



LEADING IN PRODUCTION EFFICIENCY

Focusing on production efficiency

/ Sustainability report

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Cover photo: Our EcoLCC color changer in the arm of the painting robot is fast and saves more paint than conventional systems. This means our customers can increase body throughput for top coat application and reduce the energy required to paint each body by 5%.

Note: For ease of reading we mainly use the masculine form in our texts. This includes both genders.

Dürr is a mechanical and plant engineering group that holds leading positions in the world market in its areas of operation. It generates a good 80% of its sales in business with the automotive industry. It also supplies the aircraft, machinery, chemical, and pharmaceutical industries with innovative production and environmental technology. The Dürr Group operates in the market with four divisions:

- Paint and Assembly Systems plans and builds paint shops and final assembly systems for the automobile and aircraft industries.
- Application Technology provides automated paint application, sealing, and glueing with its robot technologies.
- Measuring and Process Systems produces machinery and systems that are used for balancing and cleaning in engine and transmission manufacturing as well as in final vehicle assembly, among other areas. Its customers also include companies from the general industry and energy sectors as well as the aviation industry.
- Clean Technology Systems offers exhaust-air purification systems and processes for increasing energy efficiency.

Dürr has 52 business locations in 23 countries worldwide and employs approximately 7,900 staff (as at: June 30, 2013). In 2012 we achieved sales revenues of € 2.4 billion.

We are now publishing our second dedicated sustainability report. Unless otherwise indicated, the report is based on the figures of the 2012 annual report which refer to the entire Group. Details on our activities in the area of sustainability can also be found in a chapter of our annual report.

For further information please go to: www.durr.com.

»At Dürr we are committed to the careful management of resources.«



CEO Ralf W. Dieter (left) and CFO Ralph Heuwing.

Dear Readers,

Economic success is important but it is not the be all and end all. Our aim in all of our activities is to act responsibly toward the environment as well as society, employees, customers and suppliers. We are committed to the careful management of resources so we can safeguard them for subsequent generations.

We support customers with innovative products that enable resource-efficient production, as reflected in our slogan "Leading in Production Efficiency".

Protecting the environment, lowering emissions and reducing material consumption is high on the agenda at our 52 business locations in 23 countries. Over the last two years, our gas and electricity consumption has dropped by 50 and 40%, respectively, in relation to sales revenues.

We offer our employees very good working conditions, the freedom to make decisions, and comprehensive training opportunities. Fairness toward and among all employees as well as respect and tolerance are integral parts of our corporate culture. Dürr consistently upholds the principles of legality and ethics in its daily business activities.

The opinion of our workforce and our customers is very important to us. In June 2013 we conducted an employee survey which, for the first time, included all locations worldwide. Compared to other industrial companies, the results were very good, but they also provided some ideas for further improvement.

As a well-established and reputable organization, we also demonstrate social responsibility. We support social and cultural projects, and are committed to promoting education.

This report provides information on the various facets of our sustainable activities – for our employees, our customers, and the environment.

Best regards



RALF W. DIETER / CEO



RALPH HEUWING / CFO

Energy-efficient products in all areas

German industry could reduce its energy consumption by 30% through energy management, system upgrades, and new investments. Worldwide, the savings potential is thought to be considerably higher. Our technologies pave the way for better energy efficiency, resource conservation, and sustainable business management.

THE BASIS OF OUR TECHNOLOGY LEADERSHIP

Our technology leadership is based on research and development. In 2012 we increased our direct R&D costs by 26.1% to €37.2 million. Around 70% of this is used for developing new solutions, the rest for standardizing, modularizing and maintaining existing products. Our Group's R&D activities are inspired by our slogan "Leading in Production Efficiency". Our main goal is to develop solutions that allow us to offer customers more energy and material-efficient production processes.

R&D FIGURES

	2012	2011	2010
R&D employees (Dec. 31)	199	180	162
R&D expenditure (in € million)	37.2	29.5	25.8

SETTING STANDARDS



ECOEMOS ENERGY

Our EcoEMOS Energy software is used to collect and evaluate all energy-related data for a production site. The customer receives a detailed overview and can identify excessive consumption using the energy management solution. This program is used, for example, in aircraft construction, where it helps aircraft manufacturers in their efforts to achieve sustainable production.



ECOLCC2

Flexible painting means changing from one paint color to another in just a few seconds – with minimum paint loss. Our EcoLCC color changer in the arm of the painting robot is fast and saves more paint than conventional systems. The unavoidable paint loss has been reduced from up to 45 milliliters to 10 milliliters. In addition, the color change only lasts 10 seconds instead of 13. This allows our customers to increase body throughput for top coat application, and reduce the energy required to paint each body by 5%. The new servomotor-equipped EcoLCC2 color changer is more compact, lighter and even more precise than its predecessor version.



ECO+ENERGY CPS SUNTEC

Automotive bodies must be dried after being painted. The energy costs involved in generating the necessary temperature of up to 180 °C are usually high. With its Eco+Energy CPS Suntec, Dürr takes oven heating efficiency to a new level. This new technology is the perfect combination of cogeneration and solar energy.

