are some 15,900 employees at Dräger whose health and well-being are close to our hearts. As such, we have defined further targets to be pursued with the appropriate measures. The main objective is supporting and maintaining the health of our employees and ensuring healthy working conditions and organizational forms.

- We are reducing the sickness rate of our employees in Germany with the permanent target being one percentage point below the benchmark of the Nordmetall employers' association.
- Our objective is to achieve a satisfaction score of ≥ 5.5 (on a scale from 1 to 7) in the 2023 global employee survey on questions relating to health and safety protection.

WE STRIVE FOR A FUTURE IN WHICH EVERYONE IS SAFE AT WORK

Every day, our products and services protect hundreds of thousands of people at work. Thanks to Smart Safety, meaning the networking of our gas warning and respiratory protective devices and the data analysis derived from it, we will enable our customers to detect unsafe situations earlier and manage them more efficiently. That is precisely the reason why we are already working non-stop on the networked solutions of tomorrow.

- The target is to have more than 80 percent of our gas warning and respiratory protective devices portfolio offer smart, data-based added value by 2025. This was only possible with around 20 percent of the devices in the base year 2020.

The health and safety of all of our employees is a matter that is close to our heart. We believe that every accident at work is preventable. We are continuously expanding our safety culture to achieve our goal of Vision Zero—a world without occupational accidents. The only way we can all contribute to a safe environment is if we remain mindful and act as role models. We strive to establish an awareness of this mindset in every one of our employees and work towards making improvements in partnership with them.

- We want to reduce the lost-time incident rate (LTIR³) at the Dräger Group from 5.6 in 2019 to below 4.0 in 2025.
- By the end of 2022, 80 percent of operative managers⁴ and employees⁵ in Germany are to be trained in occupational health and safety topics, including temporary staff.

WE NOT ONLY PROTECT THE ENVIRONMENT, BUT ALSO HELP OUR CUSTOMERS IN DOING SO

With our safety technology products and services, we help prevent emissions of pollutants and damaging events. In addition to our existing solutions, which are mainly aimed at protecting people and the environment from hazardous substances, detecting them, and supporting emergency response in the event of fires and accidents, for example, we also want to position ourselves as a competent climate protection partner in the future. To enable this, we will be expanding our portfolio to include products and services for measuring methane emissions, for example, which are very harmful to the climate. In the future, we also see further business areas in a future hydrogen economy.

³ Lost time incident rate: number of lost-time accidents per million working hours

⁴ Operative managers are authorized to give instructions and are involved in the rendering of services (such as production team leaders, service managers, team leaders, shutdown management project coordinators)

⁵ Operative employees are directly involved in the provision of services (such as specialists, fitters, service technicians)

Existing relevant products will be provided with environmental passports, thereby ensuring greater transparency for customers.

There are also significant levers for working in hospitals in an environmentally friendly manner. We want to support our customers in the implementation of a green hospital strategy. To ensure this, we are developing products and digital solutions that will, for example, minimize emissions of climate-damaging anesthetic gases. We are also working on building partnerships to enable us to drive this strategic goal forward.

Climate protection tops the Group's list of internal strategic goals in environmental management. Dräger is taking on the task of long-term decarbonization in line with the United Nations climate protection goals with the following objective:

- Reduction of CO₂ emissions by 33 percent until 2025 as compared with the base year 2015.

This target is to be achieved without the purchase of certificates. Specific measures include reducing electricity and heating demand, using renewable energies, saving fuel for the fleet of vehicles and expanding electromobility, shifting from air to sea freight in distribution logistics, as well as avoiding business trips in the long term through the use of digital alternatives. Another strategic focus will be a circular economy. In practice this means the optimization of packaging, increased use of reusable transport packaging, and the further expansion of our existing product return and recycling services. The introduction of EHS software is planned for 2022, as part of the further development of the environmental management system in accordance with ISO 14001.

WE CAREFULLY SELECT OUR SUPPLIERS AND WORK TOGETHER WITH THEM TO IMPLEMENT OUR VISION THROUGHOUT THE SUPPLY CHAIN

We make a valuable contribution to sustainable business through the careful selection of suppliers. When doing so, we attach great importance to high quality standards when it comes to ›Technology for Life.« In future, the selection of new suppliers and the awarding of new orders will take place under greater scrutiny of the various sustainability criteria.

- Beginning in 2022, we will review all important new suppliers by means of a sustainability assessment before approval.

In the coming reporting year, we intend to expand our collaboration with Integrity Next as a professional sustainability assessment provider, define threshold values, and introduce corresponding processes and training.

Our supply chain plays a substantial role in our product manufacturing process. As such, we ensure that our suppliers also take the sustainability criteria into account.

Beginning in 2022, our sustainability strategy in the supply chain area will be based on three pillars. First, the previous supplier code of conduct will be replaced with a comprehensive set of standards known as the Code of Conduct for Business Partners. Second, we will be expanding our risk analysis in the area of sustainability and human rights in 2022, to enable us to meet the requirements set out in the Act on Corporate Due Diligence in Supply Chains. A mandatory and comprehensive sustainability assessment for high-risk suppliers constitutes the third pillar. The results are then used to map out an action plan with the supplier.

Our targets

	AREA OF ACTION	TARGETS	DEADLINE	STATUS	REMARKS
WE PROTECT PEOPLE	■ Health and safety	All relevant medical devices are equipped with the network interface for the new ISO/IEEE 11073 SDC interoperability standard.	2020–2030	On target	
		Reduction in the sickness rate in Germany to 1 percentage point below the benchmark of the Nordmetall employers' association	Ongoing	Target missed	Sickness rate Dräger Germany was 5.4 in 2021, slightly higher than Nordmetall's benchmark of 5.3
		Achievement of a satisfaction score of ≥ 5.5 (on a scale of 1 to 7) on questions relating to the work environment and health	2021	Target achieved	Determined through global employee survey
		Achievement of a satisfaction score of ≥ 5.5 (on a scale of 1 to 7) on questions relating to health and safety protection	2023	New	Determination through next global employee survey in 2023
	■ Occupational health and safety	More than 80 percent of our gas warning and respiratory protective devices offer smart, data-based added value (Initial value 2020: 20 percent).	2020–2025	On target	
		Reduce lost-time incident rate to below 4.0 (Initial value 2019: 5.6)	2020–2025	On target	
		80 percent of operative managers and employees in Germany trained in occupational health and safety topics.	2020–2022	On target	

	AREA OF ACTION	TARGETS	DEADLINE	STATUS	REMARKS
WE PROTECT PEOPLE	■ Human rights and working conditions	Strengthening diversity and equal opportunity	Ongoing	On target	
		Increasing the percentage of female managers	Ongoing	On target	The percentage of female managers increased by 2.1 percent between 2020 and 2021.
WE ACT ETHICALLY	■ Ethics and integrity/ Prevention of corruption	Enforcement and monitoring of the implemented compliance system	Ongoing	On target	Measures in 2021 included: Performance of compliance audits. Appointing additional compliance officers at our subsidiaries and intensifying global cooperation. Continuously training employees on compliance, as well as communication measures.

	AREA OF ACTION	TARGETS	DEADLINE	STATUS	REMARKS
WE CREATE VALUE	■ Quality	Keeping the rate of warranty claims low	Ongoing	On target	We constantly monitor the number of warranty claims in relation to the number of products sold. We aim to maintain our rate and achieve additional improvements for individual products and product groups.
		Ruling out potential risks associated with the use of products during their development	Ongoing	On target	
	■ Qualification	Enhancing Dräger's competitiveness in human resources. Areas of action between now and 2023 are: <ul style="list-style-type: none"> – competitive working conditions – leadership, partnership, and health – future-proof capabilities and capacities – organizational development and change management. 	2019–2023	On target	
WE RESPECT OUR ENVIRONMENT	■ Environmental protection	Reducing CO ₂ emissions by 11 percent	2015–2020	Target achieved	The target was already achieved in 2019. ⁶ A 27 percent reduction was achieved between 2015 and 2020. This was, however, partially pandemic-related.
		CO ₂ neutrality by 2045 Interim target: Reduction of CO ₂ emissions by 33 percent compared with the base year 2015	2015–2025	New	
		First-time ISO 14001 certification of the subsidiary in Saudi Arabia	2020	Target achieved	

⁶ Figures for 2021 will be available in the report for 2022

WE RESPECT OUR ENVIRONMENT	AREA OF ACTION	TARGETS	DEADLINE	STATUS	REMARKS
	■ Environmental protection	Reducing the fuel consumption of the company car fleet	Ongoing	On target	In 2021, fuel consumption increased year on year by approximately 6 percent, following a 14 percent drop in 2020 as a result of the pandemic. The worldwide reduction stood at roughly 23 percent between 2015 and 2021. ⁷
		Reducing packaging material	Ongoing	On target	Measures in 2021: Environmentally friendly packaging for several products. Converting further transport packaging to reusable containers
		Digitalization: switching to paperless processes	Ongoing	On target	2021 Switching several processes to digital signatures
	■ Supply chain	Review of all new important suppliers by means of a sustainability assessment before approval ⁸	From 2022 onward	On target	Tool for supplier assessment has been purchased
		80 percent of purchasing volume should be covered by our supplier code of conduct	2021	Target achieved	Target was achieved with a coverage rate of 81 percent
		83 percent of purchasing volume should be covered by our Code of Conduct for Business Partners ⁹	2022	New	
		Constant monitoring of supplier performance	Ongoing	On target	2021 Regular supplier assessment by process and improvements derived therefrom, such as in the area of logistics or quality.

⁷ Mobility data for 2021 is provisional

⁸ Within the scope of the process adjustment, the assessment of new suppliers was coupled to a threshold value of EUR 50,000 per year (purchasing volume).

⁹ Beginning in 2022, the Code of Conduct for Business Partners will replace the previous supplier code of conduct.

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CSR ORGANIZATIONAL STRUCTURE AT DRÄGER

The individual functional areas within the company have working groups and officers to address and promote progress on the respective topics. A circle of experts, known as the CSR Council, has met since 2017 to coordinate and pool our sustainability activities on a Group-wide basis. Its members include the CSR officers from Environmental Management, Human Resources, Compliance, Occupational Health and Safety, Supplier Management, Quality, Financial Reporting, and Donation Management. Representatives from Investor Relations, Global Key Account Management, Accounting, Governmental Relations, as well as Communications also help ensure that particular attention is paid to our stakeholders' interests.

The council meets every month and plays an instrumental role in preparing the CSR report. The overall responsibility for the report lies with Communications.

The CEO is the Executive Board member responsible for sustainability. The Executive Board is also the responsible decision-making body for economic, environmental, and social issues. Standardized, semi-annual reporting has been in place since 2020. This Sustainability Report has been approved by the Executive Board and submitted to the Supervisory Board's Audit Committee. The committee relied on the support of the Internal Audit department in performing its review of the report.

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Well organized The newest production facility in Lübeck offers assembly flexibility

OUR COMPANY

Our company

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Dräger is an international leader in the fields of medical and safety technology. The family-run company was founded in Lübeck, Germany, in 1889 and is based there to this day. Now a global publicly traded group, the company has been led by a member of the Dräger family for five generations.

›Technology for Life‹ is Dräger's guiding principle. Dräger products protect, support, and save lives. To do so, we develop, produce, and market systems, equipment, and services for the acute point of care (APOC) in our medical product portfolio, including perioperative care (especially in the operating room), critical care, and neonatal care, as well as emergency care. Our portfolio comprises products for therapy, monitoring, information management, and process support. We are one of the global market leaders with our products for ventilation, anesthetics, and warming therapy, as well as related accessories and consumables. In recent years, we have strengthened our expertise as a system provider with products such as integrated IT solutions for the operating room and gas management systems.

Our customers for safety products can be found in various sectors and markets, such as oil and gas, industry, mining, fire services, as well as with authorities such as the police, and many others. Our portfolio includes stationary and mobile gas detection devices, personal protective equipment, professional diving equipment, alcohol and drug detection devices, and an array of training and customer service offerings, in addition to projects such as fire training systems and tunnel rescue trains.

Some medical and safety technology products are considered dual-use products and arms. Please see chapter 2.3 → ›[Dual-use products and arms](#)‹ for more details.

DEVELOPMENT AND PRODUCTION SITES



POSITIONED FOR GLOBAL BUSINESS

Dräger is represented in over 190 countries, with its own sales and service companies in some 50 countries. We have managed our global business primarily via the medical and safety divisions since 2020. In addition to our own sales and service companies, we also work closely with sales partners in many countries.

The 19 Dräger development and production sites are located in Germany (Lübeck, Hagen), Chile (Santiago de Chile), China (Shanghai, Beijing), France (Obernai), the United Kingdom (Blyth, Gateshead, Plymouth), India (Vasai),

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Norway (Oslo), Sweden (Motala, Svenljunga), Switzerland (Biel/Bienne) South Africa (East London), the Czech Republic (Kláštorec), and the U.S. (Andover, Montgomeryville, Telford). Please refer to the notes to our [→ Annual Report](#) for a list of the consolidated subsidiaries in various countries.

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OWNERSHIP STRUCTURE AND LEGAL FORM

Drägerwerk AG & Co. KGaA is a partnership limited by shares under German law and is the parent company of the Dräger Group. All shareholdings engaged in operative business are either directly or indirectly owned by the parent company.

The capital stock is divided into common and preferred shares. According to the definition of Deutsche Börse AG, 71.5 percent of common shares are held by the Dräger family: 68.36 percent of the common shares are held by Dr. Heinrich Dräger GmbH. In addition, members of the Dräger family hold a further 3.14

percent of the common shares. A total of 28.5 percent of the common shares are in free float. Of the preferred shares, which do not confer voting rights, 100 percent are in free float. The Dräger preferred shares were removed from the TecDAX® share index in the course of index adjustments in the third quarter of 2021. The shares are still included in the SDAX of Deutsche Börse AG.

SIZE AND WORKFORCE

The market capitalization of the roughly 18 million Dräger shares came to roughly EUR 1,024.8 million as at December 31, 2021, compared to approximately EUR 1,150.2 million at the end of 2020. A consolidated balance sheet can be found in the [→ Annual Report](#).

Net sales stood at EUR 3,328.4 million in 2021 (2020: EUR 3,406.3 million). The global demand for ventilators triggered by the coronavirus pandemic was responsible for the continued high net sales.

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NET SALES

in € million	2021	2020	Change in %	Twelve months
				net of currency effects in %
Medical division	2,064.2	2,302.2	-10.3	-9.7
Safety division	1,264.2	1,104.1	+14.5	+14.5
Total	3,328.4	3,406.3	-2.3	-1.8
thereof Europe	1,892.3	1,985.8	-4.7	-4.5
thereof Germany	766.6	807.8	-5.1	-5.1
thereof Americas	629.1	611.2	+2.9	+5.5
thereof Africa, Asia, Australia	807.1	809.3	-0.3	-0.8

FUNCTIONS OF THE 15,900 (2020: 15,657) EMPLOYEES WORLDWIDE

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Sales, Marketing,
and Service



Production, Quality Assurance,
Logistics, and Purchasing



Research and
Development



Administration

KEY WORKFORCE TREND FIGURES*

		Workforce as of reporting date	
		December 31, 2021	December 31, 2020
Number of employees		15,900	15,657
Percentage of female employees	%	29.1	28.4
Number of part-time employees		990	915
Number of employees with fixed-term contracts		317	455
thereof Europe		288	435
thereof Americas		0	0
thereof Africa, Asia and Australia		29	20
Average years with Dräger in Germany	Years	14	13
Average age of employees	Years	43	43
Turnover of employees	%	7.1	4.3

* Data retrieved from our central HR systems.

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CORPORATE GOVERNANCE

Dräger attaches great importance to corporate governance. In an effort to emphasize this, we apply the German Corporate Governance Code (Deutscher Corporate Governance Kodex—DCGK), which is aimed at stock corporations, to Drägerwerk AG & Co. KGaA. Deviations from the DCGK's recommendations are published and justified in accordance with the comply-or-explain principle. The latest → [Declaration of Conformity](#) pursuant to Sec. 161 AktG (Aktiengesetz—German Stock Corporation Act) was published on the Dräger website on December 20, 2021, and is based on the German Corporate Governance Code in the version dated December 16, 2019. Dräger complies with all recommendations of the DCGK apart from two justified deviations concerning the Executive Board's remuneration. Our → [Corporate Governance Report](#) in the declaration of corporate governance describes the features of the management and control structure of Drägerwerk AG & Co. KGaA, as well as the significant rights of our shareholders, and explains the special features compared to a stock corporation. The complete version of the declaration of conformity can also be found there.

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A partnership limited by shares is a hybrid between a stock corporation and a limited partnership, with the character of a stock corporation predominating. As is the case at a stock corporation, a partnership limited by shares is also required by law to have a two-tier management and oversight structure. The general partner manages the company and its operations, while the Supervisory Board oversees the company's management. Drägerwerk Verwaltungen AG is the general partner of Drägerwerk AG & Co. KGaA. It manages the operations of Drägerwerk AG & Co. KGaA and represents it, acting through its Executive Board.

The Supervisory Board of Drägerwerk AG Co. KGaA has 12 members, half of whom are elected by shareholders and half by employees in accordance with

the German Co-determination Act. The chief purpose of the Supervisory Board is to oversee the management by the general partner.

In an effort to improve its efficiency, the Supervisory Board of Drägerwerk AG & Co. KGaA has established an audit committee in accordance with recommendation D.3 of the German Corporate Governance Code dated December 16, 2019, and a nomination committee in accordance with recommendation D.5 of the code dated December 16, 2019. The Audit Committee monitors the adequacy and functionality of the company's external and internal financial reporting system. Together with the statutory auditors, the Audit Committee discusses the reports drawn up by the Executive Board during the year, the company's financial statements, and the audit reports. Drägerwerk AG & Co. KGaA has set up a joint committee as a voluntary, additional body. The Joint Committee decides on the extraordinary management transactions by the general partner which require approval as set out in Sec. 23 (2) of the articles of association of Drägerwerk AG & Co. KGaA.

Dräger places great value on providing detailed information on the remuneration of the Executive Board, as this forms part of exemplary governance and transparency for its shareholders.

The → [Remuneration Report](#) provides an overview of the amount and structure of Executive Board remuneration at Dräger and outlines the joint remuneration system for the Executive Board members and the top management levels at the group (Top Management Incentive, TMI) to the greatest extent possible. Dräger's remuneration system complies with the requirements of the German Stock Corporation Act and the majority of the recommendations of the German Corporate Governance Code in the version that came into force on March 20, 2020. The remuneration of the Supervisory Board is also outlined in detail in the remuneration report.

