

**DMG MORI**

AKTIENGESELLSCHAFT

power/MASTER

MM

Annual  
Report 2024

## KEY FIGURES OF DMG MORI AG

The Consolidated Annual Financial Statements of DMG MORI AKTIENGESELLSCHAFT as at 31 December 2024 were prepared in accordance with the International Financial Reporting Standards (IFRS), as they have to be applied in the European Union.

This financial report refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its subsidiaries (hereinafter the group, DMG MORI AG or DMG MORI AG group). DMG MORI AG is part of the DMG MORI group (hereinafter DMG MORI or “Global One Company”) whose group parent company is the DMG MORI COMPANY LIMITED (hereinafter DMG MORI CO. LTD.).

### T.01 KEY FIGURES

| in € million                               | 2024           | 2023           | Changes 2024<br>against 2023 |                   |
|--|----------------|----------------|------------------------------|-------------------|
| <b>Order Intake</b>                        | <b>2,256.6</b> | <b>2,583.6</b> | <b>-327.0</b>                | <b>-13%</b>       |
| Domestic                                   | 829.8          | 858.6          | -28.8                        | -3%               |
| International                              | 1,426.8        | 1,725.0        | -298.2                       | -17%              |
| % International                            | 63             | 67             |                              |                   |
| <b>Sales Revenues</b>                      | <b>2,228.3</b> | <b>2,498.6</b> | <b>-270.3</b>                | <b>-11%</b>       |
| Domestic                                   | 910.0          | 901.0          | 9.0                          | 1%                |
| International                              | 1,318.3        | 1,597.6        | -279.3                       | -17%              |
| % International                            | 59             | 64             |                              |                   |
| <b>Sales Backlog *</b>                     | <b>1,452.0</b> | <b>1,535.5</b> | <b>-83.5</b>                 | <b>-5%</b>        |
| Domestic                                   | 586.2          | 666.4          | -80.2                        | -12%              |
| International                              | 865.8          | 869.1          | -3.3                         | 0%                |
| % International                            | 60             | 57             |                              |                   |
| <b>EBITDA</b>                              | <b>326.0</b>   | <b>303.3</b>   | <b>22.7</b>                  | <b>7%</b>         |
| <b>EBIT</b>                                | <b>245.4</b>   | <b>228.9</b>   | <b>16.5</b>                  | <b>7%</b>         |
| <b>EBT</b>                                 | <b>254.7</b>   | <b>237.6</b>   | <b>17.1</b>                  | <b>7%</b>         |
| <b>EAT from continuing operations</b>      | <b>179.4</b>   | <b>172.0</b>   | <b>7.4</b>                   | <b>4%</b>         |
| <b>EAT from discontinued operations **</b> | <b>-91.9</b>   | <b>-8.8</b>    | <b>-83.1</b>                 | <b>&gt; -100%</b> |
| <b>EAT</b>                                 | <b>87.5</b>    | <b>163.2</b>   | <b>-75.7</b>                 | <b>-46%</b>       |
| <b>Free cash flow</b>                      | <b>117.0</b>   | <b>93.5</b>    | <b>23.5</b>                  | <b>25%</b>        |
| Employees                                  | 2024           | 2023           | Changes 2024<br>against 2023 |                   |
| <b>Employees *</b>                         | <b>7,498</b>   | <b>7,515</b>   | <b>-17</b>                   | <b>0%</b>         |
| thereof trainees                           | 265            | 294            | -29                          | -10%              |

\* Reporting date 31 Dec.

\*\* The previous year's figures were adjusted as part of the presentation of a discontinued operation.

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**PEOPLE & TECHNOLOGIES**

Useful information about technologies, innovations and the work of our motivated employees.

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**OVERVIEW CSR D**

Find out more about our commitment to sustainability and our ESG activities.

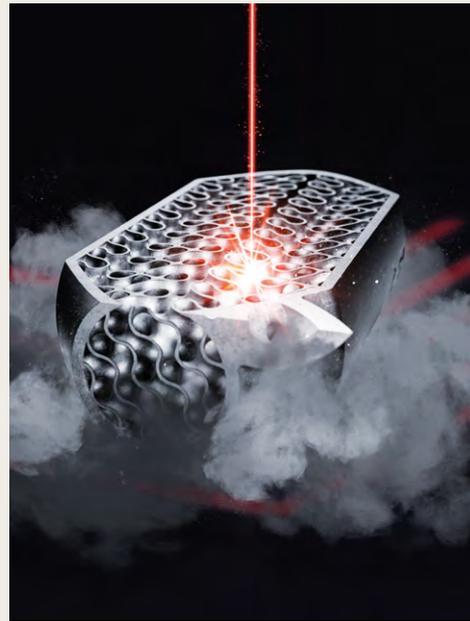
Page <sup>7</sup> 103 et seqq.

**“Global One Company”**

Click here for the <sup>7</sup> [Integrated Report](#) – the integrated Annual Report of DMG MORI CO. LTD.

# High- lights 2024

**Open House Pfronten 2024**  
DMG MORI presents the first innovations of the year.



**LASERTEC 30 SLM 3<sup>rd</sup> Generation**  
SLM technology on a machine tool basis for the first time.

**Q1 Tradition.** DMG MORI presents the first innovations of the year at the open house exhibition in Pfronten. The focus is on the new human-machine interface *ERGOLine X* with *CELOS X*.

**Q2 Improvement.** At the open house exhibition in Bielefeld, the new *LASERTEC 30 SLM* of the 3<sup>rd</sup> generation is presented with fundamental revisions.

**New building.** Construction of the new training center begins in Pfronten. From 2026, up to 150 young talents will learn here.

**Q3 Expansion.** DMG MORI is starting construction of the new European headquarters in Munich.

**Q3 Transformation.** AMB is all about MX – Machining Transformation. DMG MORI presents a variety of machines, automation solutions and digital products for the future of manufacturing.

**Young talent.** DMG MORI is supporting the "WorldSkills 2024" championship as a sponsor with machines and expertise.

**Q4 Extension.** DMG MORI presents 9 world premieres at the JIMTOF in Japan.

**Conclusion.** DMG MORI AG closes the financial year 2024 on a solid footing. The forecasts for the full year, which were adjusted in the third quarter, are all achieved.

## DMG MORI COMPANY PROFILE

**DMG MORI is a leading global manufacturer of high-precision machine tools and is represented in 44 countries – with 124 sales and service locations, including 17 production plants.**

# 17

**PRODUCTION  
PLANTS**

In the “Global One Company”, more than 13,500 employees are driving the development of holistic solutions in the manufacturing industry. Under the guiding principle of Machining Transformation (MX), DMG MORI combines four pillars for the efficient, sustainable production of the future: Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX).

DMG MORI stands for innovation, quality and precision. Our portfolio covers sustainable manufacturing solutions based on the technologies Turning, Milling, Grinding, Boring as well as Ultrasonic, Lasertec and Additive Manufacturing. With technology integration, end-to-end automation and digitization solutions we make it possible to increase productivity and resource efficiency at the same time.

# 124

**SALES AND  
SERVICE LOCATIONS**

At our production sites, we implement holistic turnkey solutions for the main sectors of aviation & space, automotive & e-mobility, die & mold, medical, and semiconductor. With the DMG MORI Qualified Products (DMQP) partner program, we offer perfectly matched peripheral products from a single source. Our customer-oriented services cover the entire life cycle of a machine tool – including training, repair, maintenance and spare parts service.

# 13,500

**EMPLOYEES**

## DMG MORI PRODUCTION PLANTS

Our global presence enables us to produce closer to our customers, optimize transports, ensure short delivery times and meet different local requirements.



### Germany

Pfronten  
Bielefeld  
Seebach  
Stipshausen

### Italy

Bergamo  
Tortona

### Poland

Pleszew

### Japan

Iga  
Nara (plant 1 & 2)  
Nagaoka (Grinding)  
Nagaoka (Boring)  
Isehara  
Izumo

### China

Tianjin  
Pinghu

### USA

Davis

### Locations worldwide

17 Production Plants  
124 Sales and Service  
Locations



You can find a detailed overview of all Sales and Service locations [here](#).



DMG MORI Global Headquarters, Tokyo



Registered office of DMG MORI AG, Bielefeld

## MISSION STATEMENT

**As a global corporation continually striving to be the world's largest and most respected international manufacturer of turning centers, machining centers, mill-turn centers, grinders, additive manufacturing and processing automation,**

### **we will**

- enable our customers to maximize their potential and excel in their respective markets by continually striving to provide innovative, accurate, and trouble-free machines, automation systems, and digital technology at competitive prices;
- increase our customers' productivity and efficiency through our latest developments in technology as manifested by our increasingly accurate and progressive manufacturing capabilities;
- support our customers with our knowledgeable and responsive sales, applications, and service personnel.

### **As befits a worldwide corporation, we will:**

- foster a fair and open corporate culture, utilizing appropriate management initiatives;
- play hard and be dynamic to enrich our private lives, study continuously and be open to advance our professional career, and work together and be innovative to bring innovation to workplace;
- respect each other's opinions and continually develop through fair competition.

### **As profitability is a goal of all healthy business organizations and in keeping with the true nature of the machine tool industry, we will:**

- work to increase the value of our company, the investment of all shareholders knowledgeable of the true nature of the machine tool industry, and the prosperity of our partners;
- always remember that the pricing of our products and services is an integral factor of the prosperity and longevity of the corporation;
- generate suitable profits to ensure the cash flow necessary to provide for the healthy operation of our corporation, research and development, stable customer services, employee training and development, and the maintenance of safe and efficient manufacturing facilities.

### **As an industry leader and responsible corporate citizen, we will:**

- contribute our fair share to our local community and society;
- conserve environmental resources at all times to preserve the global environment;
- incorporate the highest standard of ethics while still encouraging an aggressive approach to our business activities.

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DMG MORI AG Annual Report 2024

# TO OUR SHAREHOLDERS

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**Dr. Eng. Masahiko Mori (63)**  
**Chairman of the Supervisory Board**  
**President of DMG MORI COMPANY LIMITED**

Dr. Eng. Masahiko Mori has been Chairman of the Supervisory Board since 4 May 2018 and a member since 2009. After studying engineering at Kyoto University in Japan, he received a doctorate from the University of Tokyo.

Dr. Eng. Masahiko Mori initially worked for a Japanese trading company before joining the family company, MORI SEIKI, in 1993.

Dr. Eng. Masahiko Mori has been President of DMG MORI COMPANY LIMITED since 1999.

## REPORT OF THE SUPERVISORY BOARD

In the financial year 2024, the Supervisory Board again dealt intensively and in detail with the business performance, earnings development, business policy, strategy and, in particular, sustainability. Risk management and compliance issues were also of central importance. In this context, the Supervisory Board further took particular account of geopolitical developments, namely the effects of the war in Ukraine and the consequences of the decree issued concerning our Russian production plant Ulyanovsk Machine Tools ooo. Capital expenditure, the commitment in China and the progress of the group-wide roll-out of SAP S/4HANA were also the subject of intensive discussions. In addition, the Supervisory Board dealt with Executive Board matters on several occasions.

The composition of the Supervisory Board remained unchanged in the reporting year.

The composition of the Executive Board changed in the reporting year. Hirotake Kobayashi took up his position as a member of the Executive Board with effect from 1 January 2024. Michael Horn left the Executive Board on 31 March 2024.

In financial year 2024, the Supervisory Board held four meetings, three of which were attended in-person (one of which was at the AMB, the major industry trade fair in Stuttgart) and one of which was held virtually.

At 96.30%, the average attendance rate of Supervisory Board members was once again very high. A summary of the meeting attendance of individual Supervisory Board members in financial year 2024 is shown below:

## T.02 PARTICIPATION OF SUPERVISORY BOARD MEMBERS IN SUPERVISORY BOARD AND COMMITTEE MEETING

|                          |                              | Supervisory Board Meeting | Finance and Audit Committee | Personnel, Nomination and Remuneration Committee | Committee for Transactions with Related Parties (TRP) | Ø-Presence (in %) |
|--------------------------|------------------------------|---------------------------|-----------------------------|--|---|-------------------|
| Dr. Eng. Masahiko Mori   | Supervisory Board Chairman   | 4/4                       | 6/6                         | 2/2  | -   | 100.00            |
| Tanja Fondel             | 1 <sup>st</sup> Deputy Chair | 3/4                       | -                           | 2/2  | -   | 83.33             |
| Ulrich Hocker            | Deputy Chairman              | 4/4                       | -                           | 2/2  | 3/3   | 100.00            |
| Stefan Stetter           | Deputy Chairman              | 4/4                       | 6/6                         | -  | 3/3   | 100.00            |
| Irene Bader              |                              | 4/4                       | -                           | -  | -   | 100.00            |
| Prof. Dr. Berend Denkena |                              | 4/4                       | -                           | -  | 3/3   | 100.00            |
| Dietmar Jansen           |                              | 4/4                       | 4/6                         | -  | -   | 80.00             |
| Prof. Dr. Annette Köhler |                              | 4/4                       | 6/6                         | -  | -   | 100.00            |
| James Victor Nudo        |                              | 4/4                       | 6/6                         | 2/2  | -   | 100.00            |
| Thomas Reiter            |                              | 4/4                       | -                           | 2/2  | -   | 100.00            |
| Larissa Schikowski       |                              | 4/4                       | -                           | 2/2  | -   | 100.00            |
| Michaela Schroll         |                              | 4/4                       | 6/6                         | -  | 2/3   | 92.31             |
|                          |                              |                           |                             |  |   | Ø 96.30           |

The Nomination and Mediation Committee did not hold any meetings in financial year 2024.

During the reporting year, the Supervisory Board always received prompt, regular and extensive updates from the Executive Board on all processes and events essential to the company, not only at meetings, but also by telephone and in writing. Moreover, the Supervisory Board was regularly notified about the company's business development and in particular, the progress of key company performance indicators. The company supports Supervisory Board members in their individual training and further education measures, such as participation in seminars or other events like workshops, if requested. The company also regularly informs the Supervisory Board as a whole about relevant regulatory and legal changes. This specifically applied to committee members in their respective roles.

The Supervisory Board fulfilled its duties with great care in accordance with the Articles of Association and the law. It held a total of four meetings in financial year 2024. The chairpersons of the Supervisory Board committees, who regularly prepared the Supervisory Board meetings at a number of meetings, reported to the plenum on the issues and recommendations discussed at the committee meetings and presented recommendations. In the reporting year, there were again no conflicts of interest to report regarding the members of the Supervisory Board.

The annual auditors also attended the **balance sheet meeting on 18 March 2024** in Munich. The Supervisory Board approved the Group Business Report and Consolidated Financial Statements as well as the Business Report and Annual Financial Statements of DMG MORI AKTIEN-GESELLSCHAFT as of 31 December 2023 and discussed the Sustainability Report 2023, to which no objections were raised. The settlement of investments for 2024 was also approved. Particular attention was paid to the discussion of the effects of the measures taken by the Russian government with regard to the shares Ulyanovsk Machine Tools ooo and their consequences for DMG MORI AG. Moreover, the chairpersons reported on the previous meetings of the Finance and Audit Committee and the Personnel, Nomination and Remuneration Committee. On the recommendation of the Personnel, Nomination and Remuneration Committee, the Supervisory

Board approved the conclusion of a termination agreement with Executive Board member Michael Horn and accepted his resignation from office as of 31 March 2024. The realignment of the Executive Board involved a focusing and reallocation of departmental responsibilities. The Supervisory Board also discussed the agenda for the 122<sup>nd</sup> Annual General Meeting planned for 30 April 2024 and – as recommended by the Finance and Audit Committee – approved this along with the proposal for the appointment of the auditor of the Annual Financial Statements and the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT and (with effect from the entry into force of the CSRD Implementation Act) of an auditor of the Sustainability Report for the financial year 2024. Among other things, the focus here was on the forecasts for the financial year 2024, the Open House in Pfronten and MX – Machining Transformation.

The Supervisory Board meeting on **30 April 2024** was dominated by preparations for the subsequent Annual General Meeting and a discussion of business performance. The Executive Board reported on the assertion of claims for compensation under an international investment guarantee for the shares in Ulyanovsk Machine Tools ooo and the planned further course of action. This Supervisory Board meeting, like the subsequent Annual General Meeting, took place in virtual form.