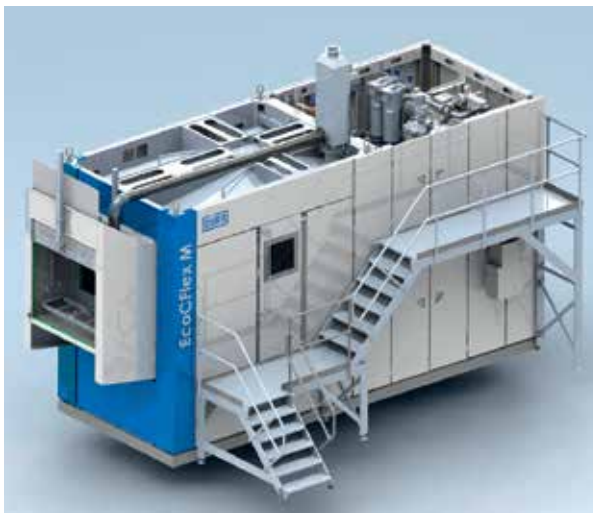


CENO

Schenck RoTec's CENO achieves a better energy balance than any other crankshaft balancing machine in the market, as it works with economical drives and has no ineffective hydraulic and cooling systems. Compared to its predecessor model, CENO uses just 10% of the energy that was previously required per crankshaft. And thanks to its compact design, it takes up almost 50% less space than comparable machines.

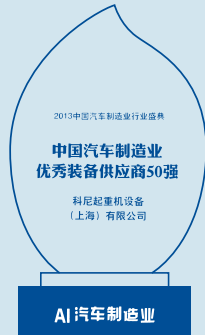
ORC

Organic Rankine Cycle (ORC) is a key technology for decentralized electricity generation from waste heat. Dürr's ORC systems employ high-temperature technology, which makes them particularly energy-efficient and flexible. They can make profitable use of thermal energy with a temperature of between 90 and 600 °C which previously went unused. The residual heat can also be utilized, for example in drying processes or local heating systems.



ECOCFLEX M

Cleaning systems used in automotive engine production have some of the highest energy requirements. Dürr Eco-clean has been working hard on improving the energy efficiency of these systems: energy-optimized cleaning and drying processes, reduced levels of exhaust air, low operating temperatures as well as a closed design are all features of the EcoCFlex M. This set of features not only achieves energy savings of up to 65% compared to systems of other manufacturers, it also provides better cleaning results.



Among the awards we have received in 2013 are the "Top 50 Excellent Suppliers" award presented by the "Automobile Industry China" magazine. The award was won by companies that offer their customers innovative products for more efficient production. Other evaluation criteria considered by the jury included environmental performance and cost reduction.



We won first place in the "Energy Efficiency" category of the Baden-Württemberg Environmental Technology Award with the further development of our ORC technology. The competition was inspired by the motto "Award-winning technology. Trend-setting products".

The Environmental Technology Award received a total of 117 applications. Half of these were for the "Energy Efficiency" category, for which we entered our Eco+Energy CPS Suntec oven and were shortlisted.

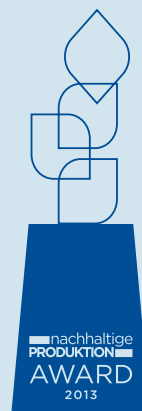
AWARD-WINNING PRODUCTS

The quality and efficiency of our products are recognized throughout the world and have won a number of awards.

Peugeot Citroën presented us with the "Industrial Equipment Performance Award" for our EcoDryScrubber. Our innovative paint booth system for the dry separation of paint overspray is used at the Peugeot plant in Sochaux. This award presented by the French carmaker recognizes the energy savings, high availability, user-friendly operation and maintenance as well as low operating costs of the EcoDryScrubber.



Our ORC technology received a second award. At the IndustrialGreenTec fair at the Hannover Fair, the German magazine "Nachhaltige Produktion" (Sustainable Production) awarded us first prize in the "Energy and Environmental Technology" category.





Peugeot Citroën presented us with the “Industrial Equipment Performance Award” for our EcoDryScrubber. Dirk Gorges, Head of Sales at Paint and Final Assembly Systems (right), accepted the award from Yannick Bézard, Vice President Purchasing.

CONTRIBUTING TOWARD SUSTAINABLE PRODUCTION

Two sectors of the future which are becoming increasingly important worldwide are environmental technology and energy efficiency technology. They fall within the remit of our Clean Technology Systems division. In response to growing demand, we will further expand our activities in these business fields in the coming years.

Manufacturing processes with low energy consumption are becoming increasingly important. Our customers are using more and more energy-efficient technologies, as amortization periods become shorter the higher energy prices climb. Aside from ORC systems, we can also offer them other technologies for utilizing heat and waste heat, such as heat pumps and innovative heat exchangers. Our Compact Power System generates electricity and heat on the basis of a micro gas turbine. Additional information on this topic can be found at:

WWW.DURR-CLEANTECHNOLOGY.COM/ENVIRONMENTAL-AND-ENERGY-SYSTEMS-PRODUCTS

Our exhaust-air purification systems are gaining in popularity, for example in the emerging markets where emission guidelines are becoming increasingly strict. In this business field, we are developing applications for new areas of use, such as VAM RTO systems (VAM: Ventilation Air Methane; RTO: Regenerative Thermal Oxidizer). The systems are used to burn methane gas that is present in low concentration in the exhaust air of coal mines. The methane gas, which is extremely detrimental to our climate, is thus eliminated. Furthermore, a boiler and a steam turbine can be connected to the systems in order to generate electricity, which can then be fed into the grid or used to operate the mine.