102-13

MEMBERSHIP OF ASSOCIATIONS AND SUPPORT TO EXTERNAL INITIATIVES

Dräger is involved in numerous organizations and associations. The degree of activity ranges from simple memberships (sponsorships) to positions on governance bodies. For example, a Dräger representative who works in Quality has been a member of the executive committee of SPECTARIS, the German high-tech industry association, since 2019. OR.NET e.V. is a registered association where we have joined forces with industrial specialists, clinical staff, and researchers, all with the intention of realizing open integration in the OR of the future, as well as in other areas of acute medicine. Dräger is also involved in the GHA German Health Alliance, where it provides one of the vice chairpersons of the executive committee. We are a member of ZVEI, the Zentralverband Elektrotechnik und Elektronikindustrie e. V. (German Electrical and Electronic Manufacturers' Association), where we are involved in working groups and committees, as well as in BDI, the Bundesverband der Deutschen



Together With partners, we are developing the digitally connected operating room

Industrie e. V. (Federation of German Industries). We are also represented at the German Fire Protection Association; the International Mines Rescue Body; Verband für Sicherheit, Gesundheitsschutz und Umweltschutz bei der Arbeit e.V. (association for safety, health and environmental protection at work); and Berufsgenossenschaft Rohstoffe und Chemische Industrie (employer's liability insurance association for raw materials and chemical industry).

Furthermore, we are involved with numerous standardization experts at national, European, and international level in the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), where we play a role in developing new standards. National, European, and international standardization organizations have adopted sustainability as a core element of their standardization strategies. Our strong standardization initiative not only contributes to Dräger's sustainable development as a company, but also more broadly to that of our sectors' products.

Dräger is also a partner of the ›VISION ZERO‹ campaign of the International Social Security Association (ISSA), whose objective is the prevention of occupational accidents, commuting accidents, and occupational illnesses. The company has also made a clear commitment to diversity in the workplace by signing the Diversity Charter (Charta der Vielfalt). In addition, Dräger is a member of DICO, the Deutsche Institut für Compliance e.V. (German Institute for Compliance).

Dräger has also been a member of TRACE – Raising the Standard of Anti-Bribery Compliance and the Value Balancing Alliance (VBA) since 2021. VBA aims to develop a methodology for standardized accounting of corporate value contributions.

In accordance with internal guidelines, no support is afforded to political parties and associations.

OUR STAKEHOLDERS

Our stakeholders

102-40

As a global player, Dräger is confronted with the demands of various internal and external stakeholders. The following list shows which stakeholders we have taken a closer look at in defining the material sustainability topics, grouped according to their fields of influence:

Internal

Shareholders, employees, managers, Executive Board, Supervisory Board, works council members, the Dräger family

Economic influences

Competitors, suppliers, service providers, medical customers, safety customers, lenders, potential investors, analysts, rating agencies, potential employees

Sociocultural influences

Media, neighboring residents, NPOs and interest groups, unions

Technological influences

Research institutes, colleges and universities, industry associations

Environmental and geographic influences

NPOs and interest groups

Political and legal influences

International lawmakers, ministries, authorities, municipalities, standards committees

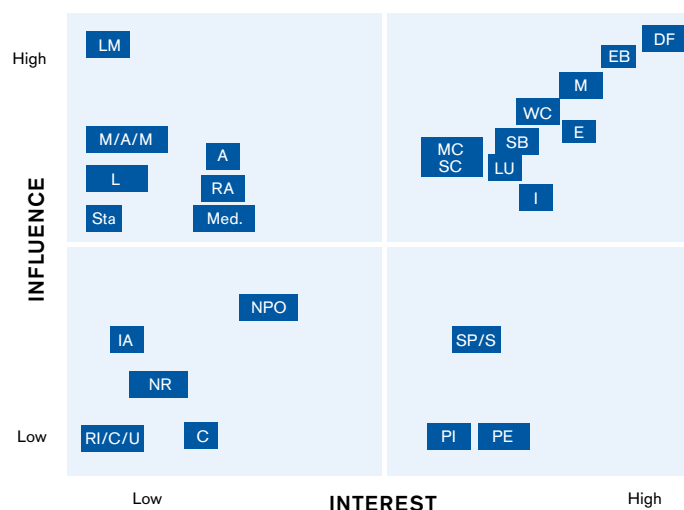
102-42

In order to determine which stakeholders we need to engage with as part of the sustainability debate, we have mapped them in a power/interest matrix that indicates the extent of each stakeholder group's interest in Dräger and the extent of the stakeholder group's power over Dräger.

102-43

Within the scope of a renewed materiality analysis in 2020, the respective interests were identified in surveys conducted with various representatives

POWER/INTEREST MATRIX



STAKEHOLDER GROUP

A	Analysts	I	Investors
NR	Neighboring residents	MC	Medical customers
SB	Supervisory Board	SC	Safety customers
IA	Industry associations	E	Employees
WC	Works councils	M/A/M	Ministries, authorities, municipalities
SP/S	Service providers incl. suppliers	Med.	Media
RI/C/U	Research institutes, colleges, and universities	Sta	Standardization committees
DF	Dräger family	NPO	Non-profit organizations
M	Managers	PI	Potential investors
L	Lenders	PE	Potential employees
LM	Lawmakers	RA	Rating agencies
LU	Labor unions	EB	Executive Board
		C	Competitors



Dialog Gaining Feedback from our employees is important to us

of stakeholder groups, such as the works council, managers, and the union. We determined further interests in expert interviews with representatives from Sales and Investor Relations, among others. In 2020, a global employee survey on sustainability was also conducted, with roughly 4 percent of the workforce participating. All employees were called on to tell us their opinion on the relevance of the topics. Their participation rate indicates a fundamental interest in the topic. The survey showed that employees also want to be involved in and informed about sustainability-related activities at Dräger, which

we were happy to provide through various internal channels throughout the reporting year. The systematic analysis of questionnaires completed by customers and rating agencies with regard to our sustainability performance that we have received in the past round out our stakeholder mapping activities last conducted in 2020. Their findings have been included in the → [materiality analysis](#) to help identify our material sustainability topics.

102-44

» I think it is vital that we carefully examine who our partners are. Only by doing so can we build trusting relationships based on cooperation that is fair and sustainable for all involved. Respecting human rights is my top priority.«

Rainer Klug, Executive Board member for safety division

OUR MATERIAL SUSTAINABILITY TOPICS

Our material sustainability topics

In this report, we provide information on environmental concerns, employee-related concerns, social concerns, human rights, and efforts to prevent and combat corruption and bribery—including a wide range of topics whose relevance for Dräger we identified prior to preparing our report—pursuant to the German CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz)¹⁰ and Sec. 289b through e of the German Commercial Code (Handelsgesetzbuch—HGB).

Our selection process is guided by the principles of materiality, context within sustainability, completeness, and stakeholder engagement during the selection process. As such, this report contains all relevant information on our selected topics so as to fully illustrate the significant effects Dräger has in the context of sustainability. The achievements we present are therefore related to the sustainability areas of the economy, the environment, and society. We use the materiality analysis process to ensure completeness. The first materiality analysis was performed in 2017, with another being conducted in the 2020 reporting year. This analysis was conducted in accordance with the GRI framework reporting based on the areas in which our operations materially influence our economic, social, and ecological environment. To this end, we held workshops with the appropriate departments at the company's headquarters in Germany.

The second step was comprised of identifying topics that are important to our → [stakeholders](#) and influence their decisions by way of surveys with experts and with representatives of the stakeholder groups, as well as a Group-wide employee survey. We have also taken the requirements of rating agencies into consideration.

The material issues result from the common ground between stakeholder interests and from the significance of our operations' impact on our environment.

RELEVANT TOPICS ACCORDING TO GRI MATERIALITY ANALYSIS 2020



The inner circle issues were identified as material both by our stakeholders and in terms of the impact of our operations. For the topics in the outer circle, only one of these characteristics applies in each case.

¹⁰ Act on the Strengthening of Non-financial Reporting by Companies in Their Management and Group Management Reports (Gesetz zur Stärkung der nichtfinanziellen Berichterstattung der Unternehmen in ihren Lage- und Konzernlageberichten)

Wherever and whenever possible, we address these topics in greater depth and state targets. We base our approach on the GRI Standards and provide appropriate key performance indicators on the individual topics.

In determining our material topics, we identified four areas of action to which we have classified our sustainability activities. The order in which the topics are listed is not intended as an indication of their relevance.



Hazardous material storage Occupational safety, health, and environmental protection are held to the highest standards

SUSTAINABILITY AT DRÄGER

WE PROTECT PEOPLE

- Occupational health and safety
- Working conditions
- Human rights

WE ACT ETHICALLY

- Ethics and integrity
- Prevention of corruption and anticompetitive behavior
- Dual-use products and arms

WE CREATE VALUE

- Product responsibility
- Economic performance
- Training and education

WE RESPECT OUR ENVIRONMENT

- Environmental protection
- Supply chain
- Commitment to society

102-47

THE FOLLOWING IS AN OVERVIEW OF OUR MATERIAL TOPICS:

WE PROTECT PEOPLE

Occupational health and safety (GRI 403)

■ → OCCUPATIONAL HEALTH AND SAFETY

Safety products support customers in a wide range of industries in ensuring and enhancing safety in the workplace. Increasingly, safety services are also being used by customers for whom we provide customer processes in part or in full in the field of plant safety, including the chemical and oil and gas industries in particular. That is why it is especially important to keep an eye on occupational health and safety at our own company, in the supply chain, and at our customers.

Employment (GRI 401), labor/management relations (GRI 402), diversity and equal opportunity (GRI 405)

■ → WORKING CONDITIONS

Employees are the life force of Dräger. Their expertise, commitment, inventiveness, and customer focus are instrumental to our success. Mutual respect and open and honest communication are some of the principles of our company. Fair working and pay conditions, constant employee development, and a healthy, individually adaptable work-life balance increase our attractiveness as an employer.

Non-discrimination (GRI 406), child labor (GRI 408), forced or compulsory labor (GRI 409)

■ → HUMAN RIGHTS

It is important to us and our stakeholders to respect human rights throughout the supply chain and prevent forced and child labor, as well as any form of modern slavery.

WE ACT ETHICALLY

■ → ETHICS AND INTEGRITY

We are committed to ›Technology for Life.« A commitment of this nature is only credible if all employees and business partners comply with the highest possible standards when it comes to integrity. Business-specific rules—such as on the topics of corruption, antitrust law, or conflicts of interest—provide assistance in this regard.

Ethics and integrity (GRI 102-16/17)

■ → PREVENTION OF CORRUPTION AND ANTI-COMPETITIVE BEHAVIOR

Dräger disapproves of all corrupt, anti-competitive, and otherwise unlawful behavior, which it views as not sustainable. Our compliance management system helps us take the right steps.

Anti-corruption (GRI 205), Anti-competitive behavior (GRI 206)

■ → DUAL-USE PRODUCTS AND ARMS

Dräger does not produce weapons or other implements of war that could harm human life. Some of the personal protective equipment and products for detecting hazardous substances that we offer have been categorized as dual-use products or arms. It is our fundamental belief that all life is precious. Our processes are designed to ensure that we comply with all legal regulations in our deliveries.

Organizational profile (GRI 102-2)

WE CREATE VALUE

Customer health and safety (GRI 416), marketing and labeling (GRI 417), customer privacy (GRI 418)

■ → **PRODUCT RESPONSIBILITY**

Our products have a direct influence on health and life, both for patients who receive treatment with our medical devices and for the users of our safety products. Premium quality and safety in connection with the use of our products are therefore core requirements of our business.

Economic performance (GRI 201)

■ → **ECONOMIC PERFORMANCE**

Creating value is anchored in our [→ company principles](#), the guidelines for our entrepreneurial activities. This allows us to make a contribution to social and individual prosperity. Through our products, solutions, and services, we also support our customers' competitiveness—at all our global locations.

Training and education (GRI 404)

■ → **TRAINING AND EDUCATION**

The qualifications and commitment of all Dräger employees worldwide are the cornerstone of Dräger's success. As one of the largest industrial employers in the German state of Schleswig-Holstein, Dräger is also one of the most important providers of vocational training in the region.

WE RESPECT OUR ENVIRONMENT

■ → **ENVIRONMENTAL PROTECTION**

Dräger's products and services also make an important contribution to environmental protection at our customers' places of business by ensuring that pollutants are not released into the environment and preventing environmentally damaging events. Within the company, we take the most environmentally friendly action possible to create a sustainable basis at all levels. Our production processes are therefore classified as having a low impact on the environment overall. Nevertheless, we constantly take measures to conserve resources and avoid negative effects on the climate.

■ → **SUPPLY CHAIN**

Our obligations towards individuals, society, and the environment are not limited only to us. We also expect our suppliers around the world to comply with the standards they have agreed upon with us, which we monitor on a regular basis.

■ → **SOCIAL COMMITMENT**

We would like to make life a little bit better every day—beyond our technology. That is why we are involved in many different fields with donations in kind and monetary donations, and why we support social projects and activities.

Materials (GRI 301), energy (GRI 302), water and effluents (GRI 303), emissions (GRI 305), waste (GRI 306), environmental compliance (GRI 307)

Procurement practices (GRI 204), social (GRI 414) and environmental (GRI 308) supplier assessment

THE MATERIAL SUSTAINABILITY TOPICS LISTED HERE ARE EXPLAINED IN GREATER DETAIL IN THE FOLLOWING CHAPTERS.

BRINGING SUSTAINABILITY TO LIFE:
CONCEPTS, TARGETS,
AND KEY PERFORMANCE INDICATORS



Safety

Protecting people
is Dräger's highest
priority

1.

■ WE PROTECT PEOPLE

1.1	Occupational health and safety	34
1.2	Working conditions	38
1.3	Human rights	46

1. We protect people

We take protecting our employees very seriously. We attach great importance to the topics of occupational health and safety in particular, not least on account of the sectors in which we operate. That is because our products and services ensure greater safety and protection for our customers too. Good working conditions also enable our employees to perform to the best of their abilities. Among other things, this means ensuring that they are able to do their work without encountering discrimination and in an atmosphere that respects their human rights.

1.1 OCCUPATIONAL HEALTH AND SAFETY

In many sectors worldwide, Dräger stands for safety—in the chemical industry, in mining, and in fire services, where working conditions can sometimes be dangerous. Through our products and services, we play a role in making them safer.



Learning curve Regular training and education minimize the risk of accidents

Not only do we help our customers to meet their high safety standards, we also place great value on protecting the employees at our own company. We ensure a safe working environment and promote their health, even beyond the extent required by law.

Regular occupational health and safety training teaches our employees how to behave in order to minimize the risk of accidents and dangers to health. We constantly evaluate potential risks in the workplace, monitor the handling of dangerous substances, and take the necessary protective measures. We thoroughly investigate all incidents and put an end to the causes. We share the insights gained in the process with other areas at Dräger that could potentially benefit from them.

GLOBAL OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

We have anchored our → [company principles](#) pertaining to environmental protection, quality, and occupational health and safety within our process landscape by means of an integrated management system. Our aim in doing so is to ensure compliance with legal requirements and internal guidelines alike while identifying and implementing future improvements.

403-1, 403-2, 403-4,
403-5, 403-7, 403-8

The Dräger occupational health and safety management system is based on binding standards that apply to all companies around the world¹¹. This includes the systematic identification of work-related risks and their minimization in accordance with the ›Preventive measures before technical and personal protection measures‹ hierarchy. Occupational safety training is offered and carried out within the scope of our training system. Employees are also asked to report any dangerous situations so that they can immediately be rectified. All employees have the right to refuse work that could endanger their health without fearing any negative consequences as a result. Accidents are systematically investigated as to their cause with the aim of learning from them and being able to implement improvements. Employee participation and the establishment of occupational health and safety committees is mandatory in the certified units.

We currently have 45 companies (2020: 45) that are certified in accordance with the international ISO 45001 standard. They are subject to an internal auditing process as well as regular audits by TÜV Nord GmbH. Over 80 percent of our employees work in certified units. All major production sites are part of this global group certification.

Each certified company draws up and monitors environmental and occupational health and safety programs every year. As a result, we defined or continued some 600 individual measures in 2020¹². All told, roughly 86 percent of these planned measures have been implemented.

In Germany, the VISION ZERO initiative was launched to further heighten awareness of occupational safety practices among employees and managers. The reporting year also saw the Chairman of the Executive Board as well as senior management present videos in which they addressed the importance of



Worth it Safety Coins are given to reward excellent behavior in the workplace

VISION ZERO for Dräger and for them personally. Training sessions and ›Safety Minutes‹ on the company-wide communication platform allowed for relevant safety topics to be regularly covered in more depth. Service Germany introduced a ›Safety Coins‹ incentive system to reward exemplary behavior as well as recommendations on how to improve occupational safety. Beginning in 2022, this campaign will be continued through an ongoing program.

In the UK, health and safety monitoring measures and the promotion of a safety culture led to the fourth straight award from the Royal Society for the Prevention of Accidents.

¹¹ All employees (including those who are not direct employees) are covered in the certified units. The certified units are presented in detail at www.draeger.com/certificates. Global standards continue to apply (Dräger EHS Management Requirements) for all units that are not currently part of the certified management system.

¹² Figures for 2021 will be available in the report for 2022.

The Dräger management system for occupational health and safety also allows us to take a closer look at potential business-related risks. We view these risks as being rather low overall. However, it is necessary to take into account the potential loss of reputation or orders in the event of increased accident rates.

Furthermore, indirect risks arise from business relationships, for example if contractual partners violate occupational health and safety regulations or are affected by adverse incidents, thereby interfering with their performance. We counteract supplier and contractor risks related to occupational health and safety in the process of qualifying suppliers and minimize them through contractual agreements and supplier audits.

403-3, 403-6

OCCUPATIONAL HEALTH MANAGEMENT

We promote our employees' health beyond the extent required by law through prevention programs, ergonomic workplaces, comprehensive medical care, occupational health management, and a wide range of company sporting activities. This has a positive impact on employee satisfaction and motivation, and ultimately has a positive effect on absences.

The coronavirus pandemic remained a key issue in 2021. In order to fulfill our mandate as a company of systemic importance to provide for society in the best way possible, we had, and still have, to continuously find new ways to strike the balance between maintaining operations and protecting employees.