The Supervisory Board meeting on **11 September 2024** was held on the occasion of the leading trade fair AMB in Stuttgart. The Supervisory Board was once again informed in detail by the Executive Board about business performance and expectations for the AMB trade fair were discussed. The effects of the loss of control over the shares in Ulyanovsk Machine Tools ooo also continued to be a key topic. Reports were also provided from the previous meetings of the Finance and Audit Committee and the Related Party Transactions Committee.

The meeting on **29 November 2024** in Munich focused on business performance 2024, the discussion and adoption of the resolution on corporate and investment planning for 2025 and medium-term planning for 2026/2027. The conclusion of an agreement for the provision of certain services by a subsidiary of DMG MORI Europe Holding GmbH was discussed. In addition, the chairpersons reported on the preceding meetings of the Personnel, Nomination and Remuneration Committee and the Finance and Audit Committee. At the recommendation of the Personnel, Nomination and Remuneration Committee, the parameters for variable Executive Board remuneration in 2025 were set and the system for Supervisory Board remuneration was discussed.

As proposed by the Finance and Audit Committee, the Supervisory Board approved the following focus areas for the annual audit 2024:

- Recoverability of goodwill
- Impairment of inventories
- Impairment of shares in affiliated companies.

It was decided that the presentation of the expropriation of Ulyanovsk Machine Tools and the treatment of the “ECOLINE” product line as a discontinued operation in accordance with IFRS 5, as well as the recoverability of assets at DMG MORI Rus ooo, would be the subject of the audit.

Furthermore, a separate commission is to be issued for the group auditor to review the Group Sustainability Report, even if the CSRD Implementation Act has not yet come into force during the reporting period.

The declaration of compliance in accordance with Section 161 AktG (German Stock Corporation Act) was discussed in detail and approved by the Supervisory Board, as recommended by the Finance and Audit Committee.

A large proportion of the Supervisory Board's work is carried out by different committees:

The **Finance and Audit Committee** held six meetings in financial year 2024. It discussed the company's current financial status based on key figures, including the cash flow trend and investment development. Tax issues were also discussed on a regular basis with particular reference to external audits. The committee's reviews and discussions also focused on the Quarterly Releases for the 1<sup>st</sup> and 3<sup>rd</sup> quarters 2024 and the Interim Report for the 1<sup>st</sup> half-year 2024.

In addition, the Finance and Audit Committee dealt intensively with the effects of the Russian government's decree regarding the equity investment in Ulyanovsk Machine Tools ooo and the resulting discontinuation of the "ECOLINE" product line. Much time was also devoted to the preparation of the sustainability report in accordance with the Corporate Sustainability Reporting Directive (CSRD). The committee also reviewed the Financial Statements and Consolidated Financial Statements, including the respective Business Reports, and prepared the approval and adoption of the Consolidated and Annual Financial Statements. It monitored the independence of the annual auditor and discussed the quality of the statutory audit.

The committee also discussed the results of the Corporate Governance Readiness Assessment and the non-audit services provided by the auditor, which were submitted by the Executive Board for approval. These were approved by the committee after detailed examination and discussion. The committee also looked at compliance and risk management issues.

Finally, the committee prepared the resolutions of the Supervisory Board on the declaration of compliance in accordance with Section 161 AktG and audit focus areas for 2024, as well as on the investment and lease budget for 2025.

The **Personnel, Nomination and Remuneration Committee** met three times in the reporting year. The committee began by focusing on Executive Board target achievement and the related settlement of the variable remuneration payment for 2023. The committee further discussed in detail Executive Board personnel matters, in particular the termination agreement with Executive Board member Michael Horn. The committee also prepared the structure of the variable Executive Board remuneration in 2025 and the Supervisory Board remuneration system, in each case together with a proposed resolution for the Supervisory Board. The committee addressed a further efficiency review of the Supervisory Board and prepared it.

The **Committee on Transactions with Related Parties** held three meetings in the reporting year. In addition to the regular reporting of reportable issues, the adjustment of the loan amount from company to DMG MORI COMPANY LIMITED was one of the topics discussed by the committee. The committee also discussed the design of an intra-group service agreement and the intra-group harmonization of transfer prices.

page 79 et seqq. The <sup>7</sup> **Corporate Governance Report / Group Declaration on Corporate Management** section of the Annual Report describes the activities of the Supervisory Board with regard to the declaration of conformity in accordance with Section 161 AktG. Since the last declaration of conformity in November 2023, DMG MORI AKTIENGESELLSCHAFT has complied and will continue to comply with the recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated 28 April 2022, but with the following exception:

— **Exception: Recommendation G.10 of the German Corporate Governance Code**

In accordance with G.10 of the German Corporate Governance Code, the majority of the Executive Board remuneration is to be paid in the form of company shares or a corresponding share-based arrangement. DMG MORI AG is not implementing this recommendation but is rather basing the long-term remuneration components of the Executive Board on performance indicators the Supervisory Board has found to bear significant relevance on the company's success over the long term.

Share-based remuneration is not suitable for DMG MORI AG, as DMG MORI AKTIENGESELLSCHAFT, as a result of the domination and profit transfer agreement from 2 June 2016, is a dependent company whose shareholders have been promised compensation and settlement as part of the conclusion of the domination and profit transfer agreement. Thus, the Executive Board's performance does not significantly affect the company's share price performance and the latter is therefore not an appropriate means of measuring Executive Board long-term remuneration at DMG MORI AG.

At the **balance sheet meeting on 18 March 2025**, the Supervisory Board approved the Annual Financial Statements and the Business Report as well as the Consolidated Financial Statements and the Group Business Report of DMG MORI AKTIENGESELLSCHAFT for the financial year 2024 after conducting its own audit, hearing the auditors and discussing the matter. Thus, the Annual Financial Statements of DMG MORI AKTIENGESELLSCHAFT were adopted pursuant to Section 172 AktG. The separate, non-financial group report, which is part of the Sustainability Report and which fulfills statutory requirements in accordance with the CSR Directive Implementation Act implementing Directive 2014/95/EU (Section 289 of the German Commercial Code) of 11 April 2017, was also discussed in detail. Following its audit, the Supervisory Board had no objections. The resolutions were prepared by the Finance and Audit Committee.

The Executive Board prepared the Business Report and Annual Financial Statements for 2024, as well as the Group Business Report 2024 of DMG MORI AKTIENGESELLSCHAFT in accordance with the provisions of the German Commercial Code (HGB). The Consolidated Financial Statements 2024 of DMG MORI AKTIENGESELLSCHAFT were prepared in accordance with International Financial Reporting Standards (IFRS), as applicable within the European Union. Pursuant to the exemption provision in Section 315e HGB, Consolidated Financial Statements in accordance with HGB were not prepared. The annual auditors provided detailed reports on their audit procedures and findings and were available for any further queries. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, issued unqualified audit opinions for both business reports and financial statements.

The annual auditor also stated that the Executive Board has taken all the reasonable steps required under Section 91 (2) AktG. The design and application of the appropriate information and monitoring system in line with company requirements appears suited to its purpose of providing early warning of developments posing a threat to the continued existence of the company. No major weaknesses in the Internal Control System and Early Risk Warning System were reported.

The chairperson of the Finance and Audit Committee provided the Supervisory Board with a detailed report on the findings of the committee as well as on the discussions held with the annual auditors and the Executive Board. The Supervisory Board and the Finance and Audit Committee have thoroughly discussed and reviewed the Annual Financial Statements and the Consolidated Financial Statements, as well as the Business Reports, including the Sustainability Report. The Supervisory Board approved the results of the audit based on its own review – as did the Finance and Audit Committee. There were no objections raised by the Supervisory Board or the Finance and Audit Committee.

DMG MORI AG has reported solid results for the financial year 2024, despite continuing challenging global market and economic conditions.

The Supervisory Board wishes to thank the members of the Executive Board for their exceptional commitment and outstanding strategic, but also operational work, especially in these particularly challenging times. Our special thanks go to all employees for their dedication and flexibility throughout the past financial year!



**Dr. Eng. Masahiko Mori**  
Chairman of the Supervisory Board  
Bielefeld, 18 March 2025

## THE EXECUTIVE BOARD



Executive Board of DMG MORI AG: Alfred Geißler (left) and Hirotake Kobayashi.

### **Alfred Geißler (66), CEO**

**Product development, strategy, sales and service, purchasing, production, logistics, quality, human resources, legal and annual audit**

Alfred Geißler has been CEO and Labor Director of DMG MORI AG since 25 May 2023.

He is also responsible for the area of sustainability. Previously, he was managing director of DMG MORI Pfronten GmbH and DMG MORI Seebach GmbH with a focus on products and developments. He has also been a member of the Executive Board of DMG MORI COMPANY LIMITED since March 2024.

### **Hirotake Kobayashi (70)**

**Controlling, finance, accounting, taxes, risk management, compliance and information technologies**

Hirotake Kobayashi has been a member of the Executive Board of DMG MORI AG since 1 January 2024.

He has been with the DMG MORI Group since 2015 and has been on the Executive Board of DMG MORI COMPANY LIMITED as Executive Vice President and Director of Accounting, Finance and Sales since 2016. In 2017, he was additionally appointed Executive Vice President.

## LETTER FROM THE CEO

### Dear Shareholders,

DMG MORI AG can look back on an eventful financial year 2024. The world economy was – and still is – in a difficult situation with profound changes. On the one hand, the war in Ukraine, geopolitical uncertainties, escalating trade conflicts and the associated restraint in the economy slowed demand for capital goods in particular. On the other hand, innovations and progress as well as increasing customer demands required investment in new technologies. Our main task was and remains to support our customers in this process with the right solutions for their individual needs and to take their production to the next level.

To achieve this, we have consistently pursued our MX – Machining Transformation strategy. MX is based on the four pillars of Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX). By interlinking these four pillars as closely as possible, we offer our customers tailor-made solutions for modern, sustainable and efficient manufacturing. We continue to develop these in a targeted manner in order to remain a technological pioneer. With our diversified product portfolio and our excellent team, we were able to close the financial year on a solid footing. We met our targets for the year as a whole, which we had adjusted in the quarterly statement for the third quarter: Order intake were € 2,256.6 million (previous year: € 2,583.6 million). Sales revenues amounted to € 2,228.3 million (previous year: € 2,498.6 million). In contrast, EBIT rose by +7% to € 245.4 million (previous year: € 228.9 million). The EBIT margin improved to 11.0% (previous year: 9.2%). EAT from continuing operations amounted to € 179.4 million. The disposal of our production company in Ulyanovsk, Russia, and the subsequent discontinuation of the “ECOLINE” product line led to an EAT from discontinued operations of € -91.9 million. This results in an EAT of the DMG MORI AG group in the amount of € 87.5 million (previous year: € 163.2 million). Free cash flow reached € 117.0 million (previous year: € 93.5 million).

**page 103 et seqq.** For the first time, we are also reporting our **Sustainability Aspects** in accordance with the CSRD (Corporate Sustainability Reporting Directive) as part of the Business Report for the financial year 2024. Here, we provide you, dear shareholders, with a wealth of qualitative and quantitative information on key sustainability topics such as diversity, emissions and compliance. As “GX – Green Transformation”, sustainability is an integral part of our corporate strategy and is firmly anchored in all processes. We see great added value here for the production of the future and for us as a company: We take responsibility for our employees and our environment.

After all, the current challenges will continue to accompany us in the future and require sustainable business practices. The VDW and Oxford Economics expect machine tool consumption to recover by +7.0% worldwide in 2025. At the same time, ongoing geopolitical conflicts and political changes – particularly in Germany and the USA – continue to create uncertainty, which could have a further impact on demand for machine tools. We are therefore planning carefully and continuing to make targeted investments in our locations, our employees and our products.

For the financial year 2025, DMG MORI AG is planning an order intake of between € 2.4 billion and € 2.5 billion. Sales revenues are expected to amount to between € 2.2 billion and € 2.3 billion. We estimate EBIT to be between € 150 million and € 160 million. Free cash flow is forecast to be between € 110 million and € 130 million. The effects of possible compensation from the investment guarantee for our production plant in Ulyanovsk, the amount of which cannot be estimated at present, are not included in the forecasts.

We will implement several expansions and modernizations at our locations. For example, the focus here will be on the training center in Pfronten, the introduction of SAP S/4HANA in Seebach and modernizations in Bielefeld and Pleszew (Poland). We will continue to strengthen and expand our diversified product portfolio.

With this solid foundation, our high degree of resilience and innovative strength and our strong network of customers, partners and suppliers, we are well positioned as "Global One Company" for the current financial year. We continue to work hard on aligning our processes with the future. Personally and on behalf of the Executive Board, I would like to thank our loyal customers and partners, our dedicated employees and our owners for their trust and support.

We look forward with confidence to a successful financial year 2025!

Yours

**Alfred Geißler**

CEO

Bielefeld, 18 March 2025

What are the latests developments regarding **MACHINING TRANSFORMATION** and progress in the context of **INNOVATIONS?**



**Our focus is on MX – Machining Transformation. With automated machine tools, a high degree of process integration and digital tools, we offer endless possibilities for transforming the productions of our customers and prepare them for the future of sustainable manufacturing.**

# Technologies & Innovations **2024**

**Alfred Geißler, CEO  
of DMG MORI AG**

**At DMG MORI, we strive for excellence based on our MX – Machining Transformation strategy. This sets high expectations for our entire value chain.**

Our approach to reach optimized customer orientation and quality is based on a broad foundation of sustainability, efficient processes, digital technologies and a learning organization. We are constantly improving the strengths and capabilities of our production sites worldwide. By increasing in-house production, we continue to ensure high quality and reliable availability of core components. Our production system contains proven standards and methods with a strong focus on continuous improvement and responsible resource utilization while being designed to be flexible.



Read more about the interview in the [Integrated Report](#) of our “Global One Company”

**The ongoing global implementation of SAP serves as the digital backbone for our future analytics and optimization efforts.**

The relating integration of the connected MES system, combined with TULIP, will additionally support optimized operations planning and execution, intelligent operating and machine data logging. Furthermore, we use our data to continuously improve processes and process times, as well as the use and utilization of resources.

**In 2024, DMG MORI presented 34 innovations – thereof 20 world premieres, 2 automation products, 5 digital innovations, 1 technology cycle, 3 DMG MORI components and 3 innovations for reducing the energy consumption of our machines.**

Last but not least, empowering our employees is fundamental to our success. It starts with future-oriented training concepts for our trainees as a good basis but also comprises extended further training for our employees. For example, our TAKT Academy particularly offers Lean Six Sigma methodology training in Europe.

**The aim of DMG MORI's research and development is to sustainably increase the value of our products for our customers.**

When developing our products, we pay increased attention to sustainability and efficient use of resources. In 2024, we further strengthened and expanded our diversified product portfolio, which now comprises around 200 different machine models.

With our MX strategy, we enable efficient and thus energy-saving production through process integration, automation and the use of digital solutions. Automation is key to greater efficiency, productivity and even faster amortization.

Digital transformation (DX) supports the implementation of our MX strategy. With digital solutions along our customers' entire value chain, we aim to increase productivity and enable Green Transformation (GX). The new ERGOline X control panel, for example, simplifies machine operation with CELOS X, among other things, through standardized user interfaces.