The Clean Technology Systems division was set up in 2011 and will be a strategic focus in the coming years. We will open up new fields of application for our technologies while expanding our portfolio. This will enable us to support a wide range of customers in optimizing their energy consumption.



The Dürr Campus in Bietigheim-Bissingen, with its sustainable building technique and energy supply, is our flagship site.

Environment and business locations

Compared to similar industrial companies, our activities only leave a small environmental footprint. Levels of waste, emissions and consumption are relatively low. This is the result of modern production technologies and low vertical integration.

Energy-saving design is a key factor both in new buildings, such as the new mechanical engineering facilities in Shanghai-Baoshan and the Dürr de México Campus in 2013, and in building upgrades. The Dürr Campus in Bietigheim-Bissingen is our flagship site. Processes such as geothermal heat exchange, deep geothermal energy, combined heat and power, exterior building insulation and sensor-controlled lighting are all part of the sustainable "Campus Energy 21" building and operating concept. It achieves energy savings of more than 40% compared to conventional buildings.

Schenck RoTec in Darmstadt has insulated the exterior wall of an office building, renewed the air-conditioning system, and installed new combustion air blowers in its production areas. As a result, the total consumption of heating energy in 2012 was reduced by around 40% compared to previous years.

Another example: At Dürr Ecoclean in Monschau, part of the workshop lighting has been upgraded to LEDs; the lighting in the other areas will be gradually replaced in the next few years. So far, this has led to a 4% reduction in our total electricity consumption. Added to that is the lifetime of LEDs, which is ten times longer than that of standard light bulbs.

Our specific consumption and emission levels (consumption and emissions in relation to sales) dropped slightly last year, while the reduction for gas/oil/district heating was considerable.

Absolute consumption levels increased due to the expansion of our sites, the growing workforce, and the strong growth in business volume. In China, for example, our office and production area doubled to 63,000 sqm. The number of employees there increased from 1,000 (2011) to 1,200 (2012, excluding external staff). At our sites in China, Brazil, and Mexico, where the workload is heavy and electricity consumption has increased accordingly, we use neither oil nor gas. As a result, these sites do not affect our consumption figures.

Environmental key figures

ABSOLUTE ENVIRONMENTAL KEY FIGURES

	2012	2011	2010
Consumption			
Electricity (MWh)	32,489	28,833	28,110
Gas/oil/district heat (MWh)	40,342	42,025	41,685
Water (m ³)	113,174	92,636	76,876
Waste water output (m ³)	110,328	90,705	68,204
Waste (t)	4,066	3,509	2,893
of which recycled (t)	3,028	2,716	2,208
Emissions			
CO ₂ (t)	32,597	30,675	30,075
of which attributable to Dürr vehicle fleet (t)	3,520	3,495	3,420
SO ₂ (t)	17	15	15
NO _x (t)	27	25	24

The consumption, waste and emission figures in the table below are shown in relation to sales. We have listed the 2010 data as a basis for comparison (with a value of 100).

SPECIFIC ENVIRONMENTAL KEY FIGURES (INDEXED)

(2010 = 100; in relation to sales)	2012	2011	2010
Consumption			
Electricity	60.7	67.3	100
Gas/oil/district heat	50.9	66.2	100
Water	77.4	79.1	100
Waste water output	85.0	87.2	100
Waste	73.8	79.5	100
of which recyclable	72.0	80.6	100
Emissions			
CO ₂	57.0	67.0	100
of which attributable to Dürr vehicle fleet	54.2	67.1	100
SO ₂	59.5	65.6	100
NO _x	59.1	68.4	100

Taking into account the increase in sales, there has been a considerable reduction in consumption and emissions in the last two years. This is due to enhanced building efficiency, improved capacity utilization and modern fleet vehicles, among other things.

Waste such as paper, plastic, steel, wood, and electrical equipment is sent for recycling, which enabled us to save 129 tons of greenhouse gases in Bietigheim-Bissingen in 2011. This corresponds to the average annual CO₂ emissions of 62 cars, or 13 hectares of woodland area required to offset these emissions. At the end of 2012, waste disposal company ALBA awarded us its climate protection certificate for our contribution to recycling. In 2012 we saved a similar volume of CO₂.

At our Schenck Technologie- und Industriepark in Darmstadt, we conducted an analysis of the CO₂ emissions of our district heating consumption for the first time. The 456 tons produced in 2012 are offset by CO₂ sequestration: we support the reforestation project in the Lower Fraser Valley (British Columbia, Canada) within the scope of the Community Ecosystem Restoration Program (CERP) of our energy supplier ENTEGA. For this we received a certificate from ENTEGA. We will participate in this climate protection project again in 2013.

Following the introduction of the Microsoft Lync IT platform in 2013, all employees worldwide can now hold their meetings via audio or videoconferencing. This is reducing the number of business trips. In addition, we are constantly seeking to lower our logistics footprint. This is achieved, for example, by the centralization of our painting robot assembly activities. The construction of a new workshop in Bietigheim-Bissingen in 2013 has eliminated the need for journeys to leased properties in the area.

Instead of booking short domestic flights, for example from Stuttgart to Munich, our employees travel by train, which is a more environmentally-friendly option. In 2013 we will introduce our "Integrated Car Management" in Bietigheim-Bissingen, which has been specifically developed for Dürr. Employees entering their journey into the DORA travel booking system can see whether any lift-share opportunities are available. A list of all available fleet vehicles can also be displayed.