The coronavirus crisis team, which includes our company doctor among others, was also continued in the reporting period. The measures determined by our crisis team were continuously adapted to the newest developments. As a result, we have been able to largely prevent infections in the workplace as well as successfully protect the health of our employees.

Health management regularly tracks levels of sickness levels as a quantitative indicator. In Germany, the rate of sick days in relation to the number of scheduled work days stood at 5.4 percent in 2021. At our international locations, we recorded a rate of 2.9¹³ for the key performance indicator in question¹⁴.

403-2



We voluntarily offer workplace health promotion services as a preventive measure. Over 90 percent of the employees in the area under observation take advantage of such offers.

At our headquarters in Lübeck, our health center—which is staffed with occupational physicians, orthopedists, and physical therapists—provides comprehensive medical care. Along with the mandatory health screening, our company doctors also offer regular check-ups and general medical advice. Many employees take advantage of these offerings, participate in health promotion programs, or work out at the company gym. In 2021, 2,749 employees (2020: 5,859) took part in one of Dräger's prevention and health promotion programs.

¹³ Our reporting scope takes into account the 30 largest Dräger subsidiaries (by headcount) as well as production sites, allowing us to cover over 86 percent of Dräger employees worldwide. Scope 2021 included: Australia, Austria, Brazil, China, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, the United Kingdom, and the United States. Our production sites are located in Chile, China, the Czech Republic, France, Germany, India, Sweden, South Africa, the United Kingdom, and the United States. This list may vary due to the consolidation of companies or restructuring programs.

¹⁴ Formula used in calculation: rate of sick days (in %) = absence: scheduled working hours * 100. Distortion may result from a lack of data from the U.S., where absences due to illness are not recorded separately from other absences.

The cooperation with Best Doctors established in 2019 was continued to ensure the best possible medical care for all Dräger employees. As a result, Dräger employees around the world¹⁵ have the option of obtaining expert medical opinions, getting answers to questions or concerns regarding a diagnosis, or finding help in their search for treatment options abroad.

403-4

When it comes to occupational health and safety, Dräger also works closely with authorities, employee representatives, and employer's liability insurance associations. In Germany, measures to reintegrate employees who have been away from the workplace for an extended period of time due to injury or illness, for example, are based on a company agreement and are taken in close cooperation with the works council and representatives of employees with disabilities.

403-9

ACCIDENT RATES

Vision Zero is our long-term goal when it comes to occupational health and safety—because every accident is one too many.

Dräger is a partner of the VISION ZERO campaign of the International Social Security Association (ISSA).

A Partner of

VISION ZERO

Safety. Health. Wellbeing.

developed by



We want to reduce the lost-time incident rate (LTIR¹⁶) in the Dräger Group from 5.6 in 2019 to below 4.0 in 2025. In 2015, we set up a global reporting system to record and evaluate accidents.

The accident rates with and without lost time (LTIR and TRIR) increased year on year in 2021, following a significant drop in 2020 (see chart). The vast majority of accidents occur in Germany, where most employees are employed. Compared to other sectors with a higher risk potential, the severity of accidents at Dräger tends to be low. As technical and organizational causes of accidents are now clearly decreasing, our improvement efforts in Germany are currently focused on raising safety awareness at all levels and preventing dangerous work situations from happening in the first place. This reduced the number of workplace accidents in Germany by 3 percent compared to 2020.

ACCIDENT NUMBERS AND ACCIDENT RATES (LTIR AND TRIR)

Rate	2021*	2020	2019
Number of accidents with at least one day of lost time	117	97	134
Lost-time incident rate (LTIR)	4.7	3.9	5.6
Number of accidents without lost time that require medical attention	89	84	128
Total recordable incident rate (TRIR)	8.2	7.3	11.0

* Data for 2021 is provisional.

¹⁵ Employees in the U.S. already have access to similar services from a different provider.

¹⁶ The lost-time incident rate (LTIR) is an internationally used key performance indicator to measure the number of workplace accidents with at least one day of lost time per 1 million working hours. The total recordable incident rate (TRIR), which is also based on working hours, additionally takes into account accidents without lost time that require medical attention. Dräger looks at accidents involving all company employees, excluding non-business-travel accidents that occur while commuting to or from work.



Attention Recognizing and proactively preventing dangers

We are gathering employees' observations and experiences in all areas of production in order to identify potential sources of danger and avoid them in the future. These efforts alone have resulted in numerous improvements that have largely been developed by the employees themselves. For example, we have evaluated and optimized the ergonomics of workplaces, minimized noise pollution from machines, or improved the application safety of cleaning agents. We used the situation forced upon us by the pandemic to develop interactive online training courses which allow us to reach more employees than ever before.

1.2 WORKING CONDITIONS

Employees are the life force of Dräger. Their expertise, commitment, inventiveness, and customer focus make a contribution to the company's success. Mutual respect and trust, as well as open and honest communication, are

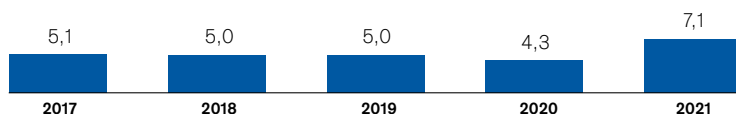
some of the principles of how our company does business. We respect and appreciate our employees as individuals. We benefit from this diversity, as it enriches our corporate culture.

Through a culture of good leadership and cooperation, we intend to promote performance while also constantly strengthening the willingness to accept change. Because this is the cornerstone for maintaining our competitiveness, we have had an HR strategy to help us pursue these goals since 2018. Fields of action that have been identified and are to be addressed between now and 2023 comprise ›competitive working conditions,‹ ›leadership, collaboration, and health,‹ ›future-proof capabilities and capacities,‹ and ›organizational development and change management.‹

»As the Chief Human
Resource Officer, my primary
focus is on our employees.
Their health and safety
are our greatest priority.
This is why every accident
is one too many!«

Dr. Reiner Piske,
Executive Board member for Sales and Human Resources

GLOBAL EMPLOYEE TURNOVER IN %



ATTRACTIVE WORKING ENVIRONMENT

Demographic change and the shortage of skilled professionals also have an influence on Dräger. Just like every other company that is active in the market, we are exposed to the risk of not finding and retaining enough qualified employees to ensure the success of our company in the medium to long term.

When it comes to our employees, we pursue the goal of ensuring that they dedicate their ideas and passion to Dräger in the long term through attractive working conditions, interesting experiences, and a good working environment. Employee turnover stood at 7.1 percent Group-wide in the reporting period (2020: 4.3 percent), higher than in the previous year, and stood at satisfying 2.7 percent at our German companies (2020: 3.3 percent).

Still, we measure our employees' loyalty to the company in more than just the turnover rate. The findings of the global employee survey, which takes place every two years, show us how satisfied our employees are with the working atmosphere. All employees were asked most recently in September 2021 to share their opinions on various topics, such as cooperation and leadership. The participation rate stood at 81.1 percent, thereby representing a further increase on the last global employee survey in 2019. Within the framework of the survey,

90 percent of employees stated that they were very satisfied with their work and with Dräger as an employer, and 91 percent of employees found the guiding principle of ›Technology for Life‹ to be a source of inspiration in their day-to-day work; 88 percent indicated that they would recommend Dräger as an employer to friends and acquaintances. This meant that we were able to increase the satisfaction values among employees compared to the last survey.



On the labor market, we also continue to position ourselves as an attractive employer for new and experienced specialists. The results of various external certification programs and studies on employer attractiveness indicate that our efforts were once again successful in the reporting period. For example, we once again achieved very good results in various employer rankings published by

Trendence Institut, a respected employer branding company. We were voted the third most attractive employer in Germany in the electrical engineering and electronics sector, and 28th in the engineering sector, among the target group of young professionals and recent college graduates. Experienced specialists voted Dräger the second most attractive employer in the electrical engineering and electronics sector.



In 2021, the CLEVIS Future Talents Report once again recognized us as a STAR employer for student interns in Germany. This honor confirms our above-average quality as an employer (ninth place in Germany)—reflected in an external, independent survey of our student interns—as well as our above-average brand image (eighth place in Germany).

401-1

402-1



In addition, Dräger received the Fair Company seal in 2021. Fair Company is the largest and best-known employer quality initiative in Germany. As a member company, Dräger has signed a binding pledge to uphold verifiable quality standards for employing interns, student employees, and young professionals that are reviewed twice a year as part of an independent survey.



Dräger received a special honor this year as a result of a survey commissioned by ›WirtschaftsWoche‹ magazine, being ranked Germany's ›Most valuable employer for the public good‹ for the second year in a row.

CORPORATE SOCIAL BENEFITS

Dräger employees benefit from attractive working conditions. Corporate social benefits are a part of this. The range of benefits naturally varies worldwide from location to location, as these are smaller than our headquarters in Lübeck. We gear our employer benefits toward the country-specific requirements. At locations where we also employ part-time staff, we generally grant full- and part-time employees the same benefits. The same applies to temporary employees. Exceptions apply with regard to entitlement to benefits related to company pensions or sabbaticals, for example.

At all companies, employees continue to receive pay when they are ill. In seven countries, Dräger's commitment to continuing to pay its employees in the event of illness even goes beyond the legal requirements.

Our employees are insured against occupational accidents and diseases at most of the companies surveyed. At some locations, we even exceed the statutory requirements.

Dräger offers its employees voluntary life insurance, health insurance, or disability insurance benefits, especially at those international locations where there are no statutory protections in this regard, or where the statutory protections are weak.

In Germany, employees receive support when it comes to caring for their health, and can also take advantage of a company pension plan financed by Dräger and affordable group direct insurance. At our location in Lübeck, the offerings include subsidized meals at two company restaurants, as well as a wide range of athletic, leisure, health, and further training options.

As a family-run company with roots going back over 130 years, we know how important it is to have a strong family at your side. But that also means taking responsibility for the people close to you. To ensure this is possible on top of maintaining a career, Dräger offers a variety of services designed to help employees in Germany balance family and work life. Our offerings are designed to help employees be there for their children and family members while continuing to work. Flexible working hours, part-time work, mobile working, and telecommuting are possible, depending on the job and in consultation with managers. Dräger also works closely with an independent family service provider that is available 24 hours a day. Employees can turn to the service provider for information and advice on childcare and looking after family members in need of care, as well as advice in difficult situations in life.

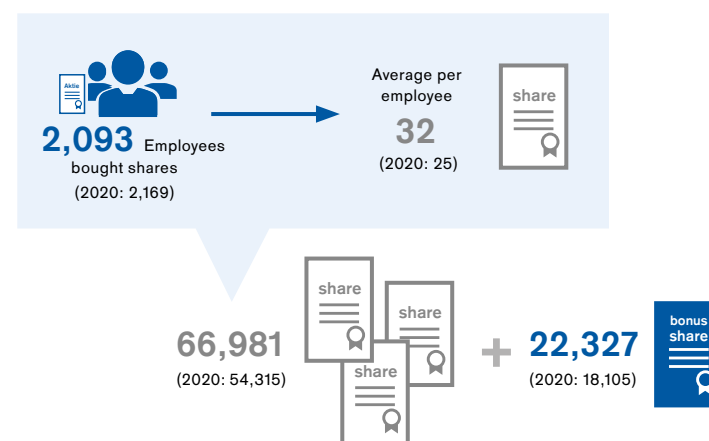
In addition, 60 all-day spots for children aged one to six are available at a day-care center close to the company's premises.

In 2018, Dräger became the first company in Schleswig-Holstein, Germany, to join the network Unternehmen vernetzen Väter, which aims to help fathers strike a balance between home life and their careers. The membership gives fathers at Dräger access to special events, presentations, webinars, and a comprehensive knowledge database, plus it provides them with an opportunity to network with fathers at Dräger and at other member companies. Although only able to offer a reduced program due to the coronavirus pandemic, the company held several lectures during the reporting period as well as live conferences.

In addition, the family service again offered online childcare for children between the ages of 6 and 12 during the reporting period. Particularly now, when quarantine, childcare, and mobile work are playing an increasingly large role, employees were happy to take up the offer—43 children were cared for online.

Since 2019, certain groups of employees at Dräger in Germany have the option of skipping the bonus to which they are entitled in July of each year under their collective agreements in favor of eight additional days off work up to two times a year to care for an immediate family member at home or to care for a child (up to the age of eight), provided the employee lives in the same household as the child. This offer was expanded in the reporting period through a company agreement that includes further groups of employees in the German workforce.

2021 EMPLOYEE SHARE PROGRAM BASED ON PREFERRED SHARES



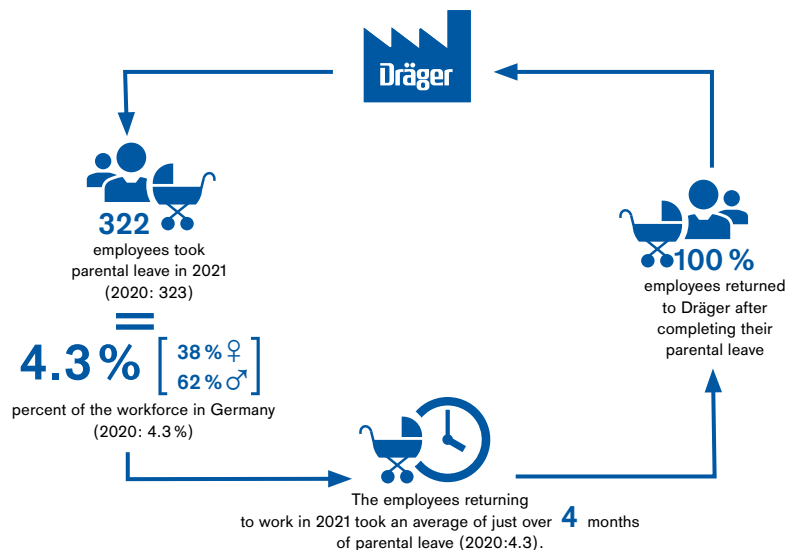
We once again implemented our employee participation program based on preferred shares for employees of the German Dräger companies during the reporting period. Our aim in doing so is to support direct involvement in our company by employees and to increase their interest in the development of business. Participating employees receive an additional bonus share for every three preferred shares they acquire. Dräger purchases the bonus shares in regular trading on the stock market.

401-3

PARENTAL LEAVE AND PART-TIME WORK

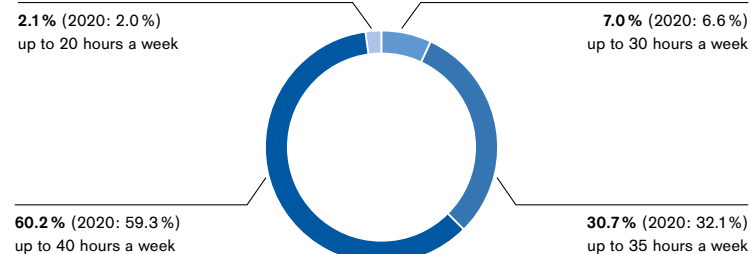
Parents who work are often looking for the best way to combine their responsibility for their families with the challenges they face in the workplace. In many countries, the option of parental leave has been created to help them achieve just that. Dräger implements the applicable legal conditions in each instance. At the 23 companies in our reporting scope¹⁷ outside of Germany that offer parental leave, 96 employees took advantage of the option in 2021.

PARENTAL LEAVE IN GERMANY 2021



Dräger employees in Germany are entitled to work part-time under the German Part-Time and Temporary Employment Act (Teilzeit- und Befristungsgesetz—TzBfG).

NUMBER OF WEEKLY WORKING HOURS OF DRÄGER EMPLOYEES IN GERMANY 2021



EMPLOYEE REPRESENTATION BODIES

Our employees are able to look after their interests through directly elected employee representatives in accordance with the respectively applicable laws. This applies to 99 percent of the employees in Germany (2020: 99 percent), who are represented by a works council. Senior management, however, is represented by a separate committee. The works council in Lübeck (41 members), 15 individual works councils with a total of 95 members, the works council for the sales region of Germany, and the central works council, along with the youth and trainees' council and the representatives of employees with disabilities, ensure that employees' rights are protected at Dräger.

¹⁷ Our reporting scope takes into account the 30 largest Dräger subsidiaries (by headcount) as well as production sites, allowing us to cover over 86 percent of Dräger employees. Scope 2021 included: Australia, Austria, Brazil, China, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, the United Kingdom, and the United States. Our production sites are located in Chile, China, the Czech Republic, France, Germany, India, Sweden, South Africa, the United Kingdom, and the United States. This list may vary due to the consolidation of companies or restructuring programs.

In Germany, over 400 company agreements govern a wide range of topics related to working hours, pay, IT, and more. They ensure a balance between employer and employee interests.

In Europe, a separate works council—the Dräger European Forum (DEF)—supports cooperation between employees and corporate management. It communicates and represents the interests of all European employees in dealings with the Group's management. The DEF is responsible for all matters that concern at least two member states of the European Union. The council complements the existing representation bodies at plant, company, and national level without limiting their rights. At the present time, employees from Germany, the Netherlands, France, Spain, Belgium, Austria, and the Czech Republic are represented in the DEF.

102-41

IG Metall, the largest single labor union in Germany, represents its member employees at Dräger. The Dräger companies Drägerwerk AG & Co. KGaA, Dräger Safety AG & Co. KGaA, Dräger Medical Deutschland GmbH, Dräger Medical ANSY GmbH, Dräger TGM GmbH, Dräger Interservices GmbH, and Dräger Gebäude und Service GmbH are members of the NORDMETALL e.V. employer association. As a result, they are bound by collective agreements. These Dräger companies apply the respective collective agreements for the metal and electrical industries. At Dräger in Germany, just under 93 percent of employees are covered by collective agreements.

The Dräger Future Collective Agreement (Zukunftstarifvertrag Dräger) entered into force on January 1, 2016. Its duration, which was initially limited to the end

of 2020, has since been extended to June 30, 2023. Furthermore, content amendments and additions were also agreed. The Future Collective Agreement is particularly relevant to the Lübeck site and the sales region of Germany. In it, the contractual parties have laid solid foundations for Dräger to remain successful at its base in Germany. The agreement largely standardizes the working and collective agreement conditions in Germany, regardless of the company or region in which the employees work. Using the Future Collective Agreement as a basis, conditions for pay and working hours have been agreed upon for those Dräger companies at which other collective agreements normally apply.