# And **WHO** are the people **BEHIND** the technology at DMG MORI?

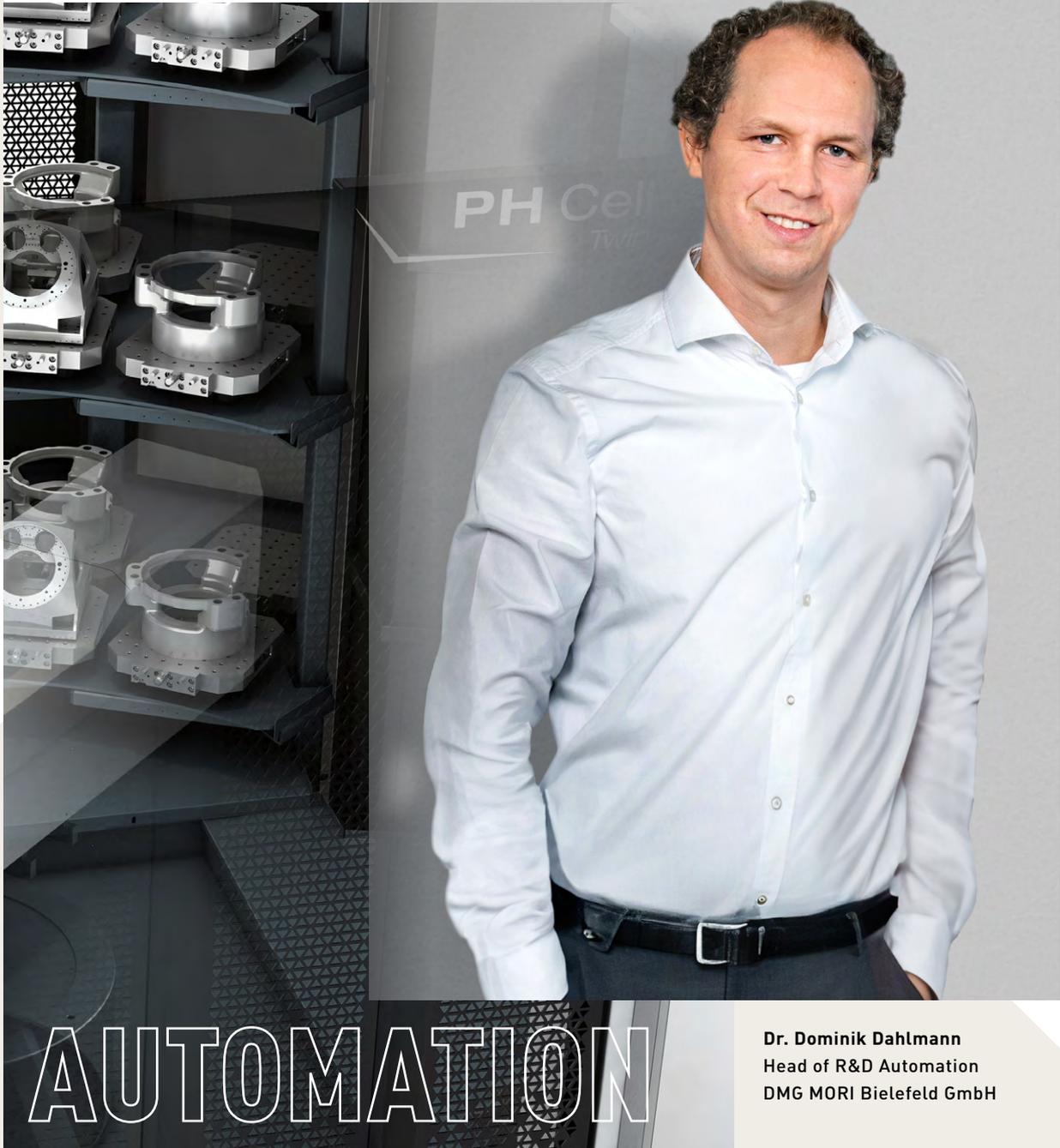


Technologies, innovations and engagements are driven by our motivated *employees*. Meet them and read about their focus topics in the Integrated Report of our “Global One Company”.



Read more about the interview in the [Integrated Report](#) of our “Global One Company”

# Dr. Dominik Dahlmann



**Dr. Dominik Dahlmann**  
Head of R&D Automation  
DMG MORI Bielefeld GmbH

**Optimize processes, increase productivity and efficiency:  
We offer a wide range of automation solutions – including  
systems for workpiece, pallet and tool handling – for  
individual machines or complete production lines.**

# AUTOMATION

## ✕ In conversation with Dr. Dominik Dahlmann.

Automation is a key element of our MX strategy for greater efficiency, productivity and even faster amortization – and thus for greater competitiveness and sustainability for our customers.



DMU 65 monoBLOCK  
2<sup>nd</sup> Generation and PH Cell 500

Dr. Dominik Dahlmann, Head of R&D Automation at the Bielefeld site, has been working on new innovations in the field of automation at DMG MORI since 2017. His many years of experience in research have given him a comprehensive insight into a wide range of development and application areas, which he now incorporates into his work.

As a technology leader, DMG MORI is continuously expanding and improving its automation portfolio with innovative ideas. One example is

the new PH Cell 500 – with its proven clamping chuck technology and ergonomics, optimized for handling pallets up to 500 x 500 mm and weights up to 500 kg (incl. workpiece), it enables flexible automated production of small batch sizes and individual parts.



Read more about Dr. Dahlmann and his research in the [Integrated Report](#).

# Sascha Mertins

# SERVICE



**Sascha Mertins**  
Managing Director, DMG MORI  
Global Service GmbH

**Markus Piber**  
Senior Executive Officer, DMG MORI  
Sales and Service Holding GmbH

# Markus Piber

**With the ongoing development of MX – Machining Transformation, the after-sales activities in the area of maintenance and repair have once again gained in importance. They enable us to maintain continuous contact with the customer until the next machine order.**

# SERVICE

## ✕ In conversation with Markus Piber and Sascha Mertins.



Read the complete interview with our service experts from all around the world in the [Integrated Report](#).

**DMG MORI's innovative solutions are provided and supported worldwide through a direct sales, maintenance and repair network. Our maintenance and repair experts use their knowledge to ensure that our machines are available to our customers as much as possible. This is how they make a significant contribution to our Machining Transformation (MX) strategy.**

**SASCHA MERTINS** Our customers expect us to respond to their initial maintenance or repair request within an hour and to send a technician directly the next day. *myDMG MORI* enables us to receive reports with photos and programs. Thanks to this digital function, DMG MORI can process maintenance and repair requests quickly and efficiently.

**MARKUS PIBER** In order to continue to meet our customers' expectations in the future, we want to improve the skills of our existing service technicians even further and expand our workforce. To do this, we are pursuing different, regionally adapted personnel strategies in the individual markets. All with the same ambitious goal: to support the customer over the entire lifecycle of a machine so that they choose DMG MORI again when they next invest!



DMG MORI trade fair booth at the AMB 2024 in Stuttgart

# Laure Galley



Laure Galley  
Skipper Trainee,  
DMG MORI Sailing Academy

**The DMG MORI Sailing Academy offers us young skippers unique possibilities. What fascinates me most is the diversity of our team – we come from all around the world, united by our passion for the ocean. I am thrilled to see where this amazing journey will lead us!**



Laure Galley,  
Figaro Skipper



Alexandre Demange,  
Mini 6.50 Skipper



Hajime Kokumai,  
Mini 6.50 Skipper

# SAILING × In conversation with Laure, Alexandre and Hajime.

Welcome to the DMG MORI Sailing Academy! Young sailors Laure Galley, Hajime Kokumai and Alexandre Demange talk about their passion for sailing, their ambition and their goals for the coming season.

**LAURE** When I joined the DMG MORI Sailing Academy in 2022, I sailed prototypes in the so called Mini 6.50 races. I learned a lot from our amazing team and managed to work my way up. This year, I debuted in the Figaro classe with a bigger boat and a lot to learn again. It was a challenging and exciting season where I also mastered my first trans-Atlantic race. I am honored to have the support from experienced

sailors and also that I can now already pass on my own knowledge to Alexandre and Hajime, who are now participating in the Mini races.

**ALEXANDRE** The Sailing Academy gives us the opportunity of a life-time. Technologically, psychologically and with regards to the experience there is nothing to compare.

**HAJIME** Every day, I am learning more about offshore sailing and the community, always trying to improve the smallest details for the next race. You need to prepare the boat – but also yourself. That will determine the course of your race greatly.



More about DMG MORI Sailing Academy [here](#).

## “GLOBAL ONE COMPANY”

Here you can access the [Integrated Report](#) of the DMG MORI CO. LTD.

## 02

## DMG MORI AG Annual Report 2024

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# THE BASIS OF THE GROUP

## Corporate Strategy and Key Financial and Performance Indicators

DMG MORI AKTIENGESELLSCHAFT and its subsidiaries form the group (hereinafter group, DMG MORI AG or DMG MORI AG group). DMG MORI AG is part of the DMG MORI group (hereinafter DMG MORI or “Global One Company”), whose group parent company is the Japanese-based DMG MORI COMPANY LIMITED (hereinafter DMG MORI CO. LTD.) with its headquarters in Tokyo.

The operating activities of DMG MORI AG are divided into the “Machine Tools” and the “Industrial Services” segments. “Corporate Services” mainly comprise the group-wide holding functions.

**page 7** The **DMG MORI Mission Statement** forms the basis for the strategic focus of DMG MORI and thus also for DMG MORI AG. DMG MORI’s goal is to be the world’s largest and most respected international manufacturer of turning centers, machining centers, mill-turn centers, grinding and drilling machines and process automation, always focusing on maximum customer benefit. DMG MORI AG consistently aligns its business activities with this goal. Our common objective is to support our customers along the entire value chain with innovative solutions – consisting of machine tools, automation, software, processes, peripherals and service.

We offer a broad product portfolio to provide the entire manufacturing industry with optimized solutions in all areas, from small manufacturing companies to large corporations. Our customers come from a wide range of industries – such as aviation & space, semiconductor, medical, automotive, die & mold – and have different requirements.

In 2024, the global manufacturing industry was still heavily influenced by exogenous factors, such as a fluctuating economy and the associated uncertainties in key sales markets, volatile raw material and energy costs, and the effects of the war in Ukraine and other geopolitical conflicts.

In today’s challenging market conditions, DMG MORI is responding to the change and increase in customer expectations with its Machining Transformation (MX) strategy. MX is based on the four pillars of Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX). By interlinking these four pillars as closely as possible, we provide our customers with tailored solutions for state-of-the-art, sustainable and efficient production. With MX, DMG MORI is systematically developing from a machine builder to a holistic, sustainable solution provider in the production industry. However, the following principle continues to apply: The machine is and remains our key focus. We promise our customers high-performance, high-precision and sustainable machines of outstanding quality and an all-round service.

Through synergies from Process Integration, Automation and Digitization, MX is designed to help users unlock potential for sustainability and innovative growth. This is how we respond to the changes in our business environment, such as the increasing shortage of skilled workers and raw materials, and aim to provide our customers with a competitive advantage at every step of the value chain.

**Process integration** – i. e. the integration of multiple technologies such as turning, milling, grinding, boring, Ultrasonic, Lasertec and additive manufacturing into one turning or milling machine – means that highly complex workpieces can be produced on a single machine instead of several different ones. This full integration aims to reduce the number of machines and operators required, free operators from simple set-up work, shorten set-up times, save resources, improve the quality of the workpieces produced and thus lead to higher productivity and lower carbon dioxide emissions. Process integration thus improves the working environment of our customers as a whole.

These benefits can be increased, in particular, by combining the machine tool with automation and digital tools. We work closely with our customers to find the best, individually solution: We offer a standard or customized **automation solution** for almost every DMG MORI machine or application. The automation of a process-integrated machine tool can allow maximum utilization while meeting the highest quality standards in day-to-day business via runtime parallel set-up, making unmanned night and weekend shifts possible. This is how the available resources are to be used optimally and sustainably.

Our aim is to further increase the competitive advantages of an automated, process-integrated machine tool with **digital solutions** along the entire value chain – from CAD-CAM solutions and post-processors to simulation and easier programming using DMG MORI Technology Cycles. In particular, this includes maximizing effective spindle hours through efficient job scheduling, predictive maintenance and error prevention, as well as improving operational workflows on the shop floor and reducing the demands on employees in the workshop.

This is made possible by an integrated and manufacturer-independent networking of all machines and processes interacting with **CELOS X** and **CELOS Xchange**. CELOS X is a digital and data-based ecosystem for the holistic management, planning, control, operation, monitoring and interaction of machines, automation solutions, workflows and processes in the industrial manufacturing sector. With CELOS Xperience, our focus is on user-friendliness, standardized interfaces and optimal energy efficiency. CELOS Xchange provides a data hub to store, analyze and exchange manufacturing X data in global production chains. Besides our manufacturing processes, we are also digitizing our range of services via our online customer portal, *myDMG MORI*, with the aim of minimizing machine downtimes and further streamlining communication with our customers.

In short – our products and services in the areas of **Process Integration, Automation** and **Digital Transformation** not only increase productivity, but also help to conserve resources, reduce energy consumption and therefore carbon dioxide emissions, as well as to optimize the deployment and development of staff. Thus, these three pillars are key components of **Green Transformation (GX)**.

GX has the potential to conserve global resources and thus protect the environment, while making lives easier and creating opportunities for further development. This is why DMG MORI AG takes a holistic approach to corporate responsibility. Sustainability is an integral part of our corporate strategy and is integrated into our structures and processes. In the course of the initial implementation of CSRD in the reporting year, we dealt intensively with a possible dedicated sustainability strategy in the sense of GX and intend to continue to develop this vigorously in the financial year 2025. We are committed to sustainability and resource conservation in

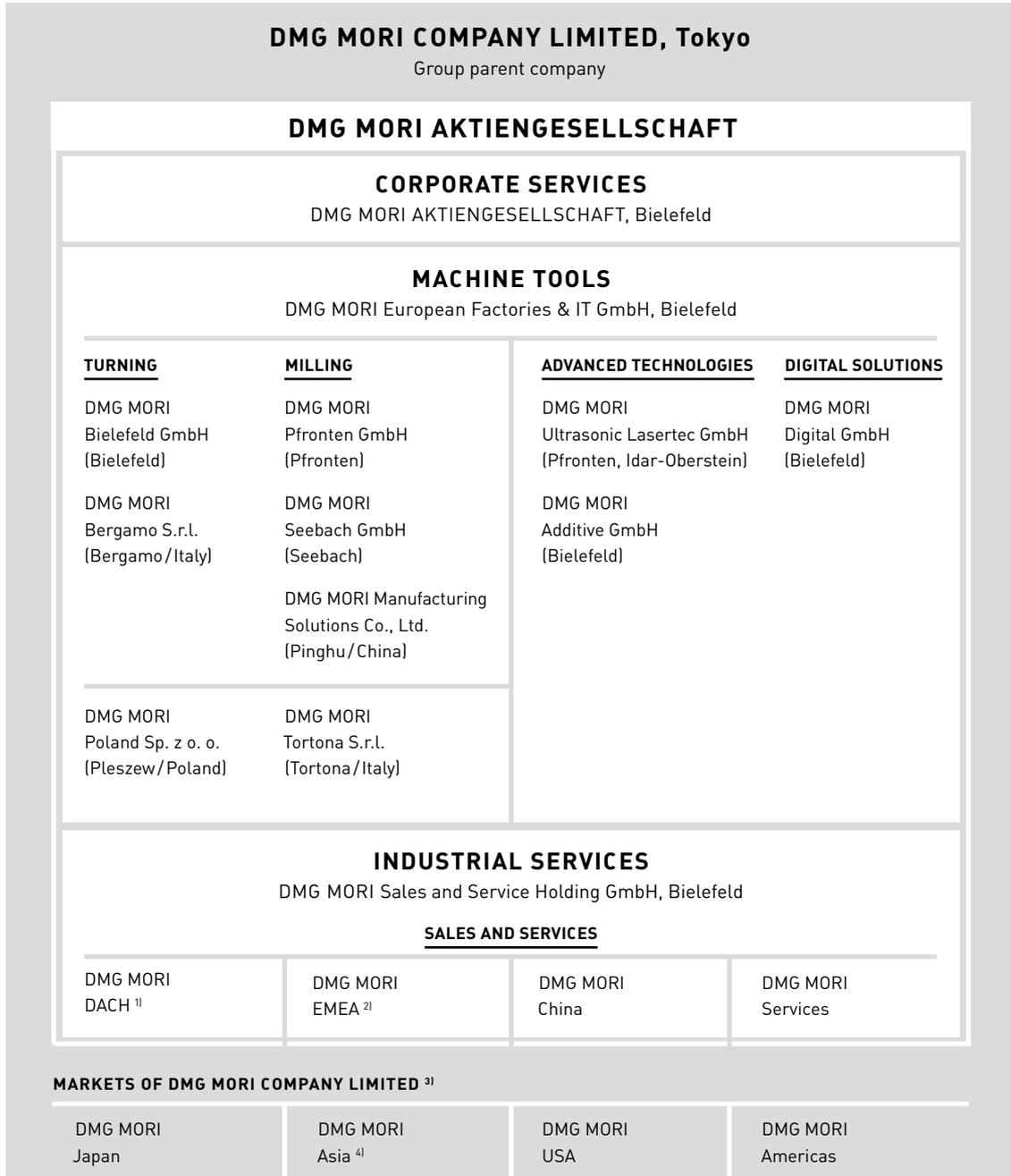
the development of our products. Our DMG MORI **GREENMODE** measures allow us to consistently improve the energy and resource efficiency of our machines (Scope 3 Downstream), when they are later operated by our customers. The use of innovative hardware and software components partly makes energy savings of over 30 % possible during the operation of our machine tools, for example, through the demand-driven operation of machine components, the use of highly efficient chillers or the adaptive coolant supply.