This will reduce the number of individual journeys, thus lowering CO₂ emissions and gasoline consumption. This innovative system won the "Business Travel Manager 2012" award presented by the business travel association VDR and the Travel Industry Club.

CONSUMPTION DATA DISCLOSED

We have been participating in the international Carbon Disclosure Project (www.cdproject.net) since 2008. In this database for investors and companies, listed companies disclose emissions and consumption data, report on products which contribute to climate protection, and provide information on associated business opportunities.

Committed and skilled employees

THE BASIS OF OUR SUCCESS

As an engineering group, our long-term business success relies on the knowledge, experience and commitment of our employees. Giving each one of them the best possible preparation for their responsibilities is one of our most important tasks. That is why we promote the ongoing development of their personal and professional skills, regardless of age.

To ensure that junior staff and qualified professionals continue to choose Dürr as an employer, we are sharpening our profile as an international technology company that promotes a sense of responsibility, innovation, and work-life balance.

Dürr employed a total of 7,899 staff worldwide as at June 30, 2013, an 8.0% increase on the previous year.

EMPLOYEES BY REGION

	June 30, 2013	June 30, 2012	Change
Germany	3,536	3,243	+ 9.3 %
Other European countries	1,324	1,245	+ 6.3 %
North/Central America	800	856	- 6.5 %
South America	317	252	+ 25.8 %
Asia, Africa, Australia	1,922	1,718	+ 11.8 %
Total	7,899	7,314	+ 8.0 %



We place great value on high-quality training.

We attach great importance to training as this ensures that our need for skilled employees is met. In 2012 we prepared 83 apprentices (2011: 78) for future careers, for example as industrial management assistants, industrial mechanics, shipping and warehousing clerks or technical product design specialists. 58 students from cooperative state universities (2011: 52) completed their practical training at Dürr in the subjects of mechanical engineering, industrial engineering, business studies, mechatronics, automation technology, electrical engineering and electronics or information technology. As we place great emphasis on an international approach, each cooperative state university student spends three to five months at one of our foreign sites.

We have a long-term employment policy: we offered all apprentices and most trainees and cooperative state university students permanent employment once they had completed their training.

In 2012, 50 students wrote their bachelor's or master's theses at Dürr, and 55 student trainees supported us on a regular basis. 109 young people worked for us as interns, gaining insight into the area of mechanical and plant engineering; twelve of them gained work experience at one of our foreign companies.

When it comes to competing for professionals and talented newcomers, target group-specific personnel marketing is playing an increasingly important role. For this reason, we have developed online and printed material for potential applicants and stepped up university sponsorship activities. We were present at 25 graduate career fairs – a considerable increase on the previous year (2011: 16).



A special innovation as part of our employer branding strategy is the Dürr Challenge held in 2013. We sent one team of students each to Shanghai, São Paulo and Detroit with the task of producing a report on working life over there.

Our activities attract international interest. In June 2013 we had a visit from a high-level US delegation that came to find out more about the German cooperative state university system and training at Dürr.

ATTRACTIVE WORKING CONDITIONS

The heavy workload we have experienced in the last few years has demanded a great deal of commitment from our employees. In return, we offer them the possibility to participate in sports and cultural activities as part of our corporate health management program for preventative health care. Depending on the region, employees benefit from part-time models, home office arrangements and flexible working hours to suit their individual needs, all aimed at promoting work-life balance. We also support employees with children by providing holiday clubs and places at day-care centers – with further expansions planned as required.

Other aspects that play a part in our positive image as an employer are international career opportunities and an attractive compensation package. We also offer a profit-sharing scheme. All full-time employees in Germany covered by the collective agreement received a profit-sharing bonus of €2,000 and a special bonus of €500 (pro-rata for part-time staff) for 2012. Employees exempt from the collective agreement receive a performance-related bonus linked to the performance of the company and the achievement of individual targets.

The wages and salaries we pay meet or exceed the thresholds set out in the collective agreement. Annual meetings are held between each employee and their line manager to carry out an appraisal of their performance. This ensures that progress is made and measures for further development can be discussed if required. Targets are set for employees who are exempt from the collective agreement.

At Dürr we respect the rights of employees and their membership in labor unions. We promote constructive collaboration with employee representatives and ensure that they are free to carry out their activities.

We include employees in decision-making processes within their areas of responsibility. In addition, we have had a staff suggestion scheme in place at our German sites since 1967.

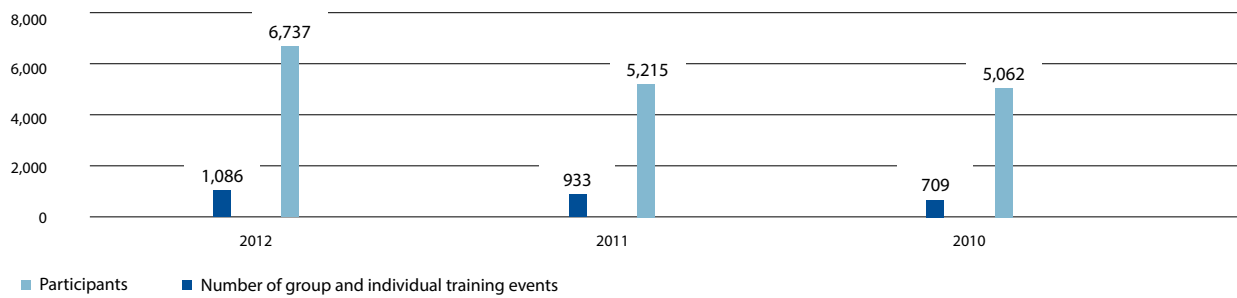
All of these framework conditions usually help us fill vacancies without any problems.