DIVERSITY AND EQUAL OPPORTUNITY

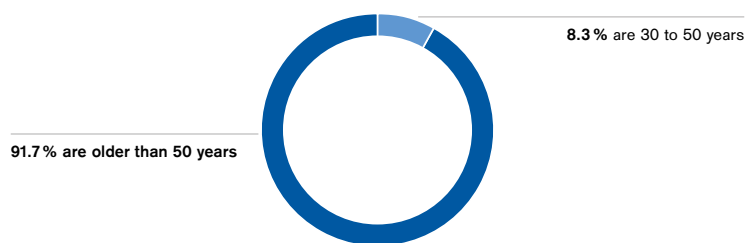
405-1

Dräger is represented in over 190 countries and maintains its own sales and service companies in roughly 50 of them. Diversity is therefore a key element of our company. In compliance with national and international laws, we pursue hiring practices that are free of discrimination.

Dräger is also committed to equal opportunity, regardless of ethnic heritage, gender, age, religion or beliefs, disability, or sexual identity. We value a diverse workforce, which enables us to benefit from a wide variety of personalities, cultures, ways of thinking, and ideas. We also promote a corporate culture to which all employees are able to contribute their potential.

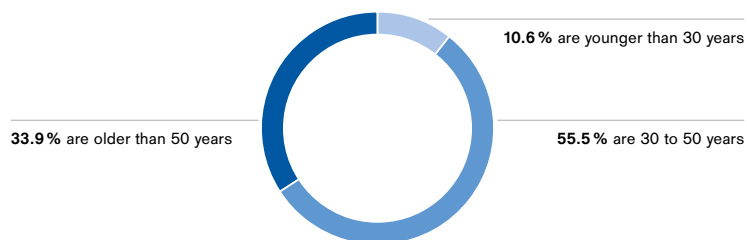
The controlling entity of the Group parent company, the Drägerwerk AG & Co. KGaA Supervisory Board, is comprised of 33.3 percent female employees on both the shareholder and the employee side. This exceeds the legally mandated quota of 30 percent.

The age structure of Supervisory Board members breaks down as follows:



The Supervisory Board of the general partner—Drägerwerk Verwaltungs AG—is also comprised of 33 percent female employees, and that despite there being no legally mandated quota to fulfill.

During the reporting period, 72 percent of the workforce was male and 28 percent female at the German Dräger companies. The age structure at the German Dräger companies during the reporting period breaks down as follows:



In 2008, Dräger signed the Diversity Charter (Charta der Vielfalt), helping promote the recognition, appreciation, and consideration of diversity in the working world.

Dräger is also a member of Genderdax, a gender and diversity project at Technische Hochschule Lübeck, designed by professionals and academics. This project aims at getting more women into specialist and management positions. In addition to a comprehensive information platform, practical topics are addressed at various conferences and workshops, with up-to-date information provided on current developments.

LEADERSHIP MODEL

With the goal that everyone can set an example, the globally valid Dräger guiding principles of good leadership and collaboration were implemented in our WeLEAD leadership model in 2016. ›I embrace diversity‹ is a core element of WeLEAD. In this context, good leadership and collaboration mean the following, among other things, at Dräger: ...

- We value diversity and use it to improve results.
- We actively take and integrate different perspectives.
- We appreciate cultural differences and adapt our own conduct accordingly.

WeLEAD, as our approach to leadership and cooperation, is a continuous process. We develop our principles concerning leadership and cooperation further so as to strengthen Dräger's abilities to stay competitive and innovative. This year, we identified various initiatives relating to cultural development at Dräger, brought them together and made them transparent for employees. For example, there is the People and Culture initiative, which aims at strengthening our feedback culture, a pool of employees who support other departments in projects as agile coaches, OKR masters, or change managers, and our innovation garage as a space for experimentation and learning. We check all initiatives against our WeLEAD model as well as for their effectiveness, strengthen suitable approaches, and support the depart-

ments according to their specific situation and needs. We are convinced that this will accelerate our planned corporate culture change.

WOMEN IN MANAGEMENT POSITIONS

Well over a century ago, Bernhard Dräger, the head of the company at the time, stressed the equal role of women, as sources prove. This maxim continues to apply to this day: We want the right person for the position. The applicant's qualifications, and not their gender, are what count. Most of the managers are still male at Dräger. However, we believe that there are more women at Dräger who would be suited for a management position. We would like to explore and foster this potential for the benefit of the entire company. There-

WOMEN IN MANAGEMENT POSITIONS

	December 31, 2021	December 31, 2020
Percentage of female employees*	29.3 %	28.6 %
Percentage of female managers in relation to the total number of managers*	23.2 %	21.1 %
Percentage of women in the first level of management below the Executive Board**	16.7 %	20.6 %
Percentage of women in the second level of management below the Executive Board**	18.6 %	15.7 %

* Data was collected on the 30 largest Dräger subsidiaries and the production sites around the world, allowing us to cover over 86 percent of Dräger employees.

** These figures apply solely to Drägerwerk AG & Co. KGaA. The management levels are not comparable internationally.

fore, the goal is to raise the percentage of female managers in the long term. Employees who provide disciplinary oversight to at least one person are counted as managers.

»I am convinced that we have many women at Dräger who are well-suited for an executive position here. I would like to foster this potential.«

Dr. Reiner Piske,
Executive Board member for Sales and Human Resources

To advance the cause of women in management as an aspect of diversity, the Executive Board already called on the organization in 2018 to make a conscious effort to look for suitable female employees when filling management positions and promoting talent with the aim of discovering and leveraging the talent of women for management tasks.

Information on networking opportunities, services, and events for women was provided on Dräger's intranet once again in the reporting period. Advisory sessions for interested women were also held. Within the scope of the push for ›Women in management,‹ several networking meetings and online formats covering a variety of topics were also offered. A mentoring program for inter-

ested women was also launched with the aim of increasing the visibility of women in the company, exploring opportunities and prospects, as well as encouraging and supporting more women to take on management roles. The objective of this offer is to make a targeted contribution to a medium- to long-term increase in the percentage of women in leadership positions at Dräger and thus foster greater diversity in management positions. A total of 24 women have made use of this offer to date.

We also launched the pilot project of the ›top sharing‹ model in 2020, where two female part-time employees share one management position. Through this modern working model, Dräger is stepping up and taking account of the necessity for social change toward greater work-life compatibility. This top sharing model also contributes to more gender equality in management positions through enabling part-time management. The pilot project was subject to an evaluation in the reporting period, which involved all participants and was rated a success. The company plans to set up additional tandem projects within the next three years.

405-2

EQUAL REMUNERATION FOR WOMEN AND MEN

Women and men are paid according to the same grouping criteria at all Dräger locations. The requirements of the position are the determining factor.

At the German Dräger companies, pay for employees covered by collective agreements is based on the respective collective agreements, regardless of the respective employee's union membership. In line with the legal requirements, the responsible works council is always involved in hiring, regrouping, and transfers to ensure that women and men are paid equally and fairly.



Top Sharing An example of flexible working time models at Dräger

1.3 HUMAN RIGHTS

Respecting human rights plays an instrumental role in our corporate social responsibility. Dräger tolerates neither threats nor other forms of violence against employees in the workplace. We show zero tolerance towards child or forced labor, as well as any form of modern slavery or work facilitated by human trafficking. This applies as much to our own companies as it does to our contractual partners and supply chains.

Dräger treats all people with respect. We expect all employees to treat colleagues, customers, suppliers, officials, and other persons with whom Dräger works politely, fairly, and respectfully. By doing so, everyone protects Dräger's

good reputation. We firmly believe that an environment of this nature leads to a positive and productive working atmosphere.

Any employees in Germany who feel discriminated against can turn to a company complaints office and further advisory units. In this way, the company offers those affected more comprehensive support and facilitates access.

406-1

One incident of discrimination was reported to the company complaints office in Germany during the reporting period (2020: 0). The incident was investigated immediately and in detail. One of the persons involved is no longer employed at Dräger. The incident is no longer the subject of any measures or proceedings.

Furthermore, one incident of discrimination was reported at the 30 largest Dräger subsidiaries and the global production sites (2020: two).¹⁸ One employee was dismissed in connection with this incident.

412-3

We did not make any significant investments¹⁹ at the 30 largest Dräger subsidiaries and at the global production sites that would have allowed us to exert a material influence on human rights aspects in the respective region. Such influence would have been expressed in human rights clauses in the investment contracts.

408-1, 409-1

No incidents of child labor or forced labor were reported as part of our data collection efforts.


All told, Dräger estimates the risk of human rights violations at its business locations, especially with regard to child and forced labor, to be very low. We believe the topic to be more relevant in the → [supply chain](#), since we work with more than 2,500 suppliers worldwide.



Respect The basis for daily cooperation

¹⁸ Our reporting scope takes into account the 30 largest Dräger subsidiaries (by headcount) as well as production sites, allowing us to cover over 86 percent of Dräger employees. Scope 2021 included: Australia, Austria, Brazil, China, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, the United Kingdom, and the United States. Our production sites are located in Chile, China, the Czech Republic, France, Germany, India, Sweden, South Africa, the United Kingdom, and the United States. This list may vary due to the consolidation of companies or restructuring programs.

¹⁹ Investments with a volume of more than EUR 25 million.



Every child
deserves to a good
start in life

2.

WE ACT ETHICALLY

2.1	Ethics and integrity	49
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2. We act ethically

We are committed to ›Technology for Life.‹ A commitment of this nature is only credible if all boards, employees, and business partners comply with the highest possible standards when it comes to integrity. We manage this commitment through various guidelines, codes of conduct, and a compliance management system. We condemn corruption and anti-competitive behavior. Through our products and services, we support people around the world who entrust our technology with their lives. It is our belief that all life is precious. Our processes are designed to ensure that we comply with all legal regulations in our products and services.

2.1 ETHICS AND INTEGRITY

It is a matter of course for us to comply with all of the laws applicable to us in every country in which we operate. Regardless of location or business field, it is the responsibility of every employee—including the management and Executive Board—to comply with all local applicable laws, our Principles of Business and Conduct, and all further Dräger guidelines.

Dräger disapproves of all corrupt, anti-competitive, and other unlawful behavior. Corruption and violations of antitrust law distort competition; destroy the trust of customers, business partners, and the public; and lead to higher costs for all involved.

Our → [Principles of Business and Conduct](#) form a binding framework for our everyday responsibility towards our employees and business partners. All

boards and employees are obliged to comply with the Principles of Business and Conduct, which apply throughout the company. They provide guidance on preventing corruption and anti-competitive behavior while also addressing human-rights topics and our responsibility toward the environment.

As of January 1, 2021, a new Group-wide regulatory landscape was introduced. The Principles of Business and Conduct were also adapted within this context.

This update places a stronger focus on our values within the scope of these principles:

- as a member of society
- as business partners
- in the workplace

As such, the Code of Conduct describes our value system. It is our compass, one that every one of us can repeatedly turn to as guidance for their own actions. The Code of Conduct is complemented by the handbooks for employees and managers, which contain the rules pertaining to how these values are to be reflected in our everyday work.

We further supplement the Principles of Business and Conduct in a risk-related and target group-oriented manner with company-wide business-specific rules pertaining to anti-corruption, antitrust law, dealing with potential conflicts of interest, or fraud prevention.

Our anti-corruption rules and our rules on correct conduct regarding gifts and other benefits define, among other things, which benefits may and may not be promised, offered, accepted and granted in relation to business partners. In addition, the Rules on Handling a Potential Conflict of Interest describe the extent to which employees' private activities may compete with Dräger's financial, business, or ethical interests. They illustrate potential boundaries between business and private activities and provide recommendations for dealing with potential conflicts of interest based on easy-to-understand examples.

Our antitrust rules specify our obligation to comply with antitrust law, describe the basics of antitrust law, and outline rules of conduct at events such as association meetings and in dealing with alliances. Free competition is one of the values for which Dräger stands. Antitrust law, which protects this free competition, is designed to ensure the greatest possible selection of products and services at the lowest possible prices. Because Dräger also benefits from free competition, we do not employ a double standard by circumventing competition through collusion. On the contrary: Dräger has confidence in its employees and their expertise, its products and their quality, as well as in its own competitiveness. We invest in precisely these values that guarantee lasting success as a

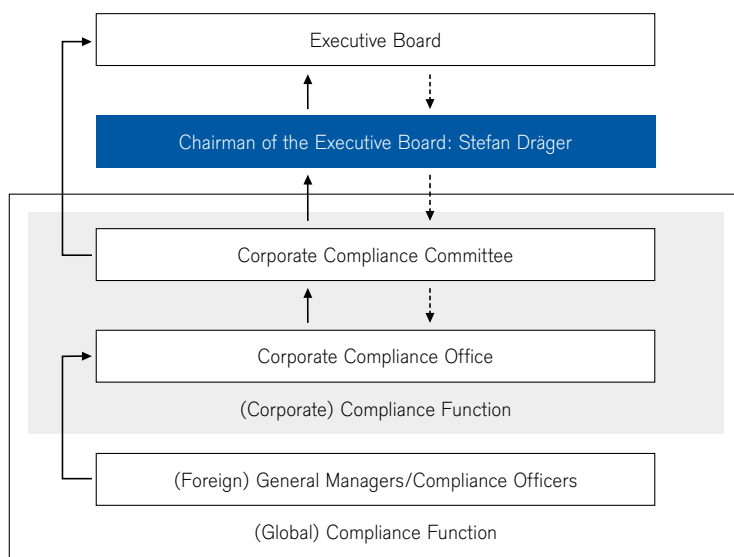
company and disapprove of any forbidden attempts to wield influence or enter into secret agreements with competitors. Instead, Dräger has invested since its founding in protecting intellectual property through patents, which ensure the company the exclusive use of inventions. The patents we hold today are not our only way of developing the market in a freely competitive atmosphere and advancing our business. We are also actively involved in standardization and promote the development of new standards. This benefits market participants, first and foremost our customers.

COMPLIANCE ORGANIZATION

The responsibilities of the Executive Board include instituting and monitoring the Group-wide compliance management system (CMS). Our CMS is based on three pillars—prevent, detect, and respond. The Chairman of the Executive Board is the designated Executive Board member responsible for the CMS topic (comprised of the aspects of anti-corruption, antitrust law, fraud prevention, and dealing with conflicts of interest), which underlines the relevance of the topic for Dräger.

The Executive Board established the Corporate Compliance Committee (CCC) and delegated it the following tasks: The CCC develops and implements appropriate measures to maintain and further enhance the CMS. The CCC is supported in this process by the Corporate Compliance Office (CCO). Both together are referred to as the »Compliance Function.« The rules of procedure of the CCC adopted by the Executive Board specify in which cases the CCC, on behalf of the Executive Board, must inform the Supervisory Board of Drägerwerk Verwaltungs AG and the audit committee of Drägerwerk AG & Co. KGaA as a rule and as required (ad hoc). At the foreign subsidiaries, the respective managing directors are responsible for compliance and are supported in some instances by local compliance officers. The number of compliance officers stood at 30 in 2021.

OVERVIEW OF THE COMPLIANCE ORGANIZATION



↑ Line of reporting (in compliance matters)

↓ Line of delegation

The responsibilities of the Compliance Function at Dräger cover the following aspects of compliance²⁰:

- anti-corruption
- antitrust law
- fraud prevention (violations of commercial criminal law)
- dealing with conflicts of interest

Further compliance risk areas—such as data protection and information security, customs and export controls, combating money laundering, or tax compliance—are handled at Dräger by the responsible departments.

ADVICE

The compliance helpline can be contacted by email (compliance@draeger.com). In addition to direct contact with employees at the Compliance Office and the respective local compliance officers, the company provides an additional tool for internal and external advice. The requests for advice and the exchange of ideas represent an important source for us with regard to potential for improvements in the CMS or potential internal need for training.

We respond to questions from external stakeholders that we receive, for example, as part of supplier audits, across departmental boundaries.

²⁰ Defined in the rules of procedure of the Drägerwerk AG & Co. KGaA Corporate Compliance Committee.

WHISTLEBLOWER SYSTEM AND NON-RETALIATION POLICY

Secure and reliable channels of communication for employees and business partners, as well as for all other stakeholders, are essential for effective compliance. Everyone must be aware of their individual responsibility for acting with integrity for even the best compliance system to work. Here at Dräger, one thing is important to us in this regard: Dealing with weaknesses and mistakes openly allows us to identify early on where we can take appropriate steps and where we may have to put internal company processes to the test.

Dräger encourages its employees to discuss concerns directly with their respective managers. If there is no way to solve the problem by doing so, or if



Transparency Encourages employees to communicate

talking to their managers seems inappropriate, employees have the option to report concerns related to compliance-relevant or ethically questionable conduct directly to the Corporate Compliance Office, either in person, by mail, by telephone, or by email (compliance@draeger.com).

We are aware that there may be situations in which direct and open dialogue appears inappropriate, or in which a whistleblower would generally prefer to remain anonymous. For such instances, Dräger provides the → [Dräger Integrity Channel](#) to offer an additional option for tipping the company off to potential compliance violations.

The Dräger Integrity Channel is a web-based whistleblower channel that supplements the whistleblower system. The channel is available to Dräger employees, our business partners, and anybody else—regardless of location, around the clock. The channel can be used to provide tip-offs about potential breaches of Dräger's Principles of Business and Conduct, internal company guidelines, or applicable laws, or obtain advice about such matters. The Dräger Integrity Channel is completely rolled out and has replaced the previous Compliance hotline.

It is important to note that Dräger will not permit retaliation in response to an employee providing information regarding any conduct reasonably believed to constitute a violation of law, the Dräger Group's Principles of Business and Conduct, or other Dräger directives, or in response to an employee participating in an internal investigation. This non-retaliation policy is an essential part of our Principles of Business and Conduct.

2.2 PREVENTION OF CORRUPTION AND ANTI-COMPETITIVE BEHAVIOR

IDENTIFICATION OF RISKS

The systematic documentation and assessment of relevant compliance risks are a key element of Dräger's CMS and risk management system. Based on the findings, we derive measures to address and minimize risks.

The failure to comply with applicable laws and codes of conduct designed to prevent corruption is a central compliance risk. The material corruption risk lies in the (potentially) inappropriate granting of advantages or benefits, either directly by Dräger or indirectly by its sales and distribution partners, and the (potentially) inappropriate acceptance of advantages or benefits in purchasing. The materiality of this risk is based on a wide range of potential forms of the inappropriate granting and acceptance of advantages and benefits.