In addition to environmental and climate protection, we also focus on the satisfaction and health of our employees. We promote and encourage diversity and equal opportunities. We ensure compliance in all areas and are committed to the common good. Further information can be

page 103 et seqq. found in chapter **7 Sustainability Report**.

In implementing our corporate strategy, the focus is on people. Qualified, motivated and satisfied employees are the basis for our success. This is why we work hard to be an attractive employer. Our group-wide “Mission Statement” forms the basis for our corporate culture, business practices and thus for our DMG MORI Code of Conduct. In order to accomplish our mission and achieve continuous improvement, we believe in an open feedback culture. Our HR strategy focuses on training, diversity, equal opportunities, flexible and innovative working environments, personnel development, occupational safety and an extensive health management program.

## T.03 GROUP STRUCTURE (AS OF: MARCH 2025)



1) Germany, Austria, Switzerland

2) Europe, Middle East, Africa

3) These markets are consolidated by DMG MORI COMPANY LIMITED.

4) incl. India

## Management System of DMG MORI AG

The Executive Board of DMG MORI AKTIENGESELLSCHAFT manages the group via a rigidly defined organizational and management structure, as well as by operative goals, the achievement of which is monitored by predefined key figures. We use our internal controlling and management system, as well as our regular reporting, to monitor and manage the attainment of key figures and the efficient use of our capital.

Important internal targets and performance indicators are order intake, sales revenues, earnings before interest and taxes (EBIT), free cash flow, as well as investments and research and development expenses. We manage the activities of the group and its individual companies in a consistent and target-oriented.

In 2024, the global machine tools market again faced major challenges. The war in Ukraine, geopolitical uncertainties, intensifying trade conflicts and the associated economic restraint dampened demand for capital goods throughout the year.

In this still challenging market environment, DMG MORI AG recorded a year of solid business performance. In the core business with machine tools and services, we achieved an order intake of € 2,256.6 million (-13%; previous year: € 2,583.6 million). Due to the restrained demand for capital goods, especially in Europe, order intake was slightly below our forecast of around € 2.3 billion made in the 2023 Annual Report. At the same time, this muted demand for capital goods, combined with longer processing times for export licenses and the associated delays in the delivery of our machines, led to sales revenue of € 2,228.3 million in the reporting year (previous year: € 2,498.6 million). Sales revenue was therefore also below the figure of around € 2.4 billion forecast in the 2023 Annual Report. Free cash flow increased to € 117.0 million (previous year: € 93.5 million). Due to the lower advance payments as a result of the reduced order intake, the free cash flow was also below the forecast in the 2023 Annual Report in the amount of approximately € 150 million. In line with developments in our business performance, we have already adjusted our forecasts in our statement for the third quarter of 2024 see table <sup>†</sup>T.04.

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By contrast, EBIT rose by +7% to € 245.4 million (previous year: € 228.9 million), exceeding our expectations. Lower costs of materials, a positive currency result and reduced sales-related expenses contributed to this. In addition, the previous year's EBIT was influenced by expenses due to severance agreements with former members of the Executive Board in the amount of € 24.7 million and impairments on assets in Russia in the amount of € 5.3 million. The EBIT margin improved accordingly to 11.0% (previous year: 9.2%). EAT from continuing operations amounted to € 179.4 million. The disposal of our production company in Ulyanovsk, Russia, and the subsequent discontinuation of the "ECOLINE" product line led to an EAT from discontinued operations of € -91.9 million. This results in an EAT of the DMG MORI AG group in the amount of € 87.5 million (previous year: € 163.2 million).

Investments in property, plant and equipment and intangible assets totaled to € 77.8 million as planned (previous year: € 118.0 million). The main areas of investment in the reporting year were the start of construction of the training center at our site in Pfronten, targeted modernization and expansion measures in Bielefeld and Stipshausen, the completion of a new assembly hall

in Tortona (Italy) and the further expansion of our self-sufficient, green energy supply with PV systems. Expenditure on research and development amounted to € 86.0 million as planned (previous year: € 84.3 million).

#### T.04 KEY FINANCIAL AND PERFORMANCE INDICATORS

|   | Target                                |                              |                             |                                | Facts 2024        |
|---|---------------------------------------|------------------------------|-----------------------------|--------------------------------|-------------------|
|   | Annual Report 2023<br>(18 March 2024) | Q1 / 2024<br>(25 April 2024) | Q2 / 2024<br>(31 July 2024) | Q3 / 2024<br>(4 November 2024) |                   |
| Order intake  | around € 2.3 billion                  | around € 2.3 billion         | around € 2.3 billion        | around € 2.2 – 2.3 billion     | € 2,256.6 million |
| Sales revenues  | around € 2.4 billion                  | around € 2.4 billion         | around € 2.4 billion        | around € 2.2 – 2.3 billion     | € 2,228.3 million |
| EBIT  | around € 200 million                  | around € 200 million         | around € 200 million        | around € 200 million           | € 245.4 million   |
| Free cash flow  | around € 150 million                  | around € 150 million         | around € 150 million        | around € 100 million           | € 117.0 million   |
| Investments (tangible fixed assets/intangible assets) | around € 80 million                   | around € 80 million          | around € 80 million         | around € 80 million            | € 77.8 million    |
| Research and Development expenses <sup>1)</sup>       | around € 86 million                   | around € 86 million          | around € 86 million         | around € 86 million            | € 86.0 million    |

1) including expense for special construction

## Organization and Legal Corporate Structure

DMG MORI AKTIENGESELLSCHAFT, based in Bielefeld, manages the group centrally and across all functions as a management holding company. It covers all the group's cross-divisional key functions and manages the markets in the regions DACH (domestic market Germany, Austria, Switzerland), EMEA (Europe, Middle East, Africa), and China. As the parent company of the group's production sites, DMG MORI European Factories & IT GmbH, Bielefeld (until December 2024: GILDEMEISTER Beteiligungen GmbH, Bielefeld), assumes further holding functions. DMG MORI Sales and Service Holding GmbH, Bielefeld, assumes further holding functions for sales and service. DMG MORI COMPANY LIMITED manages Japan, North and South America, as well as the Indian market as another part of Asia. Together with DMG MORI COMPANY LIMITED, we have a global presence with 124 sales and service locations around the world – including 17 production plants.

All DMG MORI AG group companies are managed as profit centers and adhere to clear guidelines with the aim of achieving the best possible performance and results. The IT infrastructure standardizes key work processes and work flows, thus forming an integrative framework for the group. The ultimate parent company of DMG MORI AKTIENGESELLSCHAFT is DMG MORI COMPANY LIMITED, which has its headquarters in Tokyo, Japan.

The following changes were made to the group's legal corporate structure:

- By a decree published on 19 February 2024, the Russian Federation brought our equity investment in Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), under state control. The DMG MORI AG group has thus lost the possibility of controlling and influencing the company in Ulyanovsk. The company was deconsolidated in February 2024 and has been managed as an equity investment since that date.

- In March 2024, DMG MORI Polska Sp. z o.o., Pleszew (Poland), was renamed DMG MORI Poland Sales and Service Sp. z o.o. and DMG MORI Machine Tools Trading Co., Ltd., Shanghai (China), was renamed DMG MORI China Co., Ltd.
- In March 2024, ISTOS GmbH, Bielefeld, was merged with DMG MORI Digital GmbH, Bielefeld.
- In April 2024, FAMOT Pleszew Sp. z o.o., Pleszew (Poland) was renamed DMG MORI Poland Sp. z o.o.
- DMG MORI Bielefeld Hilden GmbH, DMG MORI Berlin Hamburg GmbH, DMG MORI Frankfurt GmbH, DMG MORI München GmbH as well as DMG MORI Stuttgart GmbH were merged with DMG MORI Deutschland GmbH, Leonberg, with effect from 1 July 2024, and with retroactive effect from 1 January 2024. DMG MORI Deutschland GmbH was also renamed DMG MORI Deutschland Vertrieb und Service GmbH, Leonberg.
- In October 2024, DMG MORI European Factories & IT GmbH increased its equity investments in up2parts GmbH, Weiden, from 17.85 % to 22.71 % as part of a capital increase. From this point on, up2parts GmbH, Weiden, is no longer accounted for as an associated company in the consolidated financial statements, but at equity.
- In December 2024, GILDEMEISTER Beteiligungen GmbH, Bielefeld, was renamed DMG MORI European Factories & IT GmbH, Bielefeld.

The structure of the group is oriented towards all companies making their contribution to further expand its position as a leading global manufacturer of machine tools with digital and sustainable products. The group is represented by a matrix organization – with the production plants on one side and the sales and service companies on the other. The supply plants specialize in business fields and product lines.

The DMG MORI sales and service companies are responsible for the direct sales and services of our products and those of DMG MORI COMPANY LIMITED. In addition, our key account management looks after our major international customers.

page 181 et seqq. DMG MORI AG's financial investments are listed in the notes to the <sup>7</sup> **Consolidated Financial Statements**.

### **Takeover-related disclosures**

The takeover-related disclosures required by Sections 289a and 315a HGB as at 31 December 2024 are presented below. Facts of Sections 289a and 315a HGB that are not met at DMG MORI AKTIENGESELLSCHAFT are not mentioned.

The following statutory disclosures apply to the group:

— **Composition of the subscribed capital**

The subscribed capital (share capital) of DMG MORI AKTIENGESELLSCHAFT amounts to € 204,926,784.40 and is divided into 78,817,994 no-par value bearer shares. Each share grants the same rights and one vote at the Annual General Meeting. The no-par shares each have a no-par value of € 2.60 in the share capital.

— **Shareholdings in the capital**

As at 31 December 2024, the company had received the following notifications regarding direct or indirect shareholdings exceeding 10 % of the voting rights: DMG MORI COMPANY LIMITED, Tokyo (Japan), indirectly holds a stake of 88.93 % in the share capital of DMG MORI AKTIENGESELLSCHAFT.

— **Appointment and dismissal of members of the Executive Board, amendments to the Articles of Association**

In accordance with Sections 84, 85 AktG and Section 31 MitbestG in conjunction with Article 7 (2) of the Articles of Association of DMG MORI AKTIENGESELLSCHAFT, the Supervisory Board is responsible for appointing and dismissing members of the Executive Board. This authorization is specified in Article 7 (2) of the Articles of Association of DMG MORI AKTIENGESELLSCHAFT to the effect that the Supervisory Board appoints the members of the Executive Board, determines their number and regulates the allocation of responsibilities. Amendments to the Articles of Association are decided by the Annual General Meeting with a majority of at least three quarters of the share capital represented at the time of the resolution; Sections 179 et seq. AktG are applicable. According to Article 10 (8) of the Articles of Association, the Supervisory Board is authorized to resolve amendments to the Articles of Association that only affect the wording. Most recently, the Annual General Meeting extended the Articles of Association in Articles 15 para. 10 and 16 para. 3 and resolved to authorize the Executive Board to stipulate that Annual General Meetings held within five years of the amendment to the Articles of Association may be held as virtual Annual General Meetings.

— **Authorization of the Executive Board to issue shares**

Pursuant to Article 5 (3) of the Articles of Association, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the share capital of the company in the period up to 29 April 2029, by up to a nominal amount of € 102,463,392.20 by issuing up to 39,408,997 new shares on one or more occasions in return for cash and/or non-cash contributions (authorized capital). In this context, the Executive Board is also authorized to issue shares in the value of € 5,000,000 to employees of the company and affiliates of the company, subject to the exclusion of pre-emptive rights.

— Moreover, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude the statutory subscription right in specific cases regulated in detail in the Articles of Association (authorized capital).

— **Material agreements of the company that are subject to the condition of a change of control**

The relevant financing agreements of DMG MORI AKTIENGESELLSCHAFT concluded at the beginning of 2016 and prematurely extended at the beginning of 2020 are subject to the condition of a change of control (meaning the acquisition either of (i) 30 % or more of

the voting rights in DMG MORI AKTIENGESELLSCHAFT, if the participation interests of DMG MORI COMPANY LIMITED in DMG MORI AKTIENGESELLSCHAFT is or falls below 50 %, or of (ii) 50 % or more of the voting rights in DMG MORI AKTIENGESELLSCHAFT (except by DMG MORI COMPANY LIMITED) or of (iii) 50 % or more of the voting rights in DMG MORI COMPANY LIMITED). Thus, no change of control occurs, if DMG MORI COMPANY LIMITED (indirectly) holds more than 50 % of the voting rights in DMG MORI AKTIENGESELLSCHAFT.

The conditions of a change of control comply with standard agreements. They do not lead to an automatic termination of the aforementioned agreements, but merely allow our contractual partners to terminate them in the event of a change of control.

## Share

The shares of DMG MORI AKTIENGESELLSCHAFT are listed in the “Prime Standard” and traded on the regulated market on the stock exchanges in Frankfurt am Main, Berlin and Düsseldorf, as well as on the open market stock exchanges in Hamburg, Hanover, Munich and Stuttgart. DMG MORI AKTIENGESELLSCHAFT meets the international transparency requirements in the German Stock Exchange’s “Prime Standard”.

## Share Performance

In the stock market year 2024, the DMG MORI AG share was initially quoted at € 43.50 (2 January 2024) and closed at € 45.50 on 30 December 2024. In the course of the year, the share showed stable development in a volatile stock market environment and proved to be a solid investment. Market capitalization amounted to € 3.59 billion.

## Guaranteed Dividend

Due to the domination and profit transfer agreement with DMG MORI Europe Holding GmbH – a wholly-owned subsidiary of DMG MORI COMPANY LIMITED – DMG MORI AKTIENGESELLSCHAFT has stopped distributing dividends since financial year 2016. Instead, DMG MORI Europe Holding GmbH has undertaken to pay minority shareholders of DMG MORI AKTIENGESELLSCHAFT compensation (“guaranteed dividend”) amounting to € 1.17 gross or € 1.03 net per share – after corporation tax and before personal income tax – for each complete financial year for the term of agreement.

## Financial Communication

An active and transparent disclosure policy is a key component in the value-driven management of our company. We value extensive, prompt and reliable communication with others and treat all capital market participants equally. We publish detailed information on our website [en.dmgmori-ag.com/investor-relations](https://en.dmgmori-ag.com/investor-relations). In addition to regular financial reporting, it contains current announcements, important dates and details of the analyst conference and Annual General Meeting.

## T.05 KEY FIGURES OF THE SHARE OF DMG MORI AKTIENGESELLSCHAFT | ISIN: DE0005878003

|   |                | 2024    | 2023    | 2022    | 2021    | 2020    |
|---|----------------|---------|---------|---------|---------|---------|
| Registered capital  | € million      | 204.9   | 204.9   | 204.9   | 204.9   | 204.9   |
| Number of shares  | million shares | 78.8    | 78.8    | 78.8    | 78.8    | 78.8    |
| Closing price <sup>1)</sup>                                   | €              | 45.50   | 43.70   | 41.90   | 42.15   | 41.10   |
| Annual high <sup>1)</sup>                                     | €              | 45.50   | 43.70   | 42.85   | 42.40   | 42.90   |
| Annual high <sup>1)</sup>                                     | €              | 43.20   | 41.90   | 40.30   | 41.00   | 38.80   |
| Market capitalization   | € million      | 3,586.2 | 3,444.3 | 3,302.5 | 3,322.2 | 3,239.4 |
| Earnings per share from continuing operations <sup>2)</sup>   | €              | 2.16    | 2.06    | 1.84    | 1.07    | 0.66    |
| Earnings per share from discontinued operations <sup>2)</sup> | €              | -1.17   | -0.11   | -       | -       | -       |
| Price-to-earnings-ratio <sup>3)</sup>                         |                | 46.0    | 22.4    | 22.8    | 39.4    | 62.3    |

1) XETRA-based closing price

2) Pursuant to IAS 33

3) Closing Price / earnings per share

## Research and Development

The purpose of research and development at DMG MORI AG is to sustainably increase the value of our products for our customers. As a technology company, we are responding to the change and increase in customer expectations with our Machining Transformation (MX) strategy. MX is based on the four pillars of Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX). By interlinking these four pillars as closely as possible, we provide our customers with Individual solutions for state-of-the-art, sustainable and efficient production. In the reporting year, together with DMG MORI COMPANY LIMITED, we presented **34 innovations** – including 20 world premieres, 2 automation products, 5 digital innovations, 1 Technology Cycle, 3 DMG MORI Components and 3 innovations for a reduced energy consumption of our machines.