Attractive working conditions also means safe working conditions. We make sure that occupational health and safety systems are in place at all locations and building sites. Dürr's directive on health and safety at work is applicable worldwide and requires employees and contractors to carry out their work correctly and in accordance with uniform standards. This is monitored at Group level by a central, cross-functional body, and at each location by local representatives.

As a result, despite heavy workloads, the number of accidents that are reported at Dürr is low compared to other companies in the same industry. In 2012 we recorded 12.9 accidents per thousand employees (2011: 14.4). We are working to reduce this number even further. The effectiveness of our health and safety measures is monitored, for example, by regular audits.

VALUABLE TRAINING

/ INCREASING NUMBER OF TRAINING EVENTS AND PARTICIPANTS IN GERMANY



1,086 group and individual training events were held in 2012, which is more than ever before (2011: 933). The number of participants in Germany increased to 6,737 from 5,215 in 2011. Almost 80% of our employees based in Germany took part in a training event, which puts us considerably above the average participation rate in German companies overall (43%). At €650, the training budget per employee in Germany was also high. The effectiveness of our training is measured by a special feedback software program.

One particular feature at Dürr is the large number of internal training events. Two thirds of all training events are held by experienced employees for their colleagues, ensuring a strong practice-oriented approach.

In 2012 particular emphasis was placed on communicating our Group values and standards internationally. We offered an increasing number of corporate training events at our foreign subsidiaries on Group-wide topics such as project management, sales communication and employee management.

First international employee survey

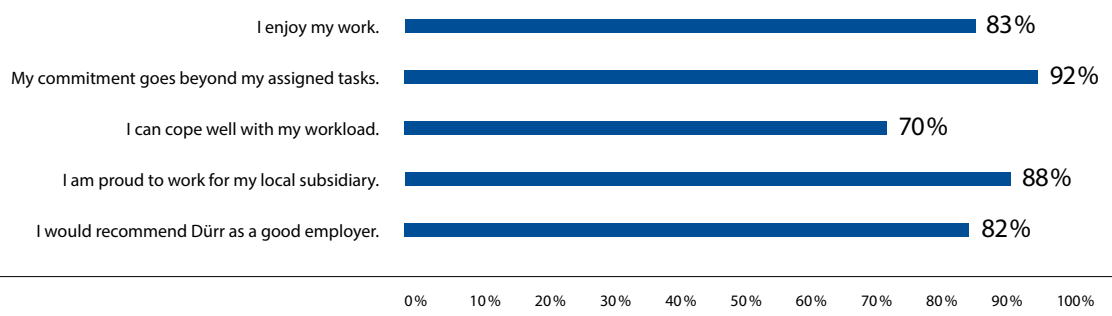
OUR EMPLOYEES' OPINIONS MATTER

For us it is important to know how satisfied our employees are. That is why, in 2013, we conducted our first international employee survey at all locations under the banner "Your opinion matters". The participation rate was 78 %. We had previously asked our employees in Germany for feedback on a regular basis, most recently in spring 2011.



This poster was used at all locations to encourage participation in the first international employee survey.

SINGLE ASPECTS OF THE SURVEY



"Commitment and employer attractiveness" was one of the areas in which employees rated our performance good to excellent.

»Our employees provide valuable information and ideas.«

Ralf W. Dieter and Ralph Heuwing discuss the results of the survey

IF WE LOOK AT THE RESULTS IN THE AREA OF "COMMITMENT AND EMPLOYER ATTRACTIVENESS", ALMOST ALL OF THE RESPONSES RANGED FROM GOOD TO EXCELLENT. 92 % OF EMPLOYEES STATED, FOR EXAMPLE, THAT THEIR COMMITMENT WENT BEYOND THEIR ASSIGNED TASKS, AND 88% ARE PROUD OF WORKING FOR THEIR NATIONAL COMPANY. ARE YOU HAPPY WITH THIS RESULT?

Ralf W. Dieter / Of course I'm happy that Dürr was rated so favorably in this area, in particular when it comes to enjoyment at work. At 83 %, this is a very good result – also in comparison with other companies. I'm pleased that there are so many colleagues who go the extra mile. This is a key factor in our business. But I can also see that a third of all employees are struggling with their workload. I think this is due to our high order volume. Nevertheless, we must approach this topic with sensitivity. To lessen the burden for our employees, we increased our workforce by 829 employees last year, and another 247 this year (as at June 30, 2013). The number of external staff has also grown and is currently at 1,400 worldwide. This is accompanied by further measures such as employee training and process improvements.

IN THE AREA OF "STRATEGY AND MANAGEMENT" OF THE COMPANY, DÜRR ALSO ACHIEVED VERY GOOD RESULTS. MOST OF THE EMPLOYEES ARE BEHIND THE GROUP STRATEGY AND HAVE CONFIDENCE IN THE BOARD OF MANAGEMENT AND THE MANAGING DIRECTORS OF THE NATIONAL COMPANIES. WHAT ARE YOUR THOUGHTS ON THIS?

Ralph Heuwing / It is essential for Dürr that our employees have bought into our corporate strategy. But it is also extremely important that they understand the strategy and are clear on their role in fulfilling it. When asked how familiar they were with our corporate strategy, the rating given by the senior management was 30% higher than that provided by the rest of the staff. We, the Board, together with the heads of the business units, will therefore communicate more in-depth on strategy-related topics, and increase the number of personal discussions with colleagues.