The failure to comply with antitrust law constitutes a further material compliance risk. At Dräger, we do not want agreements to be reached that would open the door to sharing sensitive information with competitors or using a market-dominating position to the disadvantage of customers or suppliers.

ASSESSMENT OF OUR BUSINESS LOCATIONS

In addition to the compliance risk assessment, and the resulting measures and controls, Dräger conducts interview-based compliance reviews at selected

locations to determine the compliance maturity of the respective national companies and identify optimization potential. The key focus of the reviews is the personal impression gained by local compliance officers in the course of their work. As in 2020, it was not possible to conduct such a review in 2021 due to the ongoing pandemic situation.

The Internal Audit department also assesses the internal control system at selected Dräger locations and functional areas for possible compliance risks and conducts compliance-specific audits.

In 2021, a total of 15 business standard audits (2020: 15), 3 compliance audits (2020: 5), and 7 IT audits (2020: 8) were carried out in this way.

COMMUNICATION AND TRAINING

Our employees can inform themselves in German and English about the topic of compliance in general and anti-corruption policies or antitrust law in particular at any time on the intranet, where information concerning options for reporting concerns or reservations related to specific business conduct can also be found.

What's more, new regulations introduced in 2021—the Dräger Employee and Management Handbooks—offer clear and target-group oriented guidelines and rules for the entire workforce. The handbooks are valid Group-wide. The Dräger Employee Handbook is available in 15 languages.

All key information on compliance is also available to the public on the → [Dräger website](#). Along with links to the Sustainability Report and Dräger's Principles of Business and Conduct, or the Code of Conduct for Business Partners, the website also provides access to the Dräger Integrity Channel.

The training courses were also revised in terms of content and concepts within the scope of the newly adapted regulation landscape implemented in the reporting year. The new rules and regulations were first largely published as an independent study program in 15 languages.

At the end of 2021, five online compliance training courses were created for the Dräger Employee Handbook: one anti-corruption session, one antitrust law session, one session dealing with potential conflicts of interest, and most recently a new session on fraud prevention, as well as one special session on correct conduct regarding gifts and other benefits. The other language versions will be completed in 2022.

Along with the general training courses on the Dräger Employee Handbook, additional courses pertaining to the Management Handbook are also on offer, with in-depth content on anti-corruption and antitrust law available for independent study. Online training courses are also planned for the Management Handbook in 2022.

The compliance courses are valid for two years and must then be repeated, should the job profile require it. The training courses are supplemented with offers on selected compliance topics (such as in-depth courses on antitrust law) that are offered on request or in case a need for training has been identified.



Jointly We choose our business partners carefully

Due to changes in the training system and reporting, no reliable figures on training participants exist for 2021.

ASSESSMENT AND TRAINING OF SALES AND DISTRIBUTION PARTNERS

As a further measure for managing identified risks, a risk-oriented process for assessing sales and distribution partners (Sales Channel Partner Risk Assessment [SCPRA]) was introduced throughout the Dräger Group back in 2013. This process was revised and optimized by Sales and Compliance in



Risky Carry out dangerous work with full protection

2021, and subsequently rolled out under the name Sales Channel Partner Integrity Assessment (SCPIA).

The process takes a risk-based approach and requires us to assess sales and distribution partners when net sales exceed a certain benchmark. The depth of the assessment is determined based on a variety of criteria, including the type of collaboration, the domicile and place of business of the sales channel partner. On this basis, and using a system of checks and balances, the local companies decide whether they are able to enter into a business relationship with the partner. The local compliance officer or the CCO are consulted in certain risk scenarios and if uncertainties arise.

The SCPIA process is completely digitalized and maps out all process phases. It guides the user through all of the procedural steps and offers additional transparency and documentation options.

2.3 DUAL-USE PRODUCTS AND ARMS

In the interest of greater transparency for our stakeholders, this section contains information about business transactions that could be the subject of ethical debate. We act in strict compliance with our guiding principle, ›Technology for Life.« Dräger does not produce weapons or other implements of war that endanger human life. However, Dräger's portfolio also features dual-use products: products mainly used in industry that also find application in the defense and public safety sectors. These dual-use products mainly consist of protective equipment and products for detecting hazardous substances. On a small scale, however, we also market products that are classified as arms, including our rebreathers or filter technology for military vehicles. These products protect and support the lives of anti-terror units and blue helmets, for example. Total net sales with military customers and the public safety sector involving armaments account for less than one percent of the Group's net sales.

Through due diligence processes and context assessments, we ensure that potential customers are trustworthy and do not intend to misuse Dräger's products. We do not enter into a transaction if this trust is not ensured. German foreign trade laws and regulations, as well as the European dual-use and embargo regulations, provide the legal framework for our export activities. We also take into consideration the EU's sanction lists, which outline persons, groups, organizations, and/or companies with whom it is forbidden to do business.

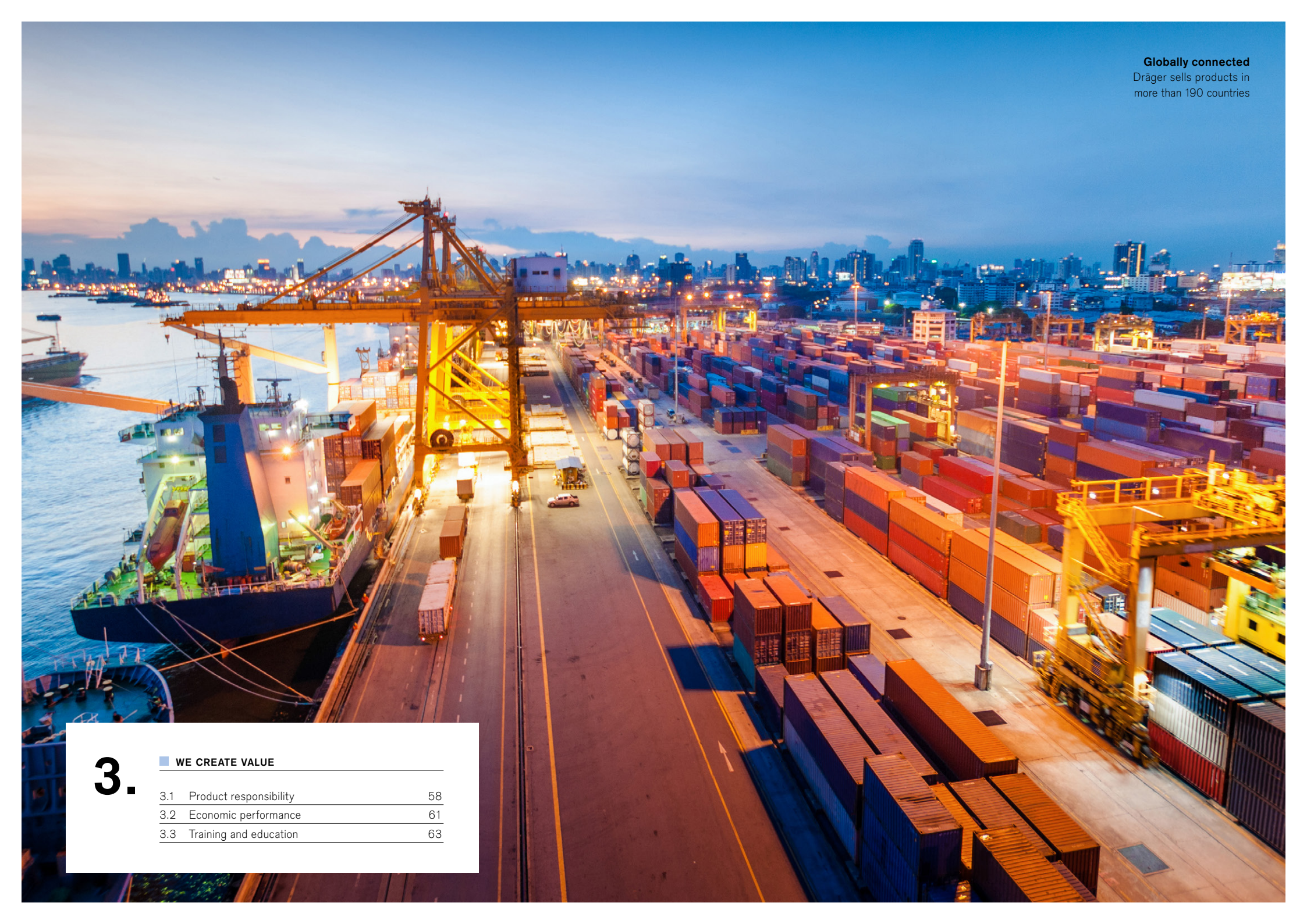
Dräger products categorized as dual-use goods or arms are flagged accordingly in our database. When an order is recorded, we check whether such products are on the list. We also check all involved partners such as end customers and dealers in accordance with the relevant sanction lists. If necessary, the order is technically blocked. The block can only be lifted following a review by trained export control specialists. In addition, we check the combination of goods and the country involved in the order. For example, any orders for the LAR 7000 military rebreather destined for a country other than Germany will trigger further checks and reviews. The same occurs if a non-listed product is ordered by a military end user in a country subject to a weapons embargo. Operating procedures that are available on the intranet and can be accessed by all employees are then used to check whether approval is necessary.

An application for an export license is filed with the Federal Office for Economic Affairs and Export Control (BAFA) if approval is necessary and if no simplified process options (such as a general authorization) are available. Given the specifics of the order, BAFA decides independently or consults with additional government ministries to determine whether an export license may be issued. Approval is only issued after receiving authorization from the Federal Office for Economic Affairs and Export Control.

Further processes are designed to ensure that we comply with U.S. re-export provisions, as well as the respective customs and export provisions, when Dräger products are exported from other Dräger sites outside Germany.



Deep breath Navy divers rely on Dräger diving devices



Globally connected
Dräger sells products in
more than 190 countries

3.

■ WE CREATE VALUE

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3. We create value

We at Dräger create value with our products, which are subject to high quality standards. They help our customers do their job successfully and create value themselves. The targeted training and education of our employees to qualify them optimally for the work they do also makes a major contribution to our success. By offering vocational training to many young people every year, we create value for society. Constant growth, along with stable and sustainable economic performance, is necessary for our long-term success and enables us to create jobs and thereby also strengthen the regions in which we operate.

3.1 PRODUCT RESPONSIBILITY

People need to be able to rely on the quality of our products and services at all times. They meet the highest standards—from development and production to delivery, sales, and service. For us, reliability means making products that are more durable and robust than average and even continue to meet the expectations of our customers after years of use. Every solution we develop aims to make our customers' work safer, more productive, and easier. We apply the same high quality standards to our service. To do so, our service employees need the best possible training, regardless of whether they maintain medical technology devices and equipment or provide critical services around plant safety. The health and safety of our customers is as important to us as that of our employees.

SAFE AND RELIABLE PRODUCTS

To us, product responsibility means systematically ruling out potential risks associated with the use of products even during their development. To ensure this, we operate used well-defined processes with clearly defined inspection and approval gates, while continuously expanding our processes and methods. We aim to find a customer-oriented, fast solution to errors and problems. To constantly improve our products, we also focus on customer intimacy. As part of customer process monitoring, we accompany potential users in their working environments. By doing so, we find out more about the real-life demands in the field. This knowledge flows into development. We place special attention on ensuring patient safety at all times, making our products easy to use, and further improving treatment and clinical processes. Prior to launch, we test all



Quality Durability tests ensure the resilience of our products

products thoroughly at our own as well as external test laboratories, and we test their user-friendliness with internal usability experts and at selected customers' facilities around the world. From material tests and vibration and shock tests to electromagnetic compatibility assessments, every Dräger device has to work flawlessly, even under extreme conditions, before it gets regulatory approval.

We are constantly developing and enhancing our portfolio to meet the future needs of customers.

SATISFIED CUSTOMERS

We use our customer management system—part of our quality management system—to gauge whether our customers' needs have been met, how reliably we deliver, and how we are being viewed. To do so, we make use of information from local service technicians, dealers, from targeted customer satisfaction surveys, and data from our product monitoring system, among other things. We categorize all customer feedback regarding product defects as a complaint. We systematically evaluate complaints and derive product-related corrections and targets.

We constantly monitor the number of warranty claims in relation to the number of products sold. Our aim, therefore, is not simply to maintain the status quo, but to keep striving for improvements for individual products and product groups.

Comprehensive processes for correction and prevention measures have been put in place to enable us to systematically and comprehensively address any identified deficiencies and implement measures to improve customer satisfaction.

INTEGRATED QUALITY MANAGEMENT

Dräger's integrated quality management system meets the international standards ISO 9001 and ISO 13485, among others, helping us comply with binding quality standards and country-specific requirements. In addition, we also set our own high-quality targets, which apply to our processes, products, and services.

102-43, 102-44

To meet our external requirements globally, we have among other things set up two certification groups that cover the production sites as well as the sales and service sites. They are therefore subject both to an internal auditing process as well as regular external audits.

Our integrated quality management is based on standardized processes, making orderly, structured, and reliable management of all business activities at Dräger possible. The company also appointed global process owners who are responsible for business and management system processes. The goal is to meet current and future customer needs through these processes. The quality organization supports the process owners in their efforts so we can ensure that, by using these processes, our employees automatically meet the requirements as defined by law and by the applicable standards.

We constantly monitor the legal framework conditions. Among other things, the new Medical Device Regulation (MDR) contains more detailed rules for the evaluation and investigation of medical devices. We already became one of the first medical technology manufacturers worldwide to successfully complete the MDR audit as well as the MDR review of the first product files at the Lübeck location in 2019. Since that time, we have been continuously expanding our certification.

We are also constantly working to enhance our tools for managing and monitoring our quality system. This has included the introduction of a digital process management system, the implementation of digital signatures for multiple processes, and the use of remote audit methods.

CUSTOMER PRIVACY

418-1

We face a special challenge when it comes to customer privacy, especially in our business with medical products. Attacks by criminal hackers on hospitals and the equipment and IT systems there are on the rise and are growing increasingly sophisticated. Because the operating systems of medical devices are in many ways comparable with those of computers, and because the devices are increasingly connected, they too are among the potential targets of cyberattacks. To offer our customers optimum security, we started developing a variety of methods at an early stage to protect our devices—and therefore customer and patient data—from such attacks.

Thanks to our Secure Development Lifecycle, we start paying attention to protecting our products from cyberattacks during development, ensuring that we take IT security into account from the very start. This applies not only to medical devices, but also to Dräger safety products such as our breath alcohol ignition interlock devices. Immaterial system components are removed from the product to create hardened operating systems that are designed to keep potential targets to a minimum.

In addition to all these measures, we also trust the expertise of other developers, IT security researchers, and customers, who can use a product security page to report potential risks to us.

No substantiated complaints concerning breaches of customer privacy and losses of customer data were received in the reporting year.

RESPONSIBLE MARKETING

The way we communicate plays an important role in demonstrating Dräger's reputation as a responsible company. Internal guidelines and processes help us comply with laws, as well as with cultural and ethical standards. Our approval process for the external use of marketing materials (Approving Marketing Communication Materials for External Use) provides detailed rules on the departments at Dräger that approve materials and how the approval process needs to be documented. We are guided by the principle of avoiding dishonest advertising. Statements must be truthful, correct, and objectively demonstrable. We do not make false statements and avoid exaggerations, for example by avoiding the use of superlatives. Furthermore, we do not infringe on the rights of other persons or competitors, and we pay particularly close attention to trademarks and copyrights.

When creating marketing materials for various different target markets, we go beyond merely translating the master file. A cultural check is intended to ensure that we take the individual cultural norms and contexts of the target market into consideration, allowing us to prevent discriminatory language or images, among other things. A tailored list of questions covers all critical aspects, such as acoustic (product name) and optical associations (images, persons, gestures).

3.2 ECONOMIC PERFORMANCE

In order to achieve long-term success, Dräger has to generate steady growth as well as stable and sustainable economic performance. Dräger uses a value-driven management system to increase the company value in the long term. The foundation for this system is the financial key figure Dräger Value Added (DVA).

DVA is the difference between EBIT over the preceding 12 months and calculated capital costs. Capital costs are determined using average capital employed in the past 12 months, based on the average cost of equity and borrowed capital before taxes. The weighted average cost of capital (WACC) was set at 7 percent.

»There is no profitability
without sustainability.
We find this fruitful exchange
in a listed family business.«

Gert-Hartwig Lescow, CFO and Executive Board member for IT

DVA is reported for the two segments (medical and safety divisions). We use DVA to measure the development of the company's value and that of its segments. Not only does Dräger base its strategic decision-making on the development of DVA, the majority of management's variable remuneration is primarily based on DVA. The same target system applies to the five members of the Executive Board, some 150 managers, and around 270 employees not covered by collective wage agreements. Individual targets are not agreed.

Dräger aims to achieve three goals through its DVA-based management:

- profitable growth,
- increasing operating efficiency, and
- increasing capital efficiency.

Another important indicator is Days Working Capital (DWC). We use it to measure the average range of net working capital over twelve months. It is made up of the components Days of Sales Outstanding (DSO: trade receivables in relation to sales), Days of Inventory on Hand (DIH: inventories in relation to sales), Days of Payables Outstanding (DPO: trade payables in relation to sales) and Days of Prepayments Received (DPR: prepayments received in relation to sales), each of which is measured individually.

In addition to DVA and DWC, we also use sales and EBIT margin as key performance indicators. Thus, the company is currently managed on the basis of financial performance indicators.

ECONOMIC PERFORMANCE INDICATORS IN 2021

		2021	2020	2019
Net sales	€ million	3,328.4	3,406.3	2,780.8
EBIT	€ million	271.7	396.6	66.6
EBIT margin	%	8.2	11.6	2.4
DVA	€ million	171.8	296.9	-32.7
DWC	Days	99.7	96.9	109.4

ECONOMIC PERFORMANCE INDICATORS IN FISCAL YEAR 2021

Following the record-setting year in 2020, fiscal year 2021 was still influenced by the effects of the pandemic. The need for products used to treat COVID-19 patients was sustained for longer than originally expected at the start of the year, with major orders being received from various emerging economies, in particular. Business performance did not begin to return to normal until the second half of 2021.

Net sales decreased slightly in fiscal year 2021, dropping 1.8 percent (net of currency effects) to EUR 3,328.4 million. The strong net sales development, high production capacity utilization, and positive mix effects led to a positive result in fiscal year 2021. As such, earnings before interest and taxes (EBIT) stood at EUR 271.7 million (2020: EUR 396.6 million).