We further strengthened and expanded our diversified product portfolio, which now includes around 200 different machine models, with new products in the reporting year. Here are a few examples:

- **CLX 550 TC** – Successful concept in a larger size: As with the successful, smaller CLX 450 TC, a B-axis with a *compact*MASTER turning/milling spindle (90 Nm) replaces the previously used tool turret. The tool magazine can hold up to 60 tools. The main and counter spindles have a torque of 720 Nm, while the tailstock and steady rest round off the equipment options and allow users from all industries to efficiently manufacture complex workpieces in a single workspace, with the option of automation if required. Equipped with our CELOS X presented at EMO 2023 in conjunction with the new SINUMERIK ONE, the machine now enables app-based workflows and, with OP Workbench and 3D Shopfloor Programming, easy handling both in work preparation and in workshop-oriented programming.
- **CTX 750|2000** – The new machine expands the new 6<sup>th</sup> generation of our CTX series and, thanks to a variety of equipment options, such as a counter spindle and a generously dimensioned work area, enables 6-sided complete machining of demanding and large workpieces. The machine is of course equipped with our latest digitization solutions such as the 24" ERGOline X Panel, CELOS X and SINUMERIK ONE.

- **DMU 85/95 monoBLOCK 2<sup>nd</sup> gen.** – The new DMU 85 monoBLOCK of the 2<sup>nd</sup> generation combines the proven machine concept of the previous series with numerous optimizations. The versatile 5-axis simultaneous machining center thereby supports the entry into future-proof production. Among other things, improved cooling measures and directly driven ball screws ensure a positioning accuracy of 5 µm, a 30% higher volumetric accuracy and a 20% higher temperature stability. This means that the second-generation DMU 85 monoBLOCK also meets the high quality requirements in the production of complex workpieces. The integration of additional machining processes, for example through the optional milling/turning table and grinding functionality, a wide range of new automation options and CELOS X as the basis for digitized production, continue to make the new generation a versatile manufacturing solution for companies in demanding industries such as die & mold, aviation & space and semiconductor.
- **DMF 400|11** – Based on our established traveling column concept, the largest model in our newly developed DMF series currently impresses with 400 mm more X-travel and 150 mm more Z-travel compared to the previous model. The robustness of the new design results, among other things, from the cast-iron machine bed, three linear guides in the X-axis and ground and cooled ball screws. This makes the traveling column machine particularly suitable for machining demanding large components – from structural components to long beams to components for tool and mold making. With a traverse path of 4,000×1,100×1,050 mm, the DMF 400|11 offers many possibilities in universal machining. The new optional partition, which can be quickly integrated, divides the machining area into two separate work areas as needed, enabling the setup of components during the primary processing time. The new modular system is complemented by an FD rotary table for demanding milling and turning operations.
- **LASERTEC 30 SLM 3<sup>rd</sup> gen.** – The third generation of the LASERTEC 30 SLM, which can be equipped with up to four lasers, now has a new type of thermo symmetrically designed cast frame for high rigidity and precision – similar to the design of classic machine tools. The process chamber is now mounted in a floating position within the cast frame and can therefore expand freely when the temperature changes. Together with the active temperature compensation and other innovative measures, such as the intelligent design of the Z-axis, this ensures a high level of component accuracy. The exchangeable construction container with a 34% larger construction volume also ensures greater efficiency and sustainability. Innovative covers stored in the workspace close the construction container when the build job is removed, maintaining the inert gas atmosphere in the machines. Unlike previous machines, the next construction job can be started without having to flood the inert gas again.
- **DMG MORI Precision Grinding & DMG MORI Precision Boring** – We have expanded our product portfolio to include powerful horizontal boring machines and high-precision grinders with the full integration of DMG MORI Precision Boring Co., Ltd. (formerly: KURAKI Co., Ltd.) and the products of TAIYO KOKI Co., Ltd. under the DMG MORI Precision Grinding brand in the “Global One Company”. During the reporting year, for example, the new second-generation Vertical Mate 85 was introduced, which, among other things, achieves the highest process efficiency and the precision thanks to the newly developed *speedMASTER* LongNose grinding spindle with an output of 18.5 kW and 10,000 rpm.

As part of our MX strategy, **Automation** is the key to more efficiency, productivity, and even faster amortization – resulting in greater competitiveness and sustainability for our customers. Our innovative and broad automation portfolio includes workpiece, pallet and tool handling, as well as digital solutions for efficient workpiece, pallet and tool management. In the reporting year, we expanded our automation portfolio with the following new products:

- **PH Cell 500** – With proven clamping ring technology and ergonomics as well as optimized for handling pallets up to 500×500 mm and weights up to 500 kg (including workpiece), the PH Cell 500 offers the same advantages as the larger PH Cell 800 in a smaller size. The new pallet automation system enables flexible automated production of small batch sizes and single parts and expands the range of modular pallet handling systems from DMG MORI.
- **PH-AMR 750** – As automated guided vehicle systems for automated pallet handling, the PH-AMR models from DMG MORI move collaboratively and independently on the shop floor. They also load and unload different machine types autonomously. The free layout design of the latest series model PH-AMR 750 also allows for subsequent integration into existing production environments. The machines remain freely accessible. The now smallest size of our PH-AMR series can be loaded with 750 kg and is designed for components with a maximum size of 800×800 mm.

As one of the four pillars, **Digital Transformation (DX)** supports the implementation of our MX strategy with the machine tool at its center. With digital solutions along the entire value chain of our customers, we want to increase productivity in production and enable the green transformation (GX). The new *ERGOline X* control panel, for example, simplifies machine operation with CELOS X, among other things, through uniform interfaces. CELOS X in combination with SINUMERIK ONE also enables app-based workflows with OP Workbench and 3D Shopfloor Programming, thus ensuring easy handling in both work preparation and workshop-oriented programming. With the new OP Workbench, programs can now be designed intuitively using drag and drop, regardless of the complexity of the processes. 3D Shopfloor Programming uses the 3D models of the component to be manufactured from the design and creates an NC program based on the underlying data in a largely automated manner. Automated feature recognition accelerates programming by up to 80%. CELOS Xchange offers a trusted data hub for securely storing, analyzing and exchanging manufacturing data in global production chains.

We also pay attention to sustainability and resource conservation in the development of our products. With our MX strategy, we enable efficient and thus energy-saving component manufacturing through Process Integration, Automation and the use of digital solutions. In addition, we combine a range of solutions for resource-saving operation under DMG MORI **GREENMODE**: We use innovative technologies for the demand-oriented operation of machine components, pay attention to the use of efficient assemblies and use the energy from braking operations of the drives. Furthermore, we support the user in energy-efficient operation by continuously creating transparency regarding energy consumption, for example with the new Advanced Electrical Energy Monitoring function. We also equip our automation solutions with energy-saving measures, such as Auto Shutdown, which increases energy efficiency by selectively switching off consumers. Further measures include, among other things, the widespread use of energy-efficient chillers, which now also use coolants with low greenhouse gas potential, or a demand-oriented coolant supply. This is how we can increase the energy efficiency of our

machines in operation at our customers' sites (Scope 3 Downstream) by over 30% in some cases with DMG MORI **GREENMODE**. The effectiveness of our energy efficiency measures and our calculation methods has also been confirmed by the renowned TÜV SÜD Industrie Service GmbH: DMG MORI was the first machine tool manufacturer in Germany to be awarded the TÜV SÜD EME certificate for its **GREENMODE** management system in January 2023 and successfully recertified in 2024.

Our research and development activities are decentralized and coordinated by a central product development committee. This structure allows the development of high-level market and product competence, while at the same time opening up synergy effects through cross-plant cooperation. We are creating synergies through our annual worldwide development conference. At our already 11<sup>th</sup> "Global Development Summit" in October 2024, around 240 international experts came together in Nara (Japan) and virtually to develop and promote future concepts for our MX strategy.

#### T.06 RESEARCH AND DEVELOPMENT IN A YEAR BY YEAR VIEW

|                                    |           | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|------------------------------------|-----------|------|------|------|------|------|------|------|
| R&D employees                      | number    | 696  | 691  | 604  | 599  | 560  | 583  | 581  |
| R&D employees <sup>1)</sup>        | in %      | 15   | 15   | 15   | 15   | 15   | 15   | 15   |
| R&D expense <sup>2)</sup>          | € million | 86.0 | 84.3 | 77.0 | 72.9 | 66.7 | 72.0 | 70.9 |
| Innovation ratio <sup>3)</sup>     | in %      | 6.9  | 6.1  | 6.0  | 6.6  | 6.4  | 5.0  | 4.9  |
| Capitalization quote <sup>4)</sup> | in %      | 6.2  | 6.3  | 6.4  | 6.3  | 6.1  | 6.4  | 6.4  |

1) R&D employees in relation to the number of employees in the "Machine Tools" segment

2) R&D expenses including custom engineering expenses

3) R&D expense in relation to sales revenues in the "Machine Tools" segment

4) capitalized development costs in relation to R&D expenses

## Purchasing

At DMG MORI AG, the main task of Purchasing is to secure requirements in the short and medium term with improved cost structures and to ensure resilient, agile and sustainable supply chains. By focusing on efficiency, sustainability and resilience, purchasing makes a contribution to the company's success.

Purchasing is globally organized and represented in key purchasing markets worldwide. Three regional purchasing units in India, China and Taiwan identify additional growth markets and qualify local suppliers to realize cost benefits for all production sites in the group.

By using material group management with DMG MORI COMPANY LIMITED, the entire "Global One Company" benefits from improved cost structures and synergy effects generated by multiple group-wide projects.

The cost of materials and purchased services for DMG MORI AG amounted to € 1,042.1 million (previous year: € 1,362.6 million). Of this, € 877.7 million was attributable to raw materials, consumables and supplies (previous year: € 1,168.0 million). The share of material expenses in total operating performance (materials ratio) was 47.1% (previous year: 52.6%). Accordingly, our success largely depends on the performance of our partners and suppliers.

Global uncertainties and the ongoing wars in Ukraine and the Middle East did not have a significant impact on the supply of materials, which was consistently ensured throughout the reporting year. Nevertheless, the frequency, duration and intensity of crises and the associated disruptions to supply chains have increased noticeably since the beginning of the 2020s. DMG MORI therefore continues to pursue a clear double-sourcing strategy worldwide with a high level of diversification and regionalization in the markets. DMG MORI Components manufactures essential components and strategic product groups in-house. We are in continuous close and personal contact with our suppliers and involve them in the machine development process at an early stage. The Product Cost Optimization (PCO) department is an integral part of every product development project and supports our project managers with extensive manufacturing know-how in identifying and realizing cost reduction potential. During the reporting year, the PCO team worked on 36 projects that could generate savings potential in subsequent years.

We are continuing our work to digitize all relevant processes in order to consistently increase efficiency, identify group-wide synergies and further increase security of supply. To do this, we create a common database and use innovative technologies that enable networked collaboration in real time – within the group and with our delivery partners.

In the future, transactions with our suppliers are to be further standardized and, wherever possible, automated. Our aim is to reduce transaction costs and accelerate business processes. DMG MORI's purchasing department is also relying on artificial intelligence to achieve this. In the first step, a decision was made to work with a start-up that specializes in the advanced digital transformation of purchasing. This "Augmented Procurement Platform" combines advanced data integration with AI-supported analyses to generate actionable insights from complex purchasing data. The goal is the consistent autonomization of processes in purchasing in order to increase the effectiveness, efficiency and prospective viability of the purchasing organization in the future.

Sustainability criteria also play an increasingly important role in the evaluation and selection of our partners and suppliers. In accordance with the Supply Chain Due Diligence Act, which came into effect on 1 January 2023, we expect them to follow our voluntary commitment to sustainability and also pass on these requirements across their entire supply chain. This enables us to purchase production materials, goods and services worldwide in the required quality and at the best possible conditions for us, while also taking sustainability into account. Sustainable procurement, the careful use of natural resources and energy-saving, environmentally friendly procedures are also defined in our purchasing guidelines and terms and conditions. With the platforms "Integrity Next" and "SAP Ariba", our sustainability criteria are uniformly integrated into the purchasing and supplier organization throughout the group. Of particular relevance here are the active suppliers for our core machine tool and service business, with whom we have been working for at least two years. All of these suppliers – i. e. 4,854 – are actively involved in "Integrity Next" monitoring.

The reduction of carbon dioxide emissions is a central task at DMG MORI AG. As around 31% of the emissions currently recorded in our carbon footprint report are attributable to upstream processes in our supply chain, partner and supplier management plays a key role here. Our own targets, which have been reviewed and approved by the Science Based Targets initiative (SBTi), are used to define sub-targets for our supply chain, which have also been reviewed by the SBTi:

- by 2030, we will reduce carbon dioxide emissions within our supply chain by at least 27.5% (reference year: 2019);
- by 2050 at the latest, we will reduce carbon dioxide emissions in our supply chain to net zero.

Through active dialogue, our aim is to help our suppliers at an early stage and raise their awareness of the fact that we also maintain a sustainable and low-emission supply chain and expect the same from our partners. In order to provide our partners with comprehensive support in implementing these measures and also to record our own emissions even more accurately, we have introduced a software solution that makes the carbon dioxide emissions of the items procured for our machine tools transparent. An automated comparison with various secondary databases allows us to determine the correct carbon dioxide emission factors for the materials used at product level. The software is used to calculate accurate results and works with a number of recognized calculation methods. This transparency enables us to provide our suppliers of production materials with specific improvement recommendations and carbon dioxide reduction targets. In the reporting year, we specifically asked some suppliers to provide us with their carbon dioxide emissions in order to increase the accuracy of our calculations.

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Further details can be found in chapter <sup>9</sup> **Sustainability Report**.

We respond to sustainability risks and violations by systematically implementing measures. For example, supply partners are informed about any breaches and actively requested to address them within a certain period of time. Serious violations can lead to the dissolution of the cooperation and to the supplier being blocked by the system.

To further strengthen the resilience of our supply chains, our purchasing departments are always looking for new, high-performance suppliers. The initial selection of suitable suppliers takes place via the digital platform, "Matchory". "Matchory" allows users to search for group-wide standardized criteria in real time through AI and big data-supported concepts.

## Production and Logistics

DMG MORI AG is committed to highly efficient, digitized and sustainable production and logistics. Our goal is to supply our more than 100,000 customers worldwide with products of the highest possible quality in a timely manner. We aim to ensure that our processes are consistently geared towards the highest quality and maximum customer benefit through innovative technology solutions along the entire value chain and our "First Quality" strategy. Our regular satisfaction analyses confirm that we are meeting these high standards. In the current reporting year, 98% of our customers said they were satisfied with us.

Our high quality standards are also reflected in our production strategy. Our focus is on the transfer of best-practice solutions, standards and the results of our lighthouse projects between sites, a process that we continue to promote systematically with the help of the TAKT production model. At the same time, we want to increase the resilience of our supply chains with our component strategy, while ensuring compliance with the highest quality standards.

The DMG MORI TAKT Academy plays a key role in optimizing our internal processes and at the same time provides our employees with further training in the renowned “Digital Lean Six Sigma” methodology. By the end of 2024, a total of 767 certifications had been successfully completed at our TAKT Academy since it was founded in 2019. In 2024, certification projects focused in particular on increasing the flexibility of the value chain and sustainably reducing inventories. In the reporting year, even “Black Belt” projects were successfully completed, with first-year benefits, i. e. the calculated savings in the first year less relevant costs, amounting to around € 1.8 million.

We conduct regular workshops at all our sites on continuous improvement processes (CIP) to consistently refine internal workflows. The calculated first-year benefits resulting from the CIP projects carried out in the reporting year can be put at around € 1.4 million. All our employees can also submit individual improvement ideas via our employee idea management platform, “DMG MORI Improve”. In 2024, 23,720 ideas were submitted. In addition, 20,166 ideas with calculated first-year benefits of € 3.5 million were implemented in the reporting year. The initiatives and projects carried out in the reporting year from the TAKT ITO (Improve Together Organization) division – which includes the TAKT Academy, CIP and idea management – amounted to resulting calculated first-year benefits of around € 6.7 million.