THE SURVEY SHOWS THAT 90 % OF EMPLOYEES KNOW WHAT IS EXPECTED OF THEM IN THEIR DAILY WORK. AND MOST EMPLOYEES STATED THAT THEY HAD THE SKILLS (91 %) AS WELL AS THE FREEDOM AND DECISION-MAKING POWER (77 %) TO PERFORM WELL IN THEIR JOBS. THESE ARE GOOD RESULTS, ALSO COMPARED WITH OTHER COMPANIES. HOW IMPORTANT ARE THESE RESULTS FOR YOU?

Ralph Heuwing / The feedback we get from employees is vital. They are close to the customer, and are familiar with his wishes and general set-up. They can provide valuable information and ideas, enabling us to deliver even better customer care. We are pleased about the high ratings received by Dürr for continuously striving for improvements (74%), and taking into account feedback from customers as well as partners (71 %).

ASPECTS RELATING TO WORK ENVIRONMENT WERE ALSO ANALYZED. THIS INCLUDES NOT ONLY WORK EQUIPMENT BUT ALSO THE EMPLOYEE'S OWN TEAM AND PROCESSES. HOW IS DÜRR DOING IN THIS AREA?

Ralf W. Dieter / All in all, we are doing very well when it comes to work equipment. But there are significant differences between the individual subsidiaries. We need to examine this in more detail. Other aspects, such as cooperation within the team, have received good to very good results. This shows that there is a high level of cooperation among employees – an important factor for our business, which involves complex projects often running to tight schedules.

WHAT HAPPENS NEXT?

Ralf W. Dieter / We know that we cannot implement everything at the same time. But issues that are important for the company must be addressed step by step to ensure we have a good team on board with whom we can execute projects in a way that meets our customers' expectations. Every employee plays an important part in this. The next international employee survey will be conducted in two years' time, and I hope that we will see some positive changes by then.

An award-winning employer

We remain one of the top employers among the parts and equipment suppliers serving the German automotive industry. We came sixth out of the 22 finalists in the prestigious "Top Employer Automotive 2012/13" ranking. This was another success after the good result of the 2010/2011 competition, the year in which we first entered the "Automotive" category. We achieved our best scores in the areas of corporate culture, work-life balance, remuneration system, and innovation management.

In an in-depth study, the German magazine Focus ranked Germany's best employers from a total of 17 sectors. Of the 380 companies, we are among the "Top National Employers 2013".

Dürr was recognized for its high level of employee satisfaction by the "Top Company" logo of the employer evaluation platform Kununu, based on online reviews provided by its employees.

We were awarded the "Excellent and Fair Trainee Program" quality seal by the Munich-based Ludwig Maximilian University and the German newspaper Süddeutsche Zeitung. This scheme advises on high-quality trainee programs and therefore acts as a useful guide for university graduates.

The Universum Institute included us as "Universum Newcomer" in a student survey on employer attractiveness. Dürr thus featured in the list of attractive employers in 2011 and 2012 in the field of engineering and natural sciences.

Under the "Fair Company" initiative, we undertake not to employ university graduates as interns but rather to offer them permanent jobs with an appropriate salary. Only school and university students are employed as interns at Dürr.

We have joined the "Family Success Factor" network. By doing so we commit to a family-friendly personnel policy.



Process improvement, quality awareness, environmental impact

ONGOING PROCESS IMPROVEMENT

We conduct regular audits and external certifications, for example ISO 14001, VDA 6.4 and ISO 9001, to assess the effectiveness of our processes and management systems at almost all of our sites. This ensures ongoing improvement. An overview of all certifications can be found at: WWW.DURR.COM/COMPANY/SUSTAINABILITY/CERTIFICATES-MANAGEMENTSYSTEMS

QUALITY AWARENESS FIRMLY ESTABLISHED

Our quality awareness is the basis for maximum customer satisfaction. Surveys have shown that customers appreciate our cost-effective technologies and order execution process. This reinforces our commitment to continue improving products and processes. Our quality principles are implemented in the production and project business via the Dürr standards and quality management system.

LOW ENVIRONMENTAL IMPACT

We are the leading manufacturer of systems with low environmental impact in our area of operation. It goes without saying that our employees comply with all relevant environmental laws and regulations, and observe the principles of the Dürr Group with regard to quality and the environment. These include:

- modifying products as soon as statutory provisions change (principle of legal certainty),
- developing and producing products that are low in emissions and save resources,
- making use of recycling options, and
- reducing waste and energy consumption.

Almost all German and US sites use ISO 14001-certified environmental management systems. Annual reports are prepared to monitor the implementation of measures and formulate further goals at local level. When selecting new suppliers, we consider aspects such as environmental management and sustainability.

Corporate governance, opportunity and risk management, investor relations

COMMITMENT TO CORPORATE GOVERNANCE

We are committed to the principles and goals of good corporate governance. We comply with the recommendations of the German Corporate Governance Code, with the exception of three points. The annual declaration of compliance of Dürr AG can be found at: WWW.DURR.COM/INVESTOR/CORPORATE-GOVERNANCE/DECLARATION-ON-CORPORATE-GOVERNANCE/DECLARATION-OF-COMPLIANCE/

ACTIVE OPPORTUNITY AND RISK MANAGEMENT

In weighing the opportunities and risks involved in our entrepreneurial activities, we rely on three elementary principles:

1. Opportunities must clearly outweigh risks in every business activity.
2. Purely speculative transactions are prohibited.
3. Our actions must always comply with prevailing laws as well as with ethical and moral standards.