Key economic performance indicators in accordance with the GRI guidelines and their values can be found in the → [Dräger Group's financial reports](#).

201-1

207-1 to 207-3

RESPONSIBLE HANDLING OF TAXES

We introduced a Group Directive on Tax in 2016 to ensure compliance with our tax obligations around the world. The introduction of the newly adapted regulation landscape saw the directive and its annexes being integrated into the Management Handbook. The regulations dealing with taxes comprise the main principles for the fulfillment of tax-related tasks within the Group and define the framework conditions for cooperation between the Group Tax department and the companies in which Dräger has corporate control²¹. They are supplemented by specific implementing provisions, for example, in the area of transfer prices and VAT.

Dräger sees the avoidance of tax risks as constituting part of responsible tax policy. As such, it has made the early identification of tax risks the subject of the operational risk management system (RMS). The company plans to introduce a tax compliance management system (Tax CMS) to improve the tax risk management process. The implementation of the Tax CMS in Germany is scheduled for the first half of 2022.

The Executive Board of Dräger is responsible for defining the tax strategy, as part of the corporate strategy. They are represented by the Chief Financial Officer (CFO), who has functionally delegated the tasks associated with implementing the strategy to the Group Tax division.

We are aware of our corporate social responsibility in fulfilling tax obligations, which is why we act as a responsible taxpayer and implement all the necessary measures to be able to comply with the tax laws. We do not pursue aggressive tax-planning activities and pay taxes in those countries where we undertake value-added operations. This illustrates the respect we, as a company, have for the environment in which we do business.

We maintain a professional and transparent relationship with the tax authorities, and do so without disregarding our legitimate interests—and, with them, the interests of our shareholders and other stakeholders—in a reasonable tax burden.

Our tax strategy and cooperative relationship with the tax authorities is based on the wish to be perceived as a close partner in the countries and regions in which we operate. This helps lend weight to our word and builds trust with public institutions, who often also constitute our customers. In this way, the Dräger brand benefits from public contracts, for example for hospitals or fire-fighting equipment.

We, as a company, and our employees at the various locations in particular, benefit from the return of taxes as government investments in society. Beyond the scope of our [→ involvement in associations](#), Dräger does not push for any influence on political tax arrangements.

3.3 TRAINING AND EDUCATION

A substantial portion of our company's success is based on the knowledge and experience of our employees. We share this knowledge with our customers in the form of services and training, allowing us to create value there as well.

The main key to the qualification of all employees is lifelong learning, which Dräger supports to the best of its ability. This starts with comprehensive vocational training. Internal education and training options and tailored qualification measures ensure a wide range of ongoing training opportunities.

One of Dräger's main business fields is ensuring safe working conditions at our customers' facilities. Especially in the chemical, oil, and gas industries, we

²¹ Companies in which the Dräger Group holds a direct and/or indirect interest of at least 50.01 percent

provide them with products and with support during maintenance-related shutdowns in the form of various services, such as well-trained employees.

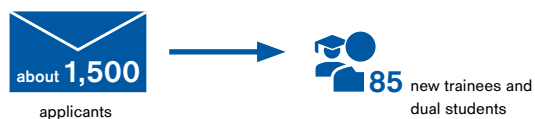
404-2

PROGRAMS FOR SKILLS MANAGEMENT AND LIFELONG LEARNING

Approximately 85 new trainees and students on dual study courses who are selected from a field of approximately 1,500 applicants start their training in one of 18 commercial, technical, and industrial professions at Dräger in Germany each year.

Dräger cooperates with multiple institutions of higher education to train the engineers, IT specialists, and business administrators of tomorrow in the dual study courses of mechanical engineering, medical engineering, electrical engineering, computer engineering, industrial engineering, and business informatics. We also offer internships for school and university students. Significantly fewer internships were possible, particularly for school students, on account of the coronavirus pandemic. Over the course of the year, we increasingly turned to virtual school visits to ensure we could still make a contribution to the students' career orientation. Despite facing these adverse conditions, we were still able to provide 288 students with practical experience within the scope of internships and theses.

We are a founding member of Nordakademie in Elmshorn, Germany, located near Hamburg. As a member of Wissensfabrik—Unternehmen für Deutsch-



land e.V., our commitment to education, training, and entrepreneurship goes beyond our factory premises. As part of the company's ongoing collaboration with Wissensfabrik, Dräger teamed up with IQSH (Institut für Qualitätsentwicklung an Schulen Schleswig-Holstein) to specifically promote IT skills, while also engaging in numerous other school partnerships in the reporting year.

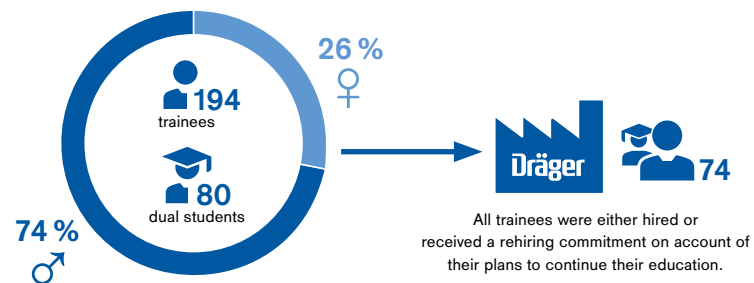
We have also received external recognition for our commitment. For the first time, Dräger received five out of five stars in the competition to find Germany's best vocational training providers, having been awarded four stars in previous years.

Dräger also offers its other employees a wide range of advanced training opportunities. The training catalog offers a variety of training courses on topics such as personal skills (including communication, personal development, occupational health and safety, data protection, personal safety, and first aid), intercultural skills, leadership skills, and project management. An online training catalog additionally offers courses on basics (such as the basics of neonatology, anatomy and physiology, as well as pharmacology and gas detection or network technology), along with sales training, technical training, as well as user training. Data protection also plays an important role and is the subject of employee training. Due to changes in the training system and reporting, no reliable figures on training participants exist for the reporting year (2020: 8,266 employees trained in data protection-related topics). Employees can invest spare time educating themselves about work-related and general topics in numerous courses.

We also hold regular feedback meetings to track personal development. They contribute to efficient skills management. Annual appraisal meetings with direct

404-3

TRAINEES AND DUAL STUDENTS IN GERMANY 2021



supervisors are held at more than 94 percent of the 30 largest Dräger subsidiaries and at global production sites²².

KNOWLEDGE FOR CUSTOMERS

Customers also benefit from our long-standing experience in training and education. The Dräger Academy offers knowledge on products, their application and maintenance, basic technologies, and people as users. It is this knowledge that turns Dräger technology into ›Technology for Life.‹ Employees at hospitals, in fire services, mining, industry, or the public sector receive the training they need to structure their work even more safely and more effectively.



Awarded We have been named one of the best training companies in Germany

²² The 30 largest Dräger subsidiaries (by headcount) were located in the following countries in 2020: Australia, Austria, Brazil, China, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Poland, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, the United Kingdom, and the United States. Our production sites are located in Chile, China, the Czech Republic, France, Germany, India, Sweden, South Africa, the United Kingdom, and the United States. This list may vary due to the consolidation of companies or restructuring programs. Our reporting therefore covers over 86 percent of Dräger employees.



Green

Buildings on our Lübeck campus are surrounded by nature

4.

WE RESPECT OUR ENVIRONMENT

4.1	Environmental protection	67
4.2	Supply chain	76
4.3	Social commitment	79

4. We respect our environment

We also take responsibility for our surroundings wherever our operations have an impact. This includes protecting the environment in which future generations hope to live. When selecting our suppliers, we review their sustainability efforts, thereby assuming overall responsibility. Through our social commitment, we also support society worldwide through projects, as well as donations in cash and in kind.

4.1 ENVIRONMENTAL PROTECTION

Dräger products and services help our customers worldwide live up to their responsibility for people and the environment. Dräger gas detection technology detects hazardous gases or gases that could have a negative environmental impact, for example, helping to prevent environmental disasters, such as explosions on oil platforms, as well as the release of dangerous substances.

Our customers expect environmentally friendly products, not only during use, but throughout the entire life cycle. Environmental protection is therefore not just our duty, but also an opportunity for us to give ourselves a competitive advantage with environmentally friendly products and by conserving resources. Our production processes are classified as having a low impact on the environment overall. Nevertheless, we constantly take measures to conserve resources and avoid negative effects on the climate.

ENVIRONMENTAL MANAGEMENT SYSTEM

We have anchored our company principles of environmental protection, quality, and occupational health and safety in an integrated management system.

Around the world, there are clear responsibilities and processes for environmental management. The same applies to planning goals and measures, including regular internal and external reviews. This allows us to ensure that we comply with legal requirements and that we systematically identify and seize potential for improvement.

During the reporting period, we did not identify any cases of non-compliance with environmental laws or regulations.

We consider the environmental risks from our business activities and our business relationships to be rather low overall. We use an environmental management system to counter risks through violations of legal requirements, environmentally damaging events, or reductions in the marketability of our products due to environmental requirements. In doing so, we monitor legal requirements and follow a process for emergency planning. We start considering environmental factors during the product development stage and when we select suppliers and service providers, ensuring that we counter any indirect risks arising from business relationships.

307-1

The Dräger environmental management system is based on binding standards, which apply to all Group companies around the world. We currently have 47 Dräger companies (2020: 46) that are certified pursuant to the international ISO 14001 standard, and they are all subject to an internal auditing process as well as regular external audits by TÜV Nord GmbH. Over 80 percent of our employees work in certified units. All major production sites are part of this global group certification. In 2021, the subsidiary in Finland successfully obtained recertification.

To ensure continuous improvement, each company runs environmental and occupational safety programs every year. In 2020²³, for example, over 600 individual measures were defined or continued from the prior year.

Examples of these measures can be found all over the world. At its headquarters in Lübeck, Dräger built a state-of-the-art warehouse for hazardous substances and installed a recovery system for anesthetic gases. These gases are produced during the calibration of medical technology equipment. The recovery system is currently being optimized further to ensure a recovery of 95 percent. In the Czech Republic, a new distillation facility helped reduce the usage of solvents in the painting of firefighters' helmets by 80 percent. Plant optimizations undertaken in the production of FFP2 masks in Sweden allowed for a 24 percent reduction in energy consumption per mask. A new language concept led to significantly lower paper consumption related to the operating instructions for a number of products. All told, some 86 percent of the measures were implemented as planned.

ENVIRONMENTALLY FRIENDLY PRODUCT DESIGN

Dräger products are subject to the strict legal requirements applicable to medical and safety products. Our customers expect long operating times and

low subsequent costs from our devices. That is why we design products to be long-lasting, and to save energy and resources while also being safe and functional. We systematically take environmental aspects into account during the development process in line with the international standards IEC 60601-1-9 and IEC 62430, helping us to counter the potential negative environmental impact of our products that could result from:

- resource consumption (due to the materials used)
- power consumption by electrical or electronic equipment
- the use of anesthetic gases in anesthetic devices
- waste produced by consumables such as tubes, filters, Dräger Tubes, and soda lime
- disposal of products at the end of their service life



Resources We recycle several hundred tons of lime waste per year

²³ Figures for 2021 will be available in the report for 2022.

» Our medical division strategy,
›Improving Acute Care,‹
also means that we will focus
more strongly on sustainability
from the earliest stages
in the development of new
products and systems.«

Toni Schrofner, Executive Board member for medical division

In recent years, we ran extensive training sessions and workshops on environmentally responsible product development at all main development sites. We carry out life-cycle assessments throughout the entire life cycle of our products in order to consider the impact that they have on the environment. The results have shown that, for electrical equipment, the main factor in their environmental impact is their consumption of electricity during the utilization phase. Production and the materials used have little impact in comparison.

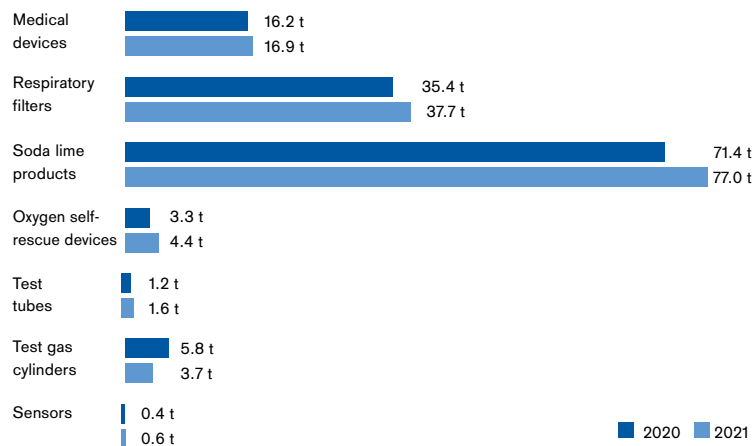
Our focus when it comes to anesthesia devices is on innovative functions that minimize the consumption of climate-damaging anesthetics while reducing operating costs. A further example of environmentally friendly product innovations are our compressed air supply systems for hospitals, which operate with oil-free compressors. The systems are not just energy-efficient, but also avoid the production of hazardous waste containing oil.

We offer professional maintenance and repair services throughout the world so that our customers can benefit from their Dräger devices' long service life. In addition, Dräger Service ensures a long-term supply of replacement parts and software updates. Dräger pursues a policy of recycling and disposing of used devices with recycling passports²⁴ and our in-house product disassembly unit in Lübeck, which is a certified waste management company. We also take back consumables such as filters, Dräger Tubes, and soda lime for recycling wherever this makes logistical sense. The quantity of recycled products containing soda lime increased further year on year (from 71.4 t to 77.0 t) in the reporting period. Recycling saves some 600 g of CO₂ per absorber compared to incinerating it as hospital waste, according to an internal life cycle assessment study, equating to savings of approximately 33 t of CO₂ in 2021.

We minimize our use of packaging materials for economic and environmental reasons. We use reusable packaging where there is regular exchange with suppliers who are close to production. A software-supported system for reus-

²⁴ Recycling passports contain instructions for disassembly and provide information about the materials and impurities contained in the products. They are based on the EU WEEE guidelines, which require the manufacturers of electronic devices to make information like this available.

WITHDRAWALS AT THE DISASSEMBLY UNIT 2021



able transport packaging in the supply of production was introduced under a cross-site project in 2020 and 2021. The cooperation with ten suppliers not only prevented packaging waste, but also optimized workflows. Otherwise, we mainly use cardboard that is over 90 percent recycled fiber, FSC certified, and wholly recyclable.

MATERIALS

Due to the long service life of most Dräger products, the quantity of materials used in production is usually only an environmental factor of secondary importance over the entire product life cycle. We ensure the lowest possible use of material and a high degree of recyclability, especially when it comes to consumables. Secondary raw materials (i.e., raw materials that are made from recycled materials) cannot be used in consumables and devices due to the high safety requirements. The possibilities for using organic and biodegradable plastics were analyzed as part of student research projects. Though no directly applicable substitute materials were identified, the study still provides a foundation for further development work. Eco-efficiency analyses were also carried out by the bifa Umweltinstitut in Augsburg for three selected accessories in 2020. Through these efforts, we are providing a foundation for our customers to make decisions based on ecological and economic criteria, in particular as concerns the specific advantages and disadvantages of reusable and disposable products.

Due to legal requirements and customer expectations, potentially critical ingredients are a special focus of our product development. We comply with the restrictions pertaining to substances in the RoHS Directive (2011/65/ EU), which apply in the EU to all electrical and electronic devices. Comparable international regulations such as China RoHS are also taken into account. We implemented the third revised version of the RoHS Directive (2015/863/EU) on time in July 2021.

301-2, 306-2

417-1

Substances that are considered to be ›substances of very high concern‹ pursuant to the EU-REACH ordinance are subject to mandatory approval. We have replaced these substances in many Dräger Tubes (a pollutant analysis system) with alternative materials in recent years, although there is an exemption for applications like these. We have also replaced these substances with more environmentally friendly substances in activated carbon production.

102-11

In order to continue to meet stricter requirements relating to product ingredients at a global level in the future as well, we introduced a systematic monitoring system in 2015 for substances for which restrictions are foreseeable or under discussion. We already take this early warning system into consideration in the product development process today.

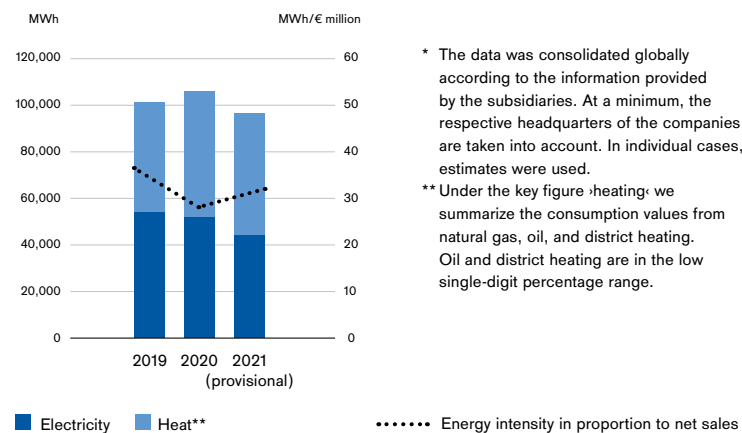
We also exert influence on our suppliers using a comprehensive materials declaration system, and we evaluate their ability to provide transparency about ingredients in supplier certification and supplier audits.

302-1, 302-3

ENERGY

We take numerous measures to reduce our energy consumption—and do so globally. For example, occupancy sensors were installed at our headquarters in Lübeck to optimize the energy consumption of the ventilation systems and lighting. In addition, the municipal waste management company Entsorgungsbetriebe Lübeck provides us with regenerative heat, using previously unused biogas from the local Niemark landfill site in a combined heat and power plant. All of the power that we supply to our production site in Blyth, United Kingdom, as well as to our sales subsidiaries in Norway, the Netherlands, and Austria, is already generated from renewable sources.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION 2021*



Energy audits have been conducted for our German companies as well as for those in the United Kingdom, France, and the Czech Republic in the last years in accordance with the European Energy Efficiency Directive (2012/27/EU) and potentials for improvement determined. In the reporting period, our energy consumption increased by approximately 10.8 percent compared with the previous year. This is attributable to the construction of three new production facilities, among other things. The energy intensity in proportion to net sales increased by 13 percent year on year, after it had dropped 23 percent in the prior year. Energy intensity has been reduced by 25 percent since 2015.