We want to continuously advance the digitization of our own value chain with our own software solutions. Using the TULIP no-code platform, for example, our employees have already created over 300 TULIP apps themselves, which are used sustainably at over 2,500 workstations in all plants. Data can then be processed automatically by different work steps in the ERP system using Robotic Process Automation (RPA). This reduces manual work, particularly for repetitive administrative processes.

In global logistics, we are continuously working with our partners and suppliers to stabilize and strengthen the resilience of our supply chains. The current reporting year was marked by geopolitical influences, particularly by the crisis in the Red Sea. As the Suez Canal was not used, transportation times were extended by an average of two weeks. In addition, transportation costs became more expensive and shipping delays increased. In the area of land transport, the organization and implementation of heavy-duty transports for larger machine tools in particular remains a major challenge due to complex approval procedures on the part of the authorities, combined with further increases in transport requirements.

Our global production network, which we are developing in close cooperation with DMG MORI COMPANY LIMITED, will enable us to be more flexible. Coordinated use of worldwide production capacities will also optimize our delivery capabilities and transport times for our customers.

At the sites in **Pfronten** and **Stipshausen**, the SAP S/4HANA ERP system was successfully implemented in January 2024. A local project team of over 120 employees worked on the transition of the entire process chain into day-to-day business. In the medium term, we expect a noticeable increase in productivity and efficiency in numerous processes.

In order to counter the shortage of skilled workers with well-trained junior staff and a wide range of training opportunities, we have also started construction of the new training center in Pfronten. By 2026, 150 state-of-the-art training places will be created here. The new premises will enable us to focus even more on future technologies as well as automation and digitization in

our training. Some assembly areas were relocated for the start of construction and analyzed and optimized on this occasion. This enabled us, for example, to reduce the number of missing parts in small electronic assemblies by 94 % and the number of open orders by 84 %.

At our **Seebach** site, the new training center that opened in 2023 was recognized by the renowned training portal "Aubi Plus" with the "Best Place to Learn Award" for excellent training conditions in the reporting year.

The new FlowLine production line has also been in operation in Seebach since January 2024. Among other things, the DMU 50 3<sup>rd</sup> Generation and the DMU 40 are built here on 30 automated guided vehicles (AGVs), with a capacity of up to 600 machines per year with a full model mix in single-shift operation. Compared to the previous production line, the FlowLine enables an increase in productivity of up to 30 % and a reduction in lead times of approx. 40 %.

In **Bielefeld**, we have continued to increase process efficiency. In logistics, we were able to ensure a smooth supply of materials to production by continuously optimizing SAP S/4HANA warehouse management. For the first time, customer-specific control cabinets were delivered "just in time" from our supplier plant in Pleszew, Poland, to Bielefeld.

At DMG MORI Bielefeld, we also optimized the entire production organization and the breakdown of machine types into the various hall areas, without interrupting operations. At the same time, the energy supply and floor areas were modernized in some areas. We have also started to create automation workstations for large turnkey projects.

DMG MORI Additive, which also operates at the Bielefeld site, has started series production of the latest generation of machines in the field of powder bed technology. The LASERTEC 30 SLM 3<sup>rd</sup> generation, which was presented as a world premiere at the Bielefeld Open House, was manufactured for the first time on the basis of our proven machine tool architecture. The first systems have already been successfully put into operation by field test customers. In close cooperation with our plant in Pleszew, the series launch is now being implemented in the production network.

Our plant in **Pleszew (Poland)** is of great importance for the implementation of our component strategy. In the reporting year, we therefore started producing other key components, including the control cabinets and the ERGOline X Panel. A cooperation was also established in the production network with DMG MORI Ultrasonic Lasertec in the reporting year, so that in future machine beds from Pleszew will be supplied to Pfronten and Stipshausen for the final machines of several Ultrasonic and Lasertec series.

In addition to its important role as a supplier of components, the plant in Poland took over the production of vertical milling machines in its entirety during the reporting year. A new series, the DMV 60/110, was introduced for this purpose, and production of the DMV 145/185 began.

In **Tortona (Italy)**, the new assembly hall for the production of the 6<sup>th</sup> generation CTX was completed. In addition, several improvement processes were launched to prepare production in the best possible way. In the first quarter of 2025, the implementation of a state-of-the-art assembly concept based on driverless AGV transport systems for efficient and flexible assembly is planned. Additional building renovations were started in the reporting year to create space for

test cuts and machine demonstrations. Furthermore, we are focusing on improving the efficiency and capacity of the internal warehouse with new vertical storage systems and racks to minimize the need for external storage space.

In **Stipshausen**, construction work has started on the expansion of production capacity. To continue to meet specific customer expectations, particularly in the semiconductor industry, the assembly areas will be almost doubled in size and more space will be added for actuator construction and a new logistics hall.

In the reporting year, we consolidated and further optimized the workflows and production processes at the plant opened in **Pinghu** near Shanghai (China) in 2023. We also expanded production there to include the PH Cell 300 rotary storage automation system for the local market, enabling us to offer our local customers the appropriate automation solutions for our machine tools.

# ECONOMIC REPORT

## Business Environment

### Overall Economic Development

The world economy continued to grow only moderately in 2024. The ongoing war in Ukraine, geopolitical uncertainties, intensifying trade conflicts and the volatile costs of energy and resources, as well as companies' reluctance to invest all had an impact on the global economy. Although the international central banks initiated a turnaround in interest rates, this did not have any noticeable impact on the financial year 2024, as expected. According to preliminary calculations by the Institute for the World Economy (IfW) at the University of Kiel, the global economy grew by +3.2% (previous year: +3.3%).

In particular, economic momentum in the eurozone and China fell short of expectations. In the eurozone specifically, the effects of the ongoing war in Ukraine and geopolitical conflicts were the main factors once again dampening the economy. Here the economy only grew by just +0.8% (previous year: +0.5%). Germany remained in recession. According to the IfW, Germany's gross domestic product (GDP) fell by -0.2% (previous year: -0.1%). The other major European economies – led by Spain, with an increase in GDP of +3.1% (previous year: +2.7%), France of +1.1% (previous year: +1.1%), and Italy of +0.5% (previous year: +0.8%) – stabilized and maintained the previous year's level. In the United Kingdom, GDP grew slightly more strongly than in the previous year, by +0.9% (previous year: +0.3%).

China recorded a GDP growth rate of +4.9% (previous year: +5.6%) and thus remained slightly below expectations. Problems in the real estate sector, subdued private consumption and weak international trade had a dampening effect on the economy. In Japan, economic developments were characterized by stubborn inflation. GDP fell by -0.2% (previous year: +1.5%). India again recorded a strong rise with +6.7% (previous year: +7.7%). The Southeast Asia region grew by +4.7% (previous year: +4.3%).

The US economy proved to be surprisingly resilient, recording steady growth with GDP of +2.8% (previous year: +2.9%). Latin America recorded a modest rise of +1.8% (previous year: +2.2%).

### Development of the Machine Tool Industry

#### International development

The global market for machine tools again faced major challenges in 2024. The war in Ukraine, geopolitical uncertainties, intensifying trade conflicts and the associated economic restraint curbed demand for capital goods throughout the year. According to preliminary figures from the German Machine Tool Builders' Association (VDW) and the British economic research institute, Oxford Economics, global consumption of machine tools fell significantly in 2024 by -3.8% to € 79.6 billion (previous year: € 82.7 billion).

In Europe, demand for machine tools fell by -17.3% (previous year: +6.8%) and in North and South America by -6.0% (previous year: +8.0%). Asia was the only region to record an increase in machine tool consumption, up +3.5% after a sharp decline in the previous year (-7.1%).

In China, the largest global machine tools market, consumption rose slightly by +0.5% to € 23.8 billion (previous year: € 23.7 billion). The USA, the second most important market for machine tools, recorded a significant decline of -8.5% to € 11.0 billion (previous year: € 12.0 billion). In the third-largest market, Germany, consumption also fell notably by -10.0% to € 4.8 billion (previous year: € 5.3 billion) and thus remained well below the pre-pandemic level of 2019 (€ 7.1 billion). India rose sharply by +20.9% to € 3.7 billion (previous year: € 3.1 billion), putting it in fourth place. Italy, on the other hand, fell significantly by -28.4% to € 3.4 billion (previous year: € 4.8 billion), just managing to maintain its position as the fifth-strongest market, ahead of Japan and South Korea. As in the previous year, the ten key consumer markets represented around 75% of global machine tool consumption.

For global production, the VDW calculated a volume of € 79.6 billion (previous year: € 82.7 billion). According to preliminary estimates, China remained the world's largest producer of machine tools with a volume of € 26.4 billion (previous year: € 25.3 billion). Germany with € 10.2 billion (previous year: € 10.6 billion), and Japan with € 8.0 billion (previous year: € 9.0 billion) maintained their positions in second and third place. As in the previous year, the ten key production countries represented a total of 89% of machine tool production worldwide.

### **German machine tool industry**

The German machine tool industry had a weak start to the financial year 2024. There was no improvement throughout the year – on the contrary: at the end of the year, the market lost further momentum. Geopolitical uncertainties, weak export demand, the crisis in the automotive industry, structural problems and bureaucracy weighed heavily on Germany as an industrial location and slowed demand for machine tools. According to preliminary data from the German Machine Tool Builders' Association (VDW), orders in Germany fell significantly by -19.4% to € 11.4 billion (previous year: € 14.1 billion). Domestic demand declined noticeably to -8.6% (previous year: -14.4%), as did international orders to -23.6% (previous year: -9.0%). Order intake for metal-cutting machines also fell by -22.0% (previous year: -11.0%). Domestic orders for metal-cutting machines were down by -9.0% (previous year: -15.0%). International orders fell significantly by -28.0% (previous year: -9.0%). In the forming machines area, order intake declined by -11.0% (previous year: -9.0%). Order intake at the international plants of German manufacturers is not included in these figures.

The production of German machine tool manufacturers continued to decline by -4.2% to € 14.7 billion (previous year: € 15.4 billion) due to the ongoing weak demand and declining order backlogs. The production of machinery, parts and accessories reached a total volume of € 13.3 billion (-4.2%; previous year: € 13.8 billion).

German machine tool exports fell by -4.8% to € 9.3 billion (previous year: € 9.7 billion). The export share amounted to 70.0% (previous year: 70.5%). The most important export market for German machine tools this year was the USA, with an increase of +19.7% to € 1.7 billion (previous year: € 1.4 billion). This corresponds to a share of 18.6% of machine tool exports (previous year: 14.8%).

With an export volume of € 1.5 billion, China only came in second (export share: 16.2%). Italy was the third most important export market with € 0.4 billion and an export share of 4.4%, closely followed by France and Switzerland. Imports of machine tools to Germany fell significantly by -18.0% to € 3.1 billion (previous year: € 3.7 billion). With an import share of 25.0%, one in four machine tools imported came from Switzerland. It was followed by Japan (10.4%) and Italy (9.3%).

The domestic consumption of machines, parts and accessories fell by -10.0% to € 7.0 billion. Over the course of the year, the capacity utilization of German machine tool manufacturers fell by around 8 percentage points to 81.7% (previous year: 89.6%).

At around 65,300, the number of employees in German machine tool companies remained roughly the same as the previous year's level (65,197 employees).

The ifo business climate index is one of the leading indicators of economic development in Germany. According to the ifo publication of January 2025, sentiment in the German economy improved slightly overall at the beginning of the year and the current situation was assessed somewhat more positive than before. In almost all important manufacturing industries (mechanical engineering, manufacture of metal products and electrical equipment), however, companies' scepticism regarding the coming months increased again, particularly due to the decline in new orders. Capacity utilization remained almost unchanged at around 77%, well below the long-term average of around 83%.

## Results of Operations, Financial Position and Net Worth

### Order Intake

In 2024, the global market for machine tools continued to be characterized by the war in Ukraine, ongoing geopolitical uncertainties and the associated economic restraint. Demand for capital goods remained subdued.

Despite these challenging market conditions, DMG MORI AG achieved a solid order intake of € 2,256.6 million (-13%; previous year: € 2,583.6 million). In the fourth quarter, orders were on a par with the previous year at € 523.0 million (€ 523.0 million).

In the "Machine Tools" segment, order intake amounted to € 1,181.0 million (-18%; previous year: € 1,438.5 million). In the fourth quarter, orders totaled € 277.5 million (previous year: € 273.9 million). The "Industrial Services" segment recorded order intake of € 1,075.3 million (-6%; previous year: € 1,144.9 million). This includes orders from our original service business amounting to € 742.1 million (-5%; previous year: € 779.2 million), as well as orders for machines from DMG MORI COMPANY LIMITED in the amount of € 333.2 million (-9%; previous year: € 365.7 million). In the fourth quarter, order intake for "Industrial Services" amounted to € 245.4 million (previous year: € 249.1 million).

Domestic orders were € 829.8 million (-3%; previous year: € 858.6 million). International orders amounted to € 1,426.8 million (-17%; previous year: € 1,725.0 million). The international share thus was 63% (previous year: 67%). At 3,588, the number of new machines sold was below the

previous year (4,594), but the average order value continued to grow significantly due to the high-tech equipment of the machines. Selling prices were also successively raised across the entire product range due to increased material prices worldwide.

### Sales Revenues

Sales revenues amounted to € 2,228.3 million (-11%; previous year: € 2,498.6 million). In the fourth quarter, sales revenues reached € 624.0 million (-11%; previous year: € 699.8 million).

Domestic sales revenues amounted to € 910.0 million (previous year: € 901.0 million). International sales revenues totaled € 1,318.3 million (previous year: € 1,597.6 million). The export share was 59% (previous year: 64%).

The decline in order intake was the main factor influencing the development of sales revenues. In addition, delays in machine deliveries occurred during the course of the year. Reasons for this include the longer processing times for export licenses. We will continue to invest in improving our production capacities.

In the "Machine Tools" segment, orders reached € 1,243.1 million (previous year: € 1,373.8 million). Sales revenues totaled € 363.7 million in the fourth quarter (previous year: € 402.6 million). In the "Industrial Services" segment, sales revenues throughout the year amounted to € 984.9 million (previous year: € 1,124.6 million). Of this, € 702.1 million was attributable to our original service business (-3%; previous year: € 724.8 million) and € 282.9 million to trading sales of products from DMG MORI COMPANY LIMITED (-29%; previous year: € 399.6 million). In the fourth quarter, sales revenues in the "Industrial Services" segment reached € 260.2 million (previous year: € 297.2 million).

### Order Backlog

As of 31 December 2024, order backlog amounted to € 1,452.0 million (31 Dec. 2023: € 1,535.5 million). Domestic order backlog was € 586.2 million (31 Dec. 2023: € 666.4 million). International order backlog totaled € 865.8 million (31 Dec. 2023: € 869.1 million). International orders accounted for 60% of the current orders on hand (previous year: 57%).

The order backlog for the individual segments developed as follows: In the "Machine Tools" segment, order backlog was € 671.0 million (31 Dec. 2023: € 832.6 million). In the "Industrial Services" segment, order backlog totaled € 781.0 million as of 31 December 2024 (31 Dec. 2023: € 702.9 million). Compared to the previous year, there was a change in the method used to determine the order backlog, which led to an adjustment of the domestic order backlog of the previous year by € +141.1 million and the international order backlog by € -141.1 million.

The order backlog for "Machine Tools" results in a calculated production range of around 6 months on average (previous year: 8 months) – this forms a good basis for the financial year 2025. The individual production companies have different levels of capacity utilization. We are constantly optimizing our assembly and production capacities to further increase efficiency and productivity.

## Results of Operations

The world economy was – and still is – in a difficult situation marked by far-reaching changes. On the one hand, the war in Ukraine, geopolitical uncertainties, intensifying trade conflicts and the associated restraint in the economy curbed demand for capital goods. On the other hand, innovations and advances as well as rising customer demands required investments in new technologies. In this business environment, the results of operations developed as follows: Sales revenue amounted to € 2,228.3 million (previous year: € 2,498.6 million). EBIT increased by +7.2% to € 245.4 million (previous year: € 228.9 million). The EBIT margin in relation to sales revenue improved to 11.1% (previous year: 8.8%). EAT from continuing operations amounted to € 179.4 million.