We have an open and transparent risk culture in place at Dürr. We promote sound risk awareness on the part of our employees and encourage them to address dangers and problems at an early stage. In recent years, the risk management system has established itself as an integral and acknowledged element of our business processes. It is based on standardized methods and is applied in all Group companies. This enables us to analyze and evaluate risks uniformly across the Group. In addition, we acquire a high level of risk transparency that stands us in good stead in selecting suitable control and counteractive measures. Risk management is established at all levels of the Group – from the Supervisory Board and Board of Management all the way through to the departments of individual local companies.

TRANSPARENT INVESTOR RELATIONS

Credibility, transparency and up-to-date information form the basis of our investor relations (IR) work, which we plan with a long-term view. We embrace a policy of open, ongoing communication.

We have received several awards for our IR work (WWW.DURR.COM/INVESTOR/AWARDS). Most recently, we came first in the “Corporates for Debt Investor Relations” category at the Extel 2013 awards, the world’s largest survey on service and consulting of investor relations activities of listed companies. In the “Corporates for Investor Relations” category Dürr was ranked 16th out of 100 participants. Our Chief Financial Officer Ralph Heuwing was rated seventh of a total of 72 CFOs.

In the 2012 BIRD poll (Best Investor Relations Germany) conducted by Börse Online, we reached second place in the “MDAX” category. We came ninth in the overall ranking.



In “The Best Annual Reports” ranking of Manager Magazin, we have reached top positions in the SDAX segment for years. In 2011 we took the top spot in the SDAX for the first time. After being promoted to the MDAX, we immediately came fourth in this segment in 2012. We maintained this position in 2013.

Compliance

In 2011 we set out our sustainability policies in the Dürr Code of Conduct (WWW.DURR.COM/COMPANY/SUSTAINABILITY). It serves as a guideline for our employees worldwide in conducting themselves correctly, in both legal and ethical terms, and embodying the values of our company. Any aspects that are also applicable to suppliers are outlined in a separate set of rules.

The Dürr Code condemns illegal business practices such as fraud and corruption, and stresses the principle of legality. It contains detailed information on fair labor and supplier issues which are based on the United Nations Global Compact.

Specific issues covered by the Code of Conduct include dealing with third-party property and confidential data as well as insider knowledge. It also expressly states that each employee has the right to fair treatment. Discrimination or harassment is not tolerated at any of our locations. Child and forced labor are prohibited without exception, and actively avoided.

No discrimination on grounds of a person's gender, age, background, sexual orientation, national or ethnic origin is tolerated in our company. After the General Act on Equal Treatment had come into effect in 2006, complaint bodies were set up for all German companies. Representatives for employees with disabilities work at local as well as Group level at Dürr.

"Valuing diversity" is one of our five corporate values. The people we employ around the world have different backgrounds, cultures and experiences. It is only when we harness their skills that we achieve maximum results. As a global company, we encourage mutual respect and promote worldwide cooperation.

We optimized our compliance organization further in 2012/2013 and raised awareness of our compliance principles among our workforce. In July 2013 we produced a film in which CEO Ralf W. Dieter emphasizes the importance of this topic for our company. This film was shown, for example, to local compliance officers at international webinars in September 2013.

The Dürr Code of Conduct is available to employees in their respective national language and is explained at a comprehensive training program held throughout the Group. More information on individual aspects of the Code is also published on a regular basis on the intranet.

Corporate social responsibility

Our social commitment is focused on promoting education as well as local social and cultural projects. In 2012 we donated €511 thousand (2011: €406 thousand) for charitable purposes in Germany).

Promoting education starts at the pre-school stage. Together with the foundation Heinz und Heide Dürr Stiftung, we are a cooperation partner for a children's day care center in Bietigheim-Bissingen. 15 places are currently reserved for the children of employees, with further places being added. Our aim is to help parents achieve a work-life balance.

We have cooperation agreements in place with various schools, and offer internships, job applicant training schemes as well as career consulting services. We have taken on the role of educational sponsor at grammar schools in Sachsenheim and Bietigheim-Bissingen. Since 2012 we have presented the annual Dürr MINT award to school graduates from Bissingen Secondary School who achieved outstanding results in the subjects of math, IT, natural sciences, and technology. In 2013 the award-winners were also given the opportunity to attend a one-day "Robot Teaching" course at Dürr.

We are supporting a total of six students at the universities of Stuttgart, Darmstadt, and Freiberg via the All-German Grants Initiative. Several of our employees teach at universities. We also provide financial support to institutions such as the Donors' Association for the Promotion of Humanities and Sciences in Germany and the University of Mannheim.

For many years the company and its employees have been donating to a school for children with learning difficulties in Stuttgart. We support the START Foundation, which offers grants to children from ethnic minorities.

For 30 years we have hosted concerts, exhibitions, and performances inspired by the motto "Experiencing culture", also giving employees an opportunity to showcase their creative talent. As the largest employer in Bietigheim-Bissingen, we contribute to the community life of the town by supporting youth activities at sports clubs and cultural events, among other things.