We take environmental aspects into consideration when it comes to new investments. At its headquarters in Lübeck, Dräger has built new production facilities in recent years that boast a number of major environmental advantages. The new buildings' energy consumption values are up to 50 percent lower than those stipulated by law. A heat recovery plant reduces exhaust losses by roughly 75 percent. A photovoltaic system generates up to 250 kWp (kilowatt peak) in renewable power. The buildings are fitted with LED lighting, which can be controlled depending on the time of day and occupancy of rooms. The high-bay warehouse features the latest conveyor technology, making it particularly energy efficient. In addition, there is no longer any need for transportation between separate production sites. Energy-efficient ventilation was also installed in existing production buildings as part of the project. In 2020, Dräger was able to set up three new production sites for FFP2 and FFP3 masks in the U.S., France, and the UK, in a matter of months to meet the urgent demand during the coronavirus pandemic.

305-1 to 305-4

EMISSIONS

Direct and indirect CO₂ emissions are the most relevant environmental aspect of our operating activities. Direct emissions arise when burning energy sources such as natural gas for heating, and when burning fuel for vehicles. The consumption of electric energy also leads indirectly to CO₂ emissions in power generation. Outside of our own locations, emissions are caused by transport processes in distribution logistics and by business travel. As depicted in the figure on page 72, the proportion of transport-related CO₂ emissions exceeds the amount of emissions resulting from our own energy consumption.

Dräger does not generate any air emissions that would need to be recorded in the European Pollutant Release and Transfer Register (E-PRTR). The instal-



Eco-friendly Many employees commute to work by bicycle

lation and service work carried out in most areas of production does not release any pollutants into the air. Cleaning agents, adhesives, and coatings containing solvents are only used in a handful of areas. The production of soda lime produces dust, which is largely filtered out of exhaust air.

At a global level, Dräger has set itself the goal of a 33-percent reduction in CO₂ emissions by 2025 compared with the benchmark year of 2015. The reduction target for the period from 2015 to 2020 was already achieved in 2019, which led to a new CO₂ target being established in the reporting year. This target is determined based on the climate goal of the United Nations to reduce global warming to significantly below 2 degrees Celsius. According to scientific evidence, it will be necessary to cut back net emissions of global greenhouse gases to zero by 2050. Dräger honed its targets in the reporting year and adapted them to the new German Climate Change Act, which strives to achieve greenhouse gas neutrality by 2045. This calculates to a reduction of 3.3 percent per year on average from 2015 onward. Dräger is committed to this goal and would like to make an appropriate contribution through real and effective emissions reductions.

When calculating emissions, emissions from purchasing electric energy (Scope 2) and from business trips and central distribution logistics (Scope 3) are also taken into account alongside direct emissions from the burning of energy sources and fuels in company cars (Scope 1). Since 2009, Dräger has been disclosing its annual climate data as part of the CDP Program. Globally consolidated data is available for the period from 2015 to 2020.

Our global CO₂ emissions totaled 89,577 t in 2020²⁵, which represents a 15.6 percent reduction year on year (2019: 106,131t). Since 2015 we were able to reduce direct and indirect CO₂ emissions by 27.4 percent. The CO₂



Natural Bee colonies work hard to produce honey at our headquarters

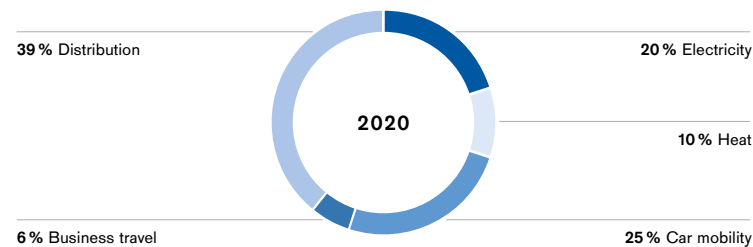
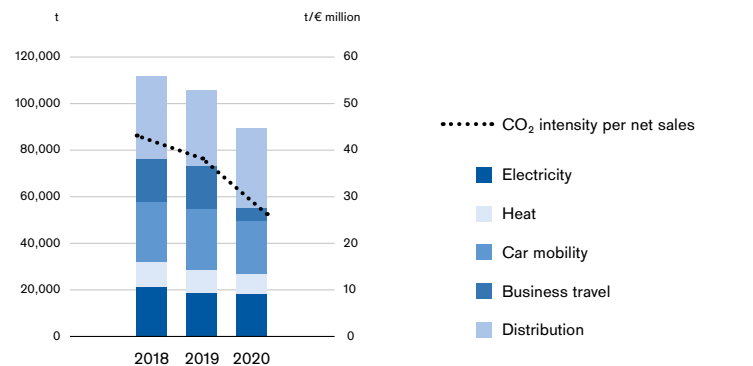
²⁵ Figures for 2021 will be available in the report for 2022.

intensity in relation to net sales decreased by 31 percent year on year to 26.3 t/EUR million in 2020 (2019: 38.2 t/EUR million) as well. Since 2015 it decreased by 44 %. Compensatory measures such as support of reforestation projects were not taken into consideration. In the reporting year, Dräger was named one of ›Germany's Climate-Conscious Companies 2022‹ by ›CAPITAL‹ magazine.

CO₂ emissions from electricity, heating, vehicles, and air travel fell in 2020 compared with the previous year, with travel-related emissions in particular dropping 70 percent due to the coronavirus pandemic. Business travel is expected to increase again once travel restrictions are lifted. However, we intend to continue using the established systems for videoconferencing and online meetings to limit business travel to the extent necessary. Emissions in distribution logistics increased by 5 percent, which is attributable to strong global growth in demand for ventilators. When contrasted with the increase in net sales of 22 percent in 2020, emissions development was disproportionately low. To date, 13 percent of the transport volume has been switched from air to sea freight due to the Air-to-Sea program launched in 2018.

Dräger encourages electromobility. For example, the members of the Executive Board all drive fully electric company cars, while managers in Germany are able to choose a zero-emission vehicle as their company car. Our new company car policy, which came into effect in December 2021, offers clear incentives for fully-electric vehicles. The various sites of the Lübeck plant have 76 available charging stations, which can also be used free-of-charge for employees' privately-owned vehicles. The vehicle fleet for use at and around Dräger's Lübeck site solely includes electric vehicles and electric bicycles.

GLOBAL CO₂ EMISSIONS 2020*



*The data is based on information provided by the subsidiaries and has been consolidated. At a minimum, the respective headquarters of the companies are taken into account. In individual cases, estimates were used. We have succeeded in improving the accuracy of the calculated emissions from purchased electricity and air travel since 2018 by basing them on country- and/or provider-specific emission factors related to power generation as well as the annually updated emission factors for air travel provided by the UK's Department for Environment, Food & Rural Affairs (DEFRA). Investments were wholly allocated to Dräger.

306-1 to 306-3

WASTE

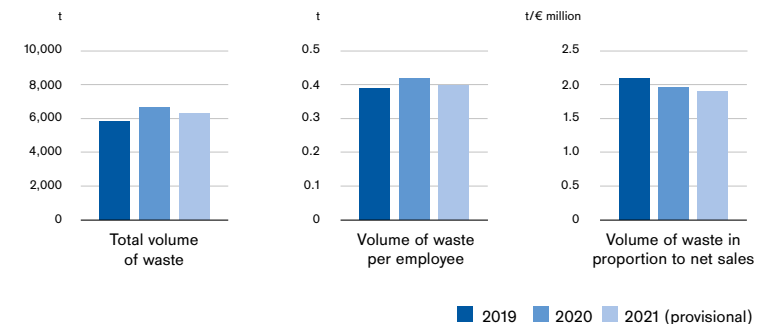
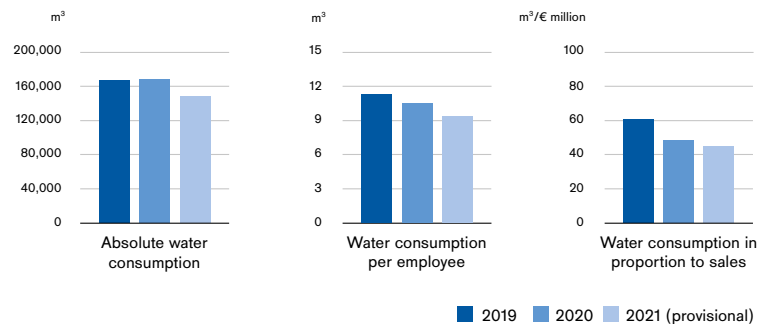
Most waste from our production processes and other activities can be categorized as harmless and is recyclable. The largest quantities are attributable to cardboard/paper, metals, lime, and typical household trash. The absolute volume of waste worldwide decreased by 5.1 percent in 2021. This is most likely due to the normalization of production volumes following the significant increase in demand for medical devices in the prior year. The commissioning of three new production sites for FFP masks did not have a negative effect on the volume of waste. This corresponds to a reduction in proportion to net sales of 2.9 percent. In terms of the number of employees, the volume of waste decreased by 6.5 percent year on year.

We regularly review our waste disposal processes in internal and external environmental audits to ensure that we are in compliance with the law. Certified waste-disposal companies recycle or dispose of all waste locally. At our most important production site in Lübeck, this task is performed by Dräger Abfallwirtschaftsverband w.V., a certified waste management company, in cooperation with the Dräger waste management department. In 2021, 3,487 t of waste (565 t, or 13.9 percent, less than in the prior year) was produced in Lübeck. The recycling rate stood at 96.5 percent (2020: 96.9 percent).

303-1 to 303-3

WATER

We predominantly source water from the municipal water supply and use it primarily for sanitation purposes. Larger quantities of process water are used regularly in only a handful of production areas, such as in the manufacturing of soda lime and particle filters. Extensive closed-loop circulation and other measures have enabled us to reduce water consumption by approximately 22 percent since 2015. In 2021, consumption fell year on year by approximately 11.6 percent. In relation to net sales, water consumption decreased by 9.5 percent. Water consumption in proportion to sales has been reduced by as much as 39 percent since 2015.

VOLUME OF WASTE 2021***WATER CONSUMPTION 2021***

*The data was consolidated globally according to the information provided by the subsidiaries. At a minimum, the respective headquarters of the companies are taken into account. In individual cases, estimates were used.

No wastewater is disposed of in bodies of water. To the extent necessary, it is purified at treatment plants and disposed of in the municipal sewage system. Industrial effluents are subject to locally defined threshold values for wastewater quality. These are monitored by the relevant local authorities and, in some cases, by Dräger itself.

102-9

4.2 SUPPLY CHAIN

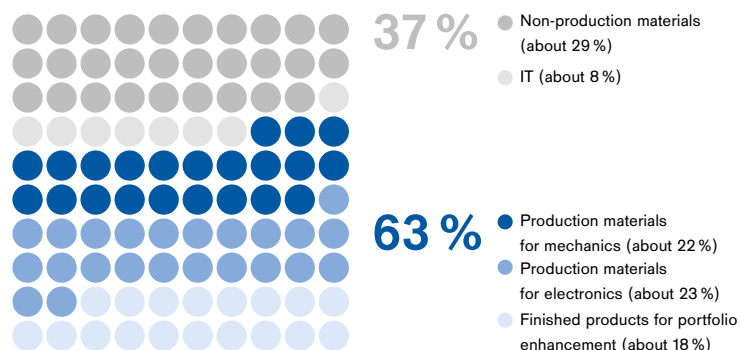
Our supply chain plays a substantial role in our product manufacturing process. We therefore pass the standards we place on ourselves on to our partners and suppliers as a matter of course. Working together allows us to ensure that we meet our standards for ›Technology for Life.‹ To do so, we work in close cooperation with our suppliers to combine responsible management with economic success along the supply chain.

We obtain a wide range of materials, products, components, and services from our suppliers for our production sites all around the world. To ensure that we fulfill our responsibility in this context, we conduct comprehensive risk management along our entire supply chain. All suppliers go through a comprehensive approval process. Important suppliers²⁶ are regularly assessed and audited. A separate team in Strategic Supply Chain Management ensures additional supply chain transparency as well as the more efficient organization of our procurement processes.

PURCHASING

The restructuring in 2020 also included the realignment of strategic purchasing. First, a distinction will now be made between indirect and direct purchasing. The former will mainly be responsible for the procurement of IT services, fleet management, as well as development services. Second, purchasing for

ALLOCATION OF PURCHASING VOLUME IN 2021

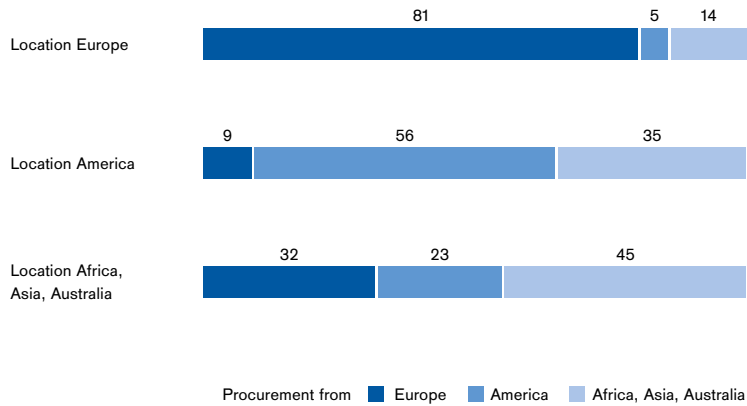


production materials in various business units and divisions will directly be assigned to specific product ranges. This will allow for the development of strategic expertise in regard to the corresponding product while simultaneously making the supply chain more efficient. The direct purchasing teams at Dräger are responsible for the procurement of all materials and services at the production sites, from plastic and machining parts, electronics and sensors, to modules and complex mechatronic systems. Dräger's production has a mostly low (medical devices) to medium (medical components and safety technology) level of vertical integration. This means that most of our materials are bought as semi-finished products or, as in Accessories & Consumables and to enhance our portfolio, as finished products as well. Total purchasing volume stood at EUR 1,583 million in the reporting period (2020: EUR 1,702 million).

²⁶ Within the scope of the process adjustment, the assessment of new suppliers was coupled to a threshold value of EUR 50,000 per year (purchasing volume).

204-1

PROCUREMENT STRUCTURE—PRODUCTION MATERIALS AND FINISHED PRODUCTS IN PERCENT 2021



The bulk of the production materials and finished products is purchased for our European locations (86 percent). The locations in the Americas and Africa, Asia, and Australia account for roughly 9 percent and 5 percent respectively. We strive to source supplies for our production sites from regional providers wherever possible.

SUPPLIER REQUIREMENTS

At Dräger, business partners and suppliers are subject to standardized processes with regard to approval, monitoring, development, and termination. At the heart of every partnership is a standardized contract that contains a suppli-

er code of conduct (→ [supplier CoC](#)). Available in a variety of languages, it creates a binding foundation for partnership. It is embedded within the supplier approval process and contains specific requirements on the following topics:

- child labor
- forced labor
- discrimination
- corruption
- occupational health and safety
- environmental protection and materials conformity including conflict minerals

The supplier CoC refers to the recognized guidelines of the International Labour Organization (ILO) Conventions and of the Organisation for Economic Co-operation and Development (OECD), among other standards.

By the end of 2021, we had stabilized the production material purchasing volume covered by our supplier CoC at 81 percent (2020: 78 percent). So far, 492 suppliers (2020: 397) have signed the supplier CoC.

A new Code of Conduct for Business Partners applicable to all business partners is planned for 2022. The new code of conduct combined with the expanded risk management in the area of supply chain sustainability and a sustainability assessment for high-risk suppliers constitute the three pillars of sustainable supplier management at Dräger.

SUPPLIER APPROVAL

Every new Strategic Purchasing supplier goes through a globally standardized approval process featuring an automated partner screening that checks potential business partners with regard to sanctions or criminal activities, to

408-1

409-1

414-1

414-1

308-1

414-1

name a few examples. Further steps towards approval are only undertaken if the supplier passes the test.

The approval process is broadened to include an extensive supplier questionnaire if the partnership covers quality-relevant components or services—those that directly or indirectly influence the functionality of our products. It also contains questions on occupational safety and environmental protection, among other things.

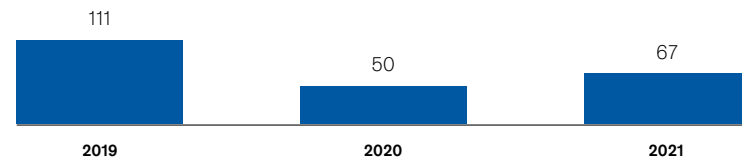
In a subsequent audit, we review the information from the questionnaire and the available contract. The supplier receives final approval following a positive outcome, yet may be subject to restrictions and defined corrective measures.

We will be taking increasing account of the various sustainability criteria in future. Beginning in 2022, we will review all new and important suppliers by means of a sustainability assessment before approval. In the coming reporting year, we intend to expand our collaboration with both Risk Methods and Integrity Next as professional service providers for risk management and sustainability assessments of business partners, so as to define threshold values, and introduce corresponding processes and training.

CONTINUOUS MONITORING AND ASSESSMENT OF SUPPLIERS

We subject every approved supplier to a standardized assessment according to qualitative and quantitative criteria with regard to factors such as quality performance, delivery performance, sales, and product characteristics. The regional classification or specific indications pointing to a failure to comply with applicable standards also play a decisive role in the quantitative assessment.

SUPPLIER AUDITS CARRIED OUT 2021



The sum of these factors and figures leads to an overall evaluation. When working with potentially high-risk suppliers, we agree on specific measures such as an intensification of monitoring, an additional audit, or the amendment of the contract.

Due to travel restrictions as a result of the coronavirus pandemic, the planned number of supplier audits could not be fully carried out in 2021. This circumstance could only be partially offset through remote audits.

Compliance with the requirements set out in the supplier CoC is an essential component of every audit. Deviations may lead to a variety of consequences. We usually set deadlines for the supplier to correct their shortcomings, the implementation of which is monitored by the relevant auditor. In the event of major deficiencies, the supplier can be blocked. In 2021, no violations regarding the supplier CoC were identified during the course of audits. As such, cooperation was not terminated with any suppliers.

4.3 SOCIAL COMMITMENT

Our social commitment contributes to greater security and health around the world. We would like to make life a little bit better every day—beyond our technology. This is why we are involved with different causes, to which we make donations in cash and in kind. Dräger is committed to social projects and activities around the world. Our medical and safety products give us the opportunity to help people in need, reduce suffering, and make rescue workers' jobs easier.