Pursuant to a decree published on 19 February 2024, the Russian Federation brought our equity investment in Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), under state control. The DMG MORI AG group has thus lost the possibility of controlling and influencing the company in Ulyanovsk. The loss of control over Ulyanovsk Machine Tools ooo resulted in the deconsolidation of this company from the Consolidated Financial Statements of DMG MORI AG. The deconsolidation of our production company in Russia and the subsequent decision by the Executive Board to discontinue our “ECOLINE” product line resulted in earnings after taxes from discontinued operations of € -91.9 million (previous year: € -8.8 million). The DMG MORI AG group's annual profit after taxes amounted to € 87.5 million (previous year: € 163.2 million). The presentation as a discontinued operation results in an adjustment of the previous year's figures in the income statement. Financial information for the discontinued operation for the financial year 2024 and the previous year is presented in the notes.

The individual income statement items are explained below: muted demand for capital goods, as well as longer processing times for export licenses and the associated delays in the delivery of our machines, led to a decline in sales revenue in the past financial year to € 2,228.3 million (previous year: € 2,498.6 million). Total work done amounted to € 2,208.2 million (-14.7%; previous year: € 2,587.6 million).

The materials ratio improved to 47.1% (previous year: 52.6%). This change resulted in particular from a change in the product and country mix, changes in finished goods and work in progress, lower energy costs and cost savings. The cost of materials decreased by € 320.5 million to € 1,042.1 million (previous year: € 1,362.6 million), mainly due to the decline in total work done.

The personnel quota increased to 27.9% (previous year: 24.4%) with a lower total work done and a slight increase in the number of employees. Personnel costs fell to € 614.8 million (previous year: € 631.6 million). The previous year's personnel costs included an expense effect of € 24.7 million from severance agreements with former members of the Executive Board.

With a significantly lower total work done, the balance of other income and expenses was € -225.3 million (previous year: € -290.1 million). The share of total work done fell to -10.2% (previous year: -11.2%). Other operating income rose by € 8.6 million to € 71.6 million (previous year: € 63.0 million). In particular, they include currency gains of € 24.4 million (previous year: € 24.4 million), which are offset by currency losses of € 18.4 million (previous year: € 27.7 million) in other operating expenses. In the financial year 2024, there was a net currency gain of € 6.0 million (previous year: currency loss of € -3.3 million). In addition, other operating income

includes refunds of expenses and on-debiting in the amount of € 15.2 million (previous year: € 14.2 million) as well as bonuses and allowances totaling € 6.4 million (previous year: € 2.2 million). Other operating expenses decreased by € 56.2 million to € 296.9 million (previous year: € 353.1 million). In the area of other operating expenses, expenses for freight out and packaging decreased to € 54.1 million (previous year: € 58.8 million) and sales commissions to € 37.1 million (previous year: € 45.5 million), which resulted primarily from a decline in sales volumes. Expenses for exhibitions and trade fairs amounted to € 30.2 million (previous year: € 39.6 million) and expenses for travel and entertainment costs amounted to € 36.6 million (previous year: € 35.7 million). Expenses for temporary employment and contractors amounted to € 12.2 million (previous year: € 12.8 million).

#### T.07 INCOME STATEMENT

| in € million  | 2024           |               | 2023           |               | Changes against previous year |              |
|---|----------------|---------------|----------------|---------------|-------------------------------|--------------|
| <b>Sales revenues</b>                                       | <b>2,228.3</b> | <b>100.9%</b> | <b>2,498.6</b> | <b>96.6%</b>  | <b>-270.3</b>                 | <b>10.8%</b> |
| Changes in finished goods and work in progress              | -27.5          | -1.2%         | 75.8           | 2.9%          | -103.3                        | 136.3%       |
| Own work capitalized  | 7.4            | 0.3%          | 13.2           | 0.5%          | -5.8                          | 43.9%        |
| <b>Total operating income</b>                               | <b>2,208.2</b> | <b>100.0%</b> | <b>2,587.6</b> | <b>100.0%</b> | <b>-379.4</b>                 | <b>14.7%</b> |
| Cost of materials   | -1,042.1       | -47.1%        | -1,362.6       | -52.6%        | 320.5                         | 23.5%        |
| Personnel costs   | -614.8         | -27.9%        | -631.6         | -24.4%        | 16.8                          | 2.7%         |
| Other expenses and income                                   | -225.3         | -10.2%        | -290.1         | -11.3%        | 64.8                          | 22.3%        |
| <b>EBITDA</b>   | <b>326.0</b>   | <b>14.8%</b>  | <b>303.3</b>   | <b>11.7%</b>  | <b>22.7</b>                   | <b>7.5%</b>  |
| Depreciation  | -80.6          | -3.7%         | -74.4          | -2.9%         | -6.2                          | 8.3%         |
| <b>EBIT</b>   | <b>245.4</b>   | <b>11.1%</b>  | <b>228.9</b>   | <b>8.8%</b>   | <b>16.5</b>                   | <b>7.2%</b>  |
| Financial result  | 6.9            | 0.3%          | 8.4            | 0.3%          | -1.5                          | 17.9%        |
| Impairment of shares in equity-accounted companies          | 0.0            | 0.0%          | -1.1           | 0.0%          | 1.1                           | 100.0%       |
| Share of profits and losses from equity-accounted companies | 2.4            | 0.1%          | 1.4            | 0.1%          | 1.0                           | 71.4%        |
| <b>EBT</b>  | <b>254.7</b>   | <b>11.5%</b>  | <b>237.6</b>   | <b>9.2%</b>   | <b>17.1</b>                   | <b>7.2%</b>  |
| Income taxes  | -75.3          | -3.4%         | -65.6          | -2.5%         | -9.7                          | 14.8%        |
| <b>EAT from continuing operations</b>                       | <b>179.4</b>   | <b>8.1%</b>   | <b>172.0</b>   | <b>6.7%</b>   | <b>7.4</b>                    | <b>4.3%</b>  |
| EAT from discontinued operations                            | -91.9          | -4.2%         | -8.8           | -0.3%         | -83.1                         | >100.0%      |
| <b>EAT</b>  | <b>87.5</b>    | <b>3.9%</b>   | <b>163.2</b>   | <b>6.4%</b>   | <b>-75.7</b>                  | <b>46.4%</b> |

Depreciation increased to € 80.6 million (previous year: € 74.4 million). The depreciation includes impairments of assets in Russia of € 3.6 million (previous year: € 5.3 million). Amortization of rights of use in accordance with IFRS 16 amounted to € 16.1 million (previous year: € 15.9 million).

The financial result amounted to € 6.9 million (previous year: € 8.4 million). This was due to financial income of € 24.6 million (previous year: € 25.5 million) and financial expenses of € 17.7 million (previous year: € 17.1 million). Tax expenses amounted to € 75.3 million (previous year: € 65.6 million). The tax rate was 29.5% (previous year: 27.6%). Further information can be found

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in the notes to the <sup>2</sup> Consolidated Financial Statements.

## Financial Position

The financial position also developed solidly in the financial year 2024. Free cash flow increased to € 117.0 million (previous year: € 93.5 million). Cash flow from operating activities (cash inflow) decreased to € 172.0 million (previous year: € 190.5 million). The main contributors to this cash flow were earnings before taxes (EBT) of € 254.7 million (previous year: € 237.6 million) and depreciation and amortization of € 80.6 million (previous year: € 74.4 million). Advance payments received decreased by € 88.1 million with the decline in order intake, reducing cash flow. A further decrease in cash flow resulted from the decline in other equity and liabilities of € 12.2 million and in provisions of € 88.4 million. The decline in inventories by € 66.9 million, the decline in other assets by € 20.7 million and interest received (€ 23.8 million) increased the cash flow. The payments for income taxes (€ 56.0 million) and interest (€ 9.1 million) reduced the cash flow.

### T.08 CASH FLOW

| in € million                                      | 2024   | 2023   |
|---|--------|--------|
| Cash flow from operating activities               | 172.0  | 190.5  |
| Cash flow from investment activities              | -19.5  | -61.7  |
| Cash flow from financing activities               | -176.3 | -138.3 |
| Changes in cash and cash equivalents              | -22.5  | -18.7  |
| Liquid funds at the start of the reporting period | 158.7  | 177.4  |
| Liquid funds at the end of the reporting period   | 136.2  | 158.7  |

The cash flow from investment activities amounted to € -19.5 million (previous year: € -61.7 million). The cash outflow for investments in property, plant and equipment amounted to € 37.1 million (previous year: € 70.6 million) and for intangible assets to € 21.9 million (previous year: € 29.0 million). Investments in financial assets resulted in cash outflow of € 2.4 million (previous year: € 3.5 million). The loans to DMG MORI Europe Holding GmbH resulted in cash inflows of € 150.0 million (previous year: € 100.0 million) and cash outflows of € 60.0 million (previous year: € 60.0 million). Cash outflows of € 49.7 million (previous year: € 0 million) resulted from financial clearing between subsidiaries in China and a related company in China; these are recognized in receivables from related companies.

Free cash flow amounted to € 117.0 million (previous year: € 93.5 million). Free cash flow is defined as the balance of cash flow from operating activities and cash flow from investment activities. This does not take into account amounts received from disposal in financial assets (€ -2.4 million; previous year: € 0 million) and financial assets (€ -2.4 million; previous year: € -3.5 million) or cash inflows and outflows for loans granted to other related companies (€ +90.0 million; previous year: € +38.7 million).

### T.09 FREE CASH FLOW

| in € million                              | 2024  | 2023  |
|---|-------|-------|
| Free cash flow from operating activities  | 172.0 | 190.5 |
| Free cash flow from investment activities | -55.0 | -97.0 |
| Free cash flow                            | 117.0 | 93.5  |

The cash flow from financing activities amounted to € -176.3 million (previous year: € -138.3 million). The cash flow resulted from the payment of the profit transfer to DMG MORI Europe Holding GmbH for 2023 in the amount of € 147.5 million (previous year: € 146.5 million). Due to the adoption of IFRS 16 "Leases", lease payments of € 16.1 million (previous year: € 15.7 million) are included in cash flow from financing activities. Repayment of loans to partially finance our production plant in China resulted in payments for € 8.8 million (previous year cash inflows: € 24.2 million). Cash outflows of € 4.7 million (previous year: € 0 million) resulted from financial settlements between subsidiaries in China and a related company in China, which are reported under Liabilities to other related parties.

The change in cash flow resulted in cash and cash equivalents of € 136.2 million as of 31 December 2024 (previous year: € 158.7 million). DMG MORI AG has a cash surplus of € 115.2 million as of 31 December 2024 (previous year: € 129.7 million).

DMG MORI AG covers the capital requirements from operating cash flow, cash and cash equivalents as well as from raising short- and long-term financing. The amount of agreed financing lines totaled € 723.1 million in financial year 2024 (previous year: € 781.0 million). These consist of a cash tranche of € 200.0 million, a guarantee tranche of € 300.0 million, bilateral guarantee lines of € 55.5 million, the financing framework for the production plant in Pinghu of € 27.6 million as well as factoring agreements amounting to € 140.0 million (previous year: € 165.0 million).

A key component of the financing lines is an existing syndicated credit line of € 500.0 million, which was already extended early in April 2020 at improved conditions until February 2025 and again in April 2022 until February 2027. The syndicated credit line consists of a usable revolving cash tranche of € 200.0 million and a guarantee tranche of € 300.0 million. The syndicated loan bears interest at the current money market rate (1- to 6-month Euribor) plus a premium. This interest mark-up may change depending on group key figures. The cash tranche has not been used as of 31 December 2024. The financing framework for the production plant in Pinghu was utilized in the amount of € 21.0 million (previous year: € 29.0 million).

Factoring is a standard financial instrument in the industry and an additional component of the financing mix. Within the scope of factoring agreements, selected trade debtors are sold on a revolving basis to banks. The sale of trade debtors always results in an increase in liquidity and a reduction in trade debtors. In addition to the financing effect, this also allows us to optimize our debtor management process. These transactions only have a minor impact on earnings. As of 31 December 2024, factoring agreements were concluded with a total volume of € 140.0 million (previous year: € 165.0 million). As of the balance sheet date, receivables with a volume of € 123.3 million had been sold (previous year: € 104.8 million).

Selected suppliers of the DMG MORI AG group pre-finance trade receivables from individual subsidiaries on the basis of a reverse factoring agreement concluded with a factoring company. This measure generally enables the subsidiaries to achieve longer payment terms in order to improve the group's liquidity position. As at 31 December 2024, trade payables totaling € 7.2 million (previous year: € 9.4 million) had been purchased by the respective factoring company.

DMG MORI AG further requires guarantee lines for its operating business in order to issue sureties and guarantees for prepayments and warranties.

Thanks to this financing mix, we have sufficient financing lines that allow us to provide the liquidity required for our business activities. Our syndicated loan agreement requires us to observe a market-standard covenant. The group complied with this covenant on a quarterly basis and as of 31 December 2024. Our financing is supplemented by lease agreements. The total of future obligations from lease liabilities amounts to € 46.0 million (previous year: € 43.2 million).

### Net Worth

As of 31 December 2024, the balance sheet total decreased to € 2,544.3 million (previous year: € 2,767.7 million). Equity increased by 4.9% to € 1,449.7 million (previous year: € 1,382.2 million). The equity ratio improved to 57.0% (previous year: 49.9%).

Under assets, long-term assets amounted to € 901.8 million (previous year: € 926.7 million). Intangible assets increased by € 5.9 million to € 253.1 million (previous year: € 247.2 million). Tangible assets decreased by € 25.6 million to € 484.3 million (previous year: € 509.9 million); this item also includes the effect of the disposals of tangible assets amounting to € 20.7 million from the discontinued ECOLINE product line. Financial assets amounted to € 125.2 million (previous year: € 124.8 million). Explanations of the main investments can be found in chapter <sup>page 57</sup> "Investments".

Other long-term assets decreased by € 5.6 million to € 39.2 million (previous year: € 44.8 million). Deferred tax assets decreased to € 24.3 million (previous year: € 31.6 million).

Short-term assets fell by 10.8% or € 198.5 million to € 1,642.5 million (previous year: € 1,841.0 million). Inventories decreased by 8.7% or € 67.9 million to € 714.1 million (previous year: € 782.0 million) due to our active inventory management and a reduced total work done. Inventories of raw materials and consumables fell by € 35.0 million to € 299.5 million (previous year: € 334.5 million), work in progress by € 11.6 million to € 152.0 million (previous year: € 163.6 million) and finished products and goods by € 21.3 million to € 262.6 million (previous year: € 283.9 million). The share of the balance sheet total accounted for by inventories amounted to 28.1% (previous year: 28.3%).

Trade debtors decreased by € 14.1 million to € 105.5 million (previous year: € 119.6 million). Receivables from related companies decreased to € 568.2 million (previous year: € 624.5 million). The change results in particular from a decline of the loans to DMG MORI Europe Holding GmbH by € 90.0 million. Receivables from related companies amounting to € 49.7 million (previous year: € 0 million) led to an increase in this item. The turnover rate for trade debtors and receivables from related companies (excluding financial transactions) was 10.3 (previous year: 10.0). At € 118.5 million (previous year: € 156.2 million), other short-term assets were below the previous year's level. The decline resulted in particular from lower payments on account and reduced receivables from advance payment invoices.