Social commitment is also demonstrated by our foreign companies. For a number of years, Schenck Shanghai Machinery (SCCN), our subsidiary in China, has been offering educational sponsorship to two local vocational training schools. It has been working particularly closely with one of them, Shanghai Electric Industry School (SEIS), in setting up a Schenck class.

Since its foundation ten years ago, the Dürr Systems Employee Charity Committee in Plymouth (US) has raised about US\$ 145,000 with different activities. Dürr Brasil supports an orphanage, while Dürr de México provides funding, among other things, for disabled children to attend school. Our British subsidiary took on the role of patron for local and national fundraising events and, together with our employees, it donated to cancer research and to a hospital.



For many years the company, its employees, and the Board of Management have been supporting a school for children with learning difficulties in Stuttgart. In March 2013 Hayo Raich (front, right), Chairman of the Group Works Council, handed over a check for €11,400.

Factsheet

COMPANY PROFILE

Name and legal form	Dürr AG	Ownership structure	25.4 % Heinz Dürr GmbH	
Established	1895		3.5 % Heinz und Heide Dürr Stiftung	
Initial public offer	1989		71.1 % institutional and private investors	
Sector	Machinery and plant engineering	Listings	MDax (Performance), CDax (Performance), Prime All Share (Performance), Classic All Share (Performance), FAZ-Index	
Headquarters	Bietigheim-Bissingen		2012	2011
No. of locations	50	Sales in € million	2,399.8	1,922.0
International presence	In 24 countries worldwide	No. of employees	7,652	6,823

SUSTAINABILITY MANAGEMENT AND REPORTING

Responsibility	Board of Management/ Corporate Communications & Investor Relations	Systems and tools	The corporate values and the Dürr Code of Conduct represent the basic tools for supplier, environmental, health and safety, and HR management as well as the compliance management system.	
External certifications	ISO 9001 quality management certificate ISO 14001 environmental management certificate			
Main goal	Long-term economic success in association with environmental protection and social responsibility	Form and frequency of the reporting	Yearly sustainability report within the Annual Report (since 2009), separate sustainability report since 2012	

SOCIETY

	Indicator	2012	2011	2010
Dürr promotes cultural projects, sporting activities and social projects, particularly at a regional level. For instance, we support local youth sport and the START Foundation promoting gifted children from a migrant background. We also promote scientific exchange. For example, we support the universities in Stuttgart, Darmstadt and Mannheim.	Donations in €	511,000	406,000	344,000

EMPLOYEES

	Indicator	2012	2011	2010
The satisfaction of our staff has top priority for us. We ensure this by providing an attractive and motivating working environment and challenging work.	No. of employees,	7,652	6,823	5,915
	– of whom apprentices, office trainees and sandwich course students	141	130	129
Regular employee surveys provide us with important suggestions for improving the working atmosphere and the working conditions in the company. In the surveys up till now Dürr has performed well in comparison with companies from our industry. The majority of Dürr employees are satisfied. A worldwide survey was conducted at all locations for the first time in 2013.	AVERAGE COMPANY SERVICE (YEARS)	10	11	12
	CHURN RATE IN %	4.6	6.0	6.7
	SICKNESS RATE IN %	1.9	2.1	2.5
As an engineering group we are particularly dependent on the know-how, commitment and experience of our workforce. We therefore organise systematic knowledge transfer by specialist trainers.	Proportion of women among the overall workforce in %	17	17	17
Training and development concept expanded: 1,086 group and individual training courses (2011: 933). No. of participants: 6,737 (2011: 5,215) Training budget per employee: increased from approx. €500 (2011) to approx. €650 (2012).	Age structure in %:			
	German employees 45 years and older	54.2	54.7	56.0
	worldwide employees 45 years and older	40.6	42.6	54.3
	No. of accidents per 1,000 employees (Germany)	12.9	14.4	10.2

ENVIRONMENT

	Key figures (absolute / indexed: 2010 = 100; in relation to sales)	2012	2011	2010
Conservation of resources, emission reduction and unit cost optimization are among the main criteria for the R&D processes.	Electricity consumption (MWh)	32,489 / 60.7	28,833 / 67.3	28,110 / 100
	Gas/oil/district heat consumption (MWh)	40,342 / 50.9	42,025 / 66.2	41,685 / 100
With reference to application technology, Dürr has optimized all the processes required for coating a vehicle body and, at the same time, identified ways of contributing to sustainable and resource-conserving production.	Water consumption (m ³)	113,174 / 77.4	92,636 / 79.1	76,876 / 100
	Waste water generation (m ³)	110,328 / 85.0	90,705 / 87.2	68,204 / 100
The Dürr Campus in Bietigheim-Bissingen is an outstanding example of an energy-efficient building: more than 40% energy saving compared with conventional buildings.	Total waste (t)	4,066 / 73.8	3,509 / 79.5	2,893 / 100
	– of which recycled (t)	3,028 / 72.0	2,716 / 80.6	2,208 / 100
The environmental relevance of our in-house production is low overall; on our manufacturing sites the focus is on assembly processes with comparatively low energy consumption and waste generation.	CO ₂ emissions (t)	32,597 / 57.0	30,675 / 67.0	30,075 / 100
	SO ₂ emissions (t)	17 / 59.5	15 / 65.6	15 / 100
Dürr conducts regular internal audits and external certifications relating to health, safety and the environment.	NOx emissions (t)	27 / 59.1	25 / 68.4	24 / 100

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LEADING IN PRODUCTION EFFICIENCY