Dräger predominantly supports projects with a focus on education and social causes. We also provide humanitarian aid to crisis areas and help our employees to get involved with social causes themselves. We place special value on sustainability. Ideally, the projects are connected to our business activities and our guiding principle, ›Technology for Life.«

Because donations may be associated with the risk of misuse as a means of corruption, our donations are subject to strict stipulations and principles that are in line with compliance management. They are principally made independently of Dräger's procurement decisions and sales business. Pursuant to the separation principle, we do not combine donations with business purposes. All donations are set out clearly and detailed in writing. The underlying donation process was comprehensively revised in the reporting year. A corresponding guideline is in place to ensure a standardized approach to dealing with requests. Donations must be approved on the basis of our funding criteria. They may only be made to organizations that are entitled to receive donations, which must use them for scientific, non-profit, or charitable purposes. Donations to natural persons or private individuals are not permitted. Cash donations may only be paid into the donations or external funds accounts of non-profit organizations. Donations in kind must pass over into the control of the administration of non-profit organizations and may not benefit individual

persons. Before we donate any devices to causes abroad, we contact the subsidiary or the representative in the target country. We must ensure that the donation will not interfere with any potential business activities and that the device will receive sufficient service in its country of destination to ensure that the recipient is able to properly use our ›Technology for Life.«

WE SUPPORT EDUCATION AND SOCIAL CAUSES

The company supports projects in the fields of education and social causes. Examples of this commitment to society include the health project of the Programm Klasse2000 e.V. association and the KiTec project spearheaded by Wissensfabrik, which aims to get children excited about science and technology.

This educational collaboration is continued in the close collaboration with different universities and technical colleges, where we sponsor scientific studies and research projects that are associated with our fields of business.

We also award the Heinrich Dräger Prize, which honors outstanding work and projects in the field of intensive care.

In the interests of sustainable resource use, we developed a system in 2021 that makes it easy for used company notebooks to be passed on to organizations that are eligible for donations. As a result, we were able to support the Haus Arild curative education home and special school in Bliestorf and the University of Lübeck, among others.

WE PROVIDE DEVELOPMENT AID AND DISASTER RELIEF

We do our part to help rebuild hospitals in disaster and crisis areas by donating medical equipment. In situations like these, we want to be able to provide aid quickly and with as little red tape as possible. Our safety technology prod-

ucts also allow us to make work easier for rescuers in the event of a disaster. As in the previous year, we helped support efforts to deal with the coronavirus pandemic in 2021. This included the donation of medical equipment and protective materials, in particular masks, to the Chaipattana Foundation in Bangkok, Thailand.

This year, however, our disaster relief efforts were also needed in Germany. In the wake of the flood disaster that hit western Germany in July, Dräger was able to support the municipality of Niederzissen that acted as the regional distribution center for all relief organizations. Thanks to the 30,000 FFP masks, 2,000 filters, and other protective materials such as goggles and half masks, helpers were able to carry out the initial cleanup work safely. In the fall, we provided the non-profit Dachzeltnomaden organization with an additional 2,500 FFP3 masks as they continued the work of cleanup and reconstruction to make buildings and towns livable again.

Dräger also renewed its support of the @fire Internationaler Katastrophenschutz Deutschland e.V aid organization, which dispatches firefighters to disaster areas, with 10 HPS 3500 firefighter helmets.

THE DRÄGER FOUNDATION

The Dräger Foundation, established in 1974 by Heinrich Dräger, exclusively and directly pursues scientific, non-profit, or charitable purposes. Currently, the foundation has a deliberately broad range of focuses, primarily supporting projects in the fields of science and research, education, as well as arts and culture.

One example of the Dräger Foundation's wide-ranging activities is its long-standing support of the Lübeck association Future E.D.M. (Enfants Défavorisés et Malades).

The association works together with its Senegalese partner association Elena E.D.M. to promote a self-determined life for young people from Senegal. This year, the Dräger Foundation financed the purchase of a new building in Senegal, which serves as an education and training center as well as the offices of the partner association. The education center offers classes and tutoring as well as early learning initiatives for children. The operations of the health educators, who are also funded by the Dräger Foundation, are also coordinated from here. Thanks to the new center, the Senegalese partner association is now able to independently anchor its projects in the region for the long term.

WE SUPPORT SOCIALLY COMMITTED EMPLOYEES

We are delighted every time an employee makes a commitment to society, regardless of whether their focus is the kindergarten around the corner or a school in Cameroon, and we wish to support them in their efforts. We give employees time off for their volunteer work in volunteer fire departments, in rescue services, or in social projects abroad. We offer them a platform: On the intranet and in the employee newspaper, they have the opportunity to report on their project, get other employees interested, and make calls for donations. Dräger occasionally also offers financial support. In order to receive that support, employees can submit their projects within the scope of the Dräger Donation Directive.

INFORMATION PURSUANT TO EU TAXONOMY
SDG ALIGNMENT
GRI CONTENT INDEX

INFORMATION PURSUANT TO EU TAXONOMY

According to Regulation (EU) 2020/852 in conjunction with Delegated Regulation (EU) 2021/2139 on the EU taxonomy, quantitative information (Key Performance Indicators, KPIs) on the proportion of turnover, capital expenditure (CapEx), and operating expenditure (OpEx) attributable to sustainable activities as defined in the EU taxonomy regulation must be disclosed for the first time in the non-financial statement as of the annual financial statements for 2021.

The conditions under which Dräger and its economic activities make a significant contribution to climate protection or enable adjustments to climate change is assessed using technical screening criteria. When addressing defined relevant environmental targets, the extent to which economic activities avoid significant adverse effects on one or more of the defined environmental targets is also assessed. The technical screening criteria are outlined in Annex I to Delegated Regulation (EU) 2021/2139 and comprise 88 referential economic activities.

The Dräger Group's net sales do not fall into the activities outlined in the technical screening criteria, either for products and services of the medical division or for those of the safety division. The economic activities of Dräger's two divisions do not fall within the selected NACE codes of the first stage of the EU taxonomy.

When operating on the assumption that internal activities can also be classified under EU taxonomy regulations, 18 out of 88 activities came under closer consideration for CapEx and OpEx. Only two internal Dräger Group activities fulfill the technical screening criteria. These are the charging stations, which

fall under »6.15 Infrastructure enabling low-carbon road transport and public transport,« and energy-saving building renovation, which can be categorized under »7.2 Renovation of existing buildings.« However, both investments (CapEx) and expenditures (OpEx) for the two activities in fiscal year 2021 were so low that the KPIs were not compiled for reasons of materiality.



Climate-neutral 76 charging stations at our Lübeck campus

Alignment with the Sustainable Development Goals (SDGs)

In 2015, the United Nations adopted → 17 Sustainable Development Goals designed to strike a balance between economic advancement and social and environmental factors. As part of society, we aim to do our part to master global challenges and create a livable future together. Our business and sustainability activities can be assigned to the goals of the United Nations.

UNSER BEITRAG ZU DEN SUSTAINABLE DEVELOPMENT GOALS

Our material topics

Supported SDG

Occupational health and safety



Working conditions



Human rights



Ethics and integrity



Prevention of corruption and anticompetitive behavior



Dual-use products and arms

Our material topics

Supported SDG

Product responsibility



Economic performance



Training and education



Environmental protection



Supply chain



Social commitment



102-55

GRI content index²⁷

Indicator	Name of indicator	Page	Notes / reasons for omission
102-1	Name of the organization	20	
102-2	Activities, brands, products, and services	19, 55	
102-3	Headquarters of the organization	19	
102-4	Location of operations	19	Partially not applicable—A distinction between important and unimportant permanent establishments has not been made. We generally consider all development and production sites to be important.
102-5	Ownership structures and legal forms	20	
102-6	Supplied markets	19	
102-7	Size of the organization	20	Information only partially available—We carry hundreds of products and components. A total number has not yet been recorded. There is no applicable company-wide definition of permanent establishment.
102-8	Information on salaried employees and other employees	21	Information only partially available—Breakdown by gender is not available for a. and c. Not applicable—No significant fluctuations present
102-9	Supply chain	76	
102-10	Significant changes to the organization and its supply chain		Not applicable—No significant changes occurred in the organization or in our supply chain.
102-11	Precautionary approach or principle	71	
102-12	External initiatives	44	
102-13	Membership in associations and interest groups	23	
102-14	Statement from the most senior decision-maker	4	
102-16	Values, principles, standards, and norms of behavior	49	
102-17	Processes for consultation and raising concerns regarding ethics	51	
102-18	Governance structure	17, 22	
102-20	Executive Board responsibilities for economic, environmental, and social topics	17	Not applicable—No positions have been assigned that are responsible for economic, environmental, and social topics. Responsibility lies with the CEO (see 102-18).
102-40	List of stakeholder groups	25	
102-41	Collective bargaining agreements	43	
102-42	Identifying and selecting stakeholders	25	
102-43	Approach for involving stakeholders	25, 59	
102-44	Important topics and concerns raised	26, 59	
102-45	Entities included in the Group financial statements	20	
102-46	Process for defining report content and topic boundaries	28	

²⁷ All GRI indicators are processed in the 2016 version, with exceptions being marked separately.

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
102-47	List of material topics	30	
102-48	Restatements of information		Not applicable—This report does not contain any restatements of information as defined by GRI
102-49	Changes in reporting		Not applicable—There were no significant changes in reporting as compared to the previous reporting periods.
102-50	Reporting period	7	
102-51	Date of last report	7	
102-52	Reporting cycle	7	
102-53	Contact person for questions regarding the report	91	
102-54	Statement on reporting in accordance with the GRI Standards	7	
102-55	GRI content index	84	
102-56	External assurance	7	
103-1	Management approach: Explanation of the material topic and its boundaries	various	Information on the management approach for each material topic can be found in the section ›Bringing sustainability to life: concepts, targets, and key performance indicators.‹
103-2	The management approach and its components	various	Information on the management approach and its components for each material topic can be found in the section ›Bringing sustainability to life: concepts, targets, and key performance indicators.‹ Within the scope of considerations concerning reasonable disclosure of information, descriptions do not always include all components, but only those necessary for comprehension.
103-3	Evaluation of the management approach	various	Within the scope of considerations concerning reasonable disclosure of information, information on the assessment of the respective management approaches is only provided for some material topics.
201-1	Economic performance: Direct economic value generated and distributed	62	
204-1	Procurement practices: Proportion of spending on local suppliers	77	Information only partially available—The net sales volume per production location is recorded and assessed; however, no company-wide definitions exist with regard to important permanent establishments and local suppliers.
205-1	Anti-corruption policies and procedures: Location of operations assessed for corruption	55	Information only partially available—percentage of permanent establishments is not available

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
205-2	Communication and training on anti-corruption guidelines and processes	53	Information only partially available—due to changes in the training system and reporting, no reliable figures on training participants exist for the reporting year.
206-1	Legal proceedings for anti-competitive behavior, antitrust, and monopoly practices	50	Information not available—Dräger does not report on either the total number of proceedings or their outcomes, as these are usually subject to special confidentiality, at least until publication. Furthermore, legal disputes are centrally recorded in a risk-based manner, taking into account materiality criteria. In the reporting year, no published antitrust or competition law proceedings were recorded within the scope of this reporting system.
207-1 (2019)	Taxes: Tax concepts (Standard 2019)	63	
207-2 (2019)	Tax governance, management and risk management	63	
207-3 (2019)	Involvement of stakeholders and management pertaining to tax concerns	63	
207-4	Country-by-country reporting		Dräger records and submits its country-by-country reporting to the German tax authorities as required by law, but does not publish it in within this context.
301-2	Recycled input materials used	70	
302-1	Energy consumption within the organization	71	Disclosures in kWh instead of joules Partially not applicable—No fuels from renewable sources, no energy sold Calculation program Excel Source: UBA 27/2016 Emission factors for fossil fuels
302-3	Energy intensity	71	
303-1 (2018)	Water as a shared resource	75	Partially not applicable—No significant effect of water withdrawal
303-2 (2018)	Handling effects of water recirculation	75	Not applicable—Wastewater requirements are legally defined
303-3 (2018)	Water withdrawal	75	Partially not applicable—No known water withdrawals from sources other than the municipal water supply took place, a breakdown is therefore not applicable. Volume stated in m ³ not megaliters, as it is the more common unit.

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
305-1	Direct (Scope 1) GHG emissions	72	Partially not applicable—Greenhouse gases other than CO ₂ are not emitted on a relevant scale. Separate disclosures on biogenic CO ₂ emissions are not available. No base year is used for the calculations of the indicator. At a minimum, the respective headquarters in the countries with relevant activities (Production, Sales and Service) are taken into account.
305-2	Energy indirect (Scope 2) GHG emissions	72	Partially not applicable—Greenhouse gases other than CO ₂ are not emitted on a relevant scale. Separate disclosures on biogenic CO ₂ emissions are not available. No base year is used for the calculations of the indicator. At a minimum, the respective headquarters in the countries with relevant activities Production, Sales and Service) are taken into account.
305-3	Other indirect (Scope 3) GHG emissions	72	Partially not applicable—Greenhouse gases other than CO ₂ are not emitted on a relevant scale. Separate disclosures on biogenic CO ₂ emissions are not available. No base year is used for the calculations of the indicator. At a minimum, the respective headquarters in the countries with relevant activities Production, Sales and Service) are taken into account.
305-4	GHG emissions intensity		Partially not applicable—Greenhouse gases other than CO ₂ are not emitted on a relevant scale.
306-1 (2020)	Waste generation and material waste-related impacts	75	Partially not applicable—There are no significant waste-related impacts
306-2 (2020)	Management of material waste-related impacts	70, 75	Information only partially available—Measures for a circular economy and waste avoidance are part of the local environmental programs as part of the environmental management system and can only be listed here as examples (packaging reduction, product returns and recycling, paper conservation in user manuals).
306-3 (2020)	Total solid waste	75	Information only partially available—A quantitative breakdown by waste composition is currently not possible as we do not have access to consolidatable data for this purpose. Product returns are broken down.

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
307-1	Non-compliance with environmental laws or regulations	67	
308-1	New suppliers that were screened using environmental criteria	77	Information not available in this form—Every new supplier must sign our code of conduct within the scope of the supplier phase-in process. As such, each supplier confirms compliance with environmental standards. Moreover, the supplier is asked to confirm that they have an environmental management system as well as certificates such as ISO14001 or comparable certifications. Select suppliers are audited to that end, with their environmental management systems and certificates being assessed. Our practice to date is to regularly audit suppliers with high sales. This selection process will be revised and aligned with new criteria in 2022.
401-1	New employee hires and employee turnover	39	No information available—Information on new employees and turnover by age, gender, and/or region is not available.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	40	
401-3	Parental leave	42	No information available—The 'Total number of employees entitled to parental leave by gender' cannot be assessed. There is too much difference in the laws governing entitlement to parental leave in the various countries. It is not possible to assess this for Germany either. There is no way for us to know whether a person who is entitled to parental leave in principle has not already taken parental leave with a previous employer, and therefore has no further entitlement at Dräger.
402-1	Minimum notice periods regarding operational changes	39	Not applicable—We primarily use internal employee surveys to evaluate our labor/management relations. Our collective bargaining agreements include consultation and negotiation provisions in the broadest sense, but no notice periods. We comply with all required notification obligations and involve employee representatives at an early stage.
403-1	Management system for occupational health and safety	34	Not applicable—The main objective of establishing the management system for occupational health and safety was not to fulfill legal requirements.

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
403-2	Hazard identification, risk assessment, and incident investigation	34, 36	
403-3	Occupational health and safety services	36	
403-4	Employee participation, consultation, and communication on occupational health and safety	34, 37	
403-5	Employee training on occupational health and safety	34	Partially not applicable—Employees are provided with general occupational health and safety training as well as courses on specific work-related dangers. A comprehensive list is not provided.
403-6	Promotion of employee health	36	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	34	Partially not applicable—Our business activities and products generally have positive rather than negative effects on safety and health. Our quality management system is in place to prevent negative effects, as outlined in the Product Responsibility section.
403-8	Workers covered by an occupational health and safety management system	34	
403-9	Work-related injuries	37	Partially not applicable—Workplaces and activities at Dräger are generally not classified as particularly hazardous. No injuries with serious consequences or deaths occurred in the reporting year. Measures to eliminate hazards and minimize risks constitute the core of the occupational safety management system and cannot be listed in this report in full, but only as select examples. No employees were excluded from the data. At the same time, injuries to temporary employees could not be taken into account in individual cases as no information was provided on this until 2020.
404-2	Programs for upgrading employee skills and transition assistance programs	64	Partially not applicable—Transition assistance and career exit programs are not tracked globally
404-3	Percentage of employees receiving regular performance and career development reviews	64	
405-1	Diversity of governance bodies and employees	43	Information only partially available—Global breakdown by age groups not available
405-2	Ratio of basic salary and remuneration of women to men	46	

GRI CONTENT INDEX (CONTINUED)

Indicator	Name of indicator	Page	Notes / reasons for omission
406-1	Incidents of discrimination and corrective actions taken	47	
408-1	Operations and suppliers at significant risk for incidents of child labor	47, 77	Partially not applicable—We do not believe that any of our locations are at a significantly high risk; suppliers are bound by our code of conduct.
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	47, 77	Partially not applicable—We do not believe that any of our locations are at a significantly high risk; suppliers are bound by our code of conduct.
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	47	
414-1	New suppliers that were screened using social criteria	77	
416-1	Assessment of the health and safety impacts of product and service categories	58	
417-1	Requirements for product and service information and labeling	71	Partially not applicable—The procedures for product information require for all products instructions for safe use, information on SVHC substances contained as well as on disposal. This is done in accordance with the respective legal requirements through instructions for use, product labels, websites and recycling passports.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	60	
419-1	Non-compliance with laws or regulations in the social and economic area		No information available—Dräger does not report on the total amount of fines and non-monetary penalties paid for breaches of laws and regulations in the social and economic spheres. The payment of fines and imposition of non-monetary penalties are centrally recorded in a risk-based manner, taking into account materiality criteria (see GRI 206-1). No payments of significant fines and no impositions of corresponding non-monetary penalties were recorded within the scope of this reporting system in the reporting year.

Imprint

This report is available in German and English. In case of any discrepancies between the German and English versions, the German version shall prevail.

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