## T.10 BALANCE SHEET OF DMG MORI AG

| in € million                          | 31 Dec. 2024   |                | 31 Dec. 2023   |                | Changes against previous year |               |
|---------------------------------------|----------------|----------------|----------------|----------------|-------------------------------|---------------|
| <b>ASSETS</b>                         |                |                |                |                |                               |               |
| <b>Long-term assets</b>               | <b>901,8</b>   | <b>35.4 %</b>  | <b>926.7</b>   | <b>33.5 %</b>  | <b>-24.9</b>                  | <b>2.7 %</b>  |
| Intangible assets                     | 253.1          | 9.9 %          | 247.2          | 8.9 %          | 5.9                           | 2.4 %         |
| Tangible assets                       | 484.3          | 19.1 %         | 509.9          | 18.5 %         | -25.6                         | 5.0 %         |
| Financial assets                      | 125.2          | 4.9 %          | 124.8          | 4.5 %          | 0.4                           | 0.3 %         |
| Other long-term assets                | 39,2           | 1.5 %          | 44.8           | 1.6 %          | -5.6                          | 12.5 %        |
| <b>Short-term assets</b>              | <b>1,642.5</b> | <b>64.6 %</b>  | <b>1,841.0</b> | <b>66.5 %</b>  | <b>-198.5</b>                 | <b>10.8 %</b> |
| Inventories                           | 714.1          | 28.1 %         | 782.0          | 28.3 %         | -67.9                         | 8.7 %         |
| Trade debtors                         | 105.5          | 4.1 %          | 119.6          | 4.3 %          | -14.1                         | 11.8 %        |
| Receivables from related companies    | 568.2          | 22.3 %         | 624.5          | 22.6 %         | -56.3                         | 9.0 %         |
| Other short-term assets               | 118.5          | 4.7 %          | 156.2          | 5.6 %          | -37.7                         | 24.1 %        |
| Liquid funds                          | 136.2          | 5.4 %          | 158.7          | 5.7 %          | -22.5                         | 14.2 %        |
| <b>Balance sheet total</b>            | <b>2,544.3</b> | <b>100.0 %</b> | <b>2,767.7</b> | <b>100.0 %</b> | <b>-223.4</b>                 | <b>8.1 %</b>  |
| <b>EQUITY AND LIABILITIES</b>         |                |                |                |                |                               |               |
| <b>Long-term financing resources</b>  | <b>1,579.7</b> | <b>62.0 %</b>  | <b>1,520.5</b> | <b>54.9 %</b>  | <b>59.2</b>                   | <b>3.9 %</b>  |
| Equity                                | 1,449.7        | 57.0 %         | 1,382.2        | 49.9 %         | 67.5                          | 4.9 %         |
| Debt capital                          | 130.0          | 5.0 %          | 138.3          | 5.1 %          | -8.3                          | 6.0 %         |
| Long-term provisions                  | 55.9           | 2.2 %          | 64.3           | 2.3 %          | -8.4                          | 13.1 %        |
| Long-term liabilities                 | 74.1           | 2.8 %          | 74.0           | 2.7 %          | 0.1                           | 0.1 %         |
| <b>Short-term financing resources</b> | <b>964.6</b>   | <b>38.0 %</b>  | <b>1,247.2</b> | <b>45.1 %</b>  | <b>-282.6</b>                 | <b>22.7 %</b> |
| Short-term provisions                 | 185.7          | 7.2 %          | 267.8          | 9.7 %          | -82.1                         | 30.7 %        |
| Advance receipts                      | 265.9          | 10.5 %         | 355.4          | 12.8 %         | -89.5                         | 25.2 %        |
| Trade creditors                       | 164.3          | 6.5 %          | 185.7          | 6.7 %          | -21.4                         | 11.5 %        |
| Liabilities to other related parties  | 165.5          | 6.5 %          | 268.1          | 9.7 %          | -102.6                        | 38.3 %        |
| Other short-term liabilities          | 183.2          | 7.3 %          | 170.2          | 6.2 %          | 13.0                          | 7.6 %         |
| <b>Balance sheet total</b>            | <b>2,544.3</b> | <b>100.0 %</b> | <b>2,767.7</b> | <b>100.0 %</b> | <b>-223.4</b>                 | <b>8.1 %</b>  |

On the balance sheet date, liquid funds amounted to € 136.2 million (previous year: € 158.7 million). This is a 5.4 % share of the balance sheet total (previous year: 5.7 %). On the liabilities side, equity increased by € 67.5 million or 4.9 % to € 1,449.7 million (previous year: € 1,382.2 million). The equity ratio improved to 57.0 % (previous year: 49.9 %). As at the last year-end date, we had a cash surplus and therefore no gearing.

The long-term debt decreased by € 8.3 million to € 130.0 million (previous year: € 138.3 million). The share in the balance sheet total was 5.0 % (previous year: 5.1 %). The long-term provisions amounted to € 55.9 million (previous year: € 64.3 million). Of the long-term liabilities, € 21.4 million was attributable to deferred tax assets (previous year: € 8.5 million) and long-term financial debts of € 10.7 million (previous year: € 22.3 million) for the partial financing of our production plant in China. Long-term financing resources, consisting of equity and long-term debt capital, increased by € 59.2 million or 3.9 % to € 1,579.7 million (previous year: € 1,520.5 million) in the reporting year.

Short-term financing resources went down to € 964.6 million (previous year: € 1,247.2 million). Short-term provisions decreased by € 82.1 million to € 185.7 million (previous year: € 267.8 million), due in particular to the decline in total work done. Trade creditors fell by € 21.4 million to € 164.3 million (previous year: € 185.7 million). Advance payments received declined by € 89.5 million to € 265.9 million (previous year: € 355.4 million) due to a reduced order intake. Liabilities to other related companies decreased by € 102.6 million to € 165.5 million (previous year: € 268.1 million) and include the profit transfer to DMG MORI Europe Holding GmbH (2024: € 53.4 million; 2023: € 147.5 million). This item within the liabilities to other related companies is recognized in the cash flow from financing activities upon payment. Of the other short-term liabilities, € 10.3 million (previous year: € 6.7 million) were financial debts for the partial financing of our production plant in China.

### Investments

Investments in property, plant and equipment and intangible assets amounted to € 77.8 million as planned (previous year: € 118.0 million). This included additions from right of use assets pursuant to IFRS 16 "Leases" in an amount of € 18.8 million (previous year: € 18.4 million). Investments in financial assets amounted to € 3.3 million (previous year: € 5.7 million). Investments thus totaled € 81.1 million (previous year: € 123.7 million).

At our production site in Pfronten, we have started construction of a new training center. By 2026, 150 state-of-the-art training places will be created here. The new facilities will cover an area of around 4,500 m<sup>2</sup> on three levels and will enable us to focus even more on future technologies, automation and digitization in our training.

We have started targeted modernization and expansion measures at the Bielefeld and Stipshausen sites. These include infrastructure renewal and capacity expansion in the area of logistics and assembly. The completion of the measures at both sites is planned for 2025.

At our site in Tortona (Italy), the new assembly hall has been completed. In the first quarter of 2025, the implementation of a state-of-the-art assembly concept based on driverless AGV transport systems (Automated Guided Vehicles) for efficient and flexible assembly is now to follow.

We also invested in a self-sufficient, sustainable power supply with the expansion of additional photovoltaic systems at our production sites in Pleszew (Poland).

We continued to invest in our "GLOBE – Global One Business Excellence" ERP project to harmonize and optimize systems and processes.

Depreciation of fixed assets, taking capitalized development costs and leases into account, amounted to € 80.6 million (previous year: € 74.4 million). Depreciation of capitalized development costs amounted to € 3.8 million (previous year: € 3.7 million).

### Annual Financial Statements of DMG MORI AKTIENGESELLSCHAFT (Summary)

The following tables are a summary of the Annual Financial Statements of DMG MORI AKTIENGESELLSCHAFT according to HGB (German Commercial Code). The complete Annual Financial Statements and Business Report are set out in a separate report. The income of DMG MORI AKTIENGESELLSCHAFT is largely determined by income from financial assets amounting to € 109.4 million (previous year: € 220.1 million), which includes the profit transfers of domestic subsidiaries.

#### T.11 INCOME STATEMENT OF DMG MORI AKTIENGESELLSCHAFT (GERMAN COMMERCIAL CODE – HGB)

| in € million  | 2024  | 2023   |
|---|-------|--------|
| Sales revenues                                      | 10.7  | 13.4   |
| Other operating income                              | 13.5  | 22.7   |
| Other expenses                                      | -50.8 | -85.9  |
| Income from financial assets                        | 109.4 | 220.1  |
| Financial result                                    | 14.7  | 15.6   |
| Income taxes  | -44.1 | -38.4  |
| Earnings after tax                                  | 53.4  | 147.5  |
| Transfer of profits to DMG MORI Europe Holding GmbH | -53.4 | -147.5 |
| Annual result                                       | 0     | 0      |
| Net income  | 0     | 0      |

Other operating income decreased to € 13.5 million (previous year: € 22.7 million). This mainly includes currency exchange gains of € 10.5 million (previous year: € 18.6 million). Other expenses amounted to € 50.8 million (previous year: € 85.9 million). Other operating expenses fell slightly to € 25.3 million (previous year: € 29.6 million). Other operating expenses include currency losses totaling € 4.2 million (previous year: € 5.6 million). The net result was a currency gain of € 6.3 million (previous year: € 13.0 million). Personnel expenses decreased to € 17.6 million (previous year: € 51.5 million). This reduction is due in particular to severance payments made to former members of the Executive Board in the previous year.

The financial result amounted to € 14.7 million (previous year: € 15.6 million) and resulted primarily from interest income from the loans to DMG MORI Europe Holding GmbH. Tax expenses amounted to € 44.1 million (previous year: € 38.4 million). Income taxes include the taxes charged by DMG MORI Europe Holding GmbH due to fiscal unity and a tax allocation agreement. As per the domination and profit transfer agreement, earnings after taxes (EAT) of € 53.4 million are transferred to DMG MORI Europe Holding GmbH (previous year: € 147.5 million).

The balance sheet total of DMG MORI AKTIENGESELLSCHAFT decreased to € 1,931.8 million (previous year: € 2,132.5 million). Fixed assets fell slightly to € 749.1 million (previous year: € 750.8 million).

Current and other assets decreased to € 1,182.7 million (previous year: € 1,381.7 million). Receivables from affiliated companies decreased by € 202.7 million to € 1,101.0 million, while cash and cash equivalents increased by € 15.5 million to € 74.2 million.

Under equity and liabilities, equity amounted to € 921.2 million as in the previous year. The equity ratio improved to 47.7% (previous year: 43.2%). Liabilities to affiliated companies decreased to € 945.0 million (previous year: € 1,174.5 million). This includes the profit transfer to DMG MORI Europe Holding GmbH for the financial year 2024 in the amount of € 53.4 million, income taxes in the amount of € 27.5 million, which are charged by DMG MORI Europe Holding GmbH due to the tax group and a tax allocation agreement, as well as financial and cost allocations with affiliated companies.

#### T.12 BALANCE SHEET OF DMG MORI AKTIENGESELLSCHAFT (GERMAN COMMERCIAL CODE – HGB)

| in € million                          | 2024           | 2023           |
|---------------------------------------|----------------|----------------|
| <b>ASSETS</b>                         |                |                |
| <b>Fixed assets</b>                   | <b>749.1</b>   | <b>750.8</b>   |
| Shares in affiliated companies        | 717.5          | 717.6          |
| Equity investments                    | 6.7            | 6.7            |
| Other fixed assets                    | 24.9           | 26.5           |
| <b>Current and other assets</b>       | <b>1,182.7</b> | <b>1,381.7</b> |
| Receivables from affiliated companies | 1,101.0        | 1,303.7        |
| Other current assets and other assets | 81.7           | 78.0           |
| <b>Balance sheet total</b>            | <b>1,931.8</b> | <b>2,132.5</b> |
| <b>EQUITY AND LIABILITIES</b>         |                |                |
| <b>Equity</b>                         | <b>921.2</b>   | <b>921.2</b>   |
| <b>Provisions</b>                     | <b>23.2</b>    | <b>29.8</b>    |
| <b>Liabilities</b>                    | <b>987.4</b>   | <b>1,181.5</b> |
| Liabilities to affiliated companies   | 945.0          | 1,174.5        |
| Other liabilities                     | 42.4           | 7.0            |
| <b>Balance sheet total</b>            | <b>1,931.8</b> | <b>2,132.5</b> |

## Segment Report

Our business activities comprise the “Machine Tools” and “Industrial Services” segments. “Corporate Services” mainly comprises DMG MORI AKTIENGESELLSCHAFT with its group-wide holding functions. The selected machines of DMG MORI COMPANY LIMITED, which we produce under license, are included in “Machine Tools”. The trade and services for these machines are recognized under “Industrial Services”.

## T.13 SEGMENT KEY FIGURES DMG MORI AG

| in € million          | 2024           | 2023           | Changes against previous year |             |
|-----------------------|----------------|----------------|-------------------------------|-------------|
| <b>Order Intake</b>   | <b>2,256.6</b> | <b>2,583.6</b> | <b>-327.0</b>                 | <b>-13%</b> |
| Machine Tools         | 1,181.0        | 1,438.5        | -257.5                        | -18%        |
| Industrial Services   | 1,075.3        | 1,144.9        | -69.6                         | -6%         |
| Corporate Services    | 0.3            | 0.2            | 0.1                           | 50%         |
| <b>Sales revenues</b> | <b>2,228.3</b> | <b>2,498.6</b> | <b>-270.3</b>                 | <b>-11%</b> |
| Machine Tools         | 1,243.1        | 1,373.8        | -130.7                        | -10%        |
| Industrial Services   | 984.9          | 1,124.6        | -139.7                        | -12%        |
| Corporate Services    | 0.3            | 0.2            | 0.1                           | 50%         |
| <b>EBIT</b>           | <b>245.4</b>   | <b>228.9</b>   | <b>16.5</b>                   | <b>7%</b>   |
| Machine Tools         | 57.5           | 78.9           | -21.4                         | -27%        |
| Industrial Services   | 215.0          | 207.3          | 7.7                           | 4%          |
| Corporate Services    | -27.1          | -57.4          | 30.3                          | 53%         |

### Machine Tools

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The “Machine Tools” segment includes the group’s new machine business with the Turning and Milling, Advanced Technologies (Ultrasonic/Lasertec), Additive Manufacturing and Digital Solutions divisions. Further information can be found in chapter **Organization and Legal Corporate Structure**. The Turning division comprises DMG MORI Bielefeld GmbH and DMG MORI Bergamo S.r.l. Our turning machine portfolio covers the full range from universal turning machines through to turn-mill centers, production turning and multi-spindle machining centers. The Milling division includes DMG MORI Pfronten GmbH, DMG MORI Seebach GmbH and DMG MORI Manufacturing Solutions Co., Ltd. in Pinghu (China). Our range includes vertical and horizontal machining centers and 5-axis milling. Our universal turning and milling machines belonging to the CLX and CMX series are built at our plants, FAMOT Pleszew Sp. z o.o. and DMG MORI Tortona S.r.l. In production, we are also cooperating closely with DMG MORI COMPANY LIMITED. By utilizing global production capacities, we can reduce delivery times and transport costs – to the benefit of our customers.

The Advanced Technologies business unit is formed by DMG MORI Ultrasonic Lasertec GmbH and DMG MORI Additive GmbH. In addition to ultrasonic-assisted milling and grinding (Ultrasonic), it includes laser processing technology (Lasertec) as well as the field of additive manufacturing. Here, we offer selective laser melting in a powder bed with DMG MORI Additive GmbH as well as laser deposition welding using a powder nozzle with DMG MORI Ultrasonic Lasertec GmbH.

In the Digital Solutions division, DMG MORI Digital GmbH bundles the digitization expertise in the group and is thus the central point of contact for our customers on all topics relating to digitization. This includes the control and software development of DMG MORI Digital GmbH as well as our customer portal *myDMG MORI* and DMG MORI Connectivity as the solution for connectivity on the entire shop floor – including third-party machines.

DMG MORI Digital GmbH also supports our sales and service companies with customer-oriented implementation and qualification services.

TULIP Interfaces Inc. makes it easier for our customers to gain entry-level access to manufacturing digitization processes. The no-code manufacturing platform enables users to create apps themselves – without any programming knowledge – and digitally image work flows on machines and throughout the shop floor.

In our future-oriented field of automation, we focus on the intelligent automation of machines and systems with machine-specific, universal and scalable solutions. Our production plants are responsible for automation solutions. This means our customers receive perfectly coordinated machines and automation solutions from a single source.

In 2024, the global machine tools market continued to be characterized by the war in Ukraine and the associated economic restraint. Demand for capital goods remained subdued and also had effects on the order intake of DMG MORI AG.

Despite these challenging market conditions, in its core business with machine tools and services, DMG MORI AG achieved solid order intake.

In the “Machine Tools” segment, order intake amounted to € 1,181.0 million (-18%; previous year: € 1,438.5 million). In the fourth quarter, order intake increased slightly to € 277.5 million (previous year: € 273.9 million). Domestic order intake amounted to € 456.6 million for the financial year (previous year: € 469.9 million). International orders totaled € 724.4 million (previous year: € 968.6 million). The international business share was 61% (previous year: 69%). The “Machine Tools” segment accounted for 52% of all orders (previous year: 56%).

#### T.14 KEY FIGURES “MACHINE TOOLS” SEGMENT

| in € million          | 2024           | 2023           | Changes against previous year |             |
|-----------------------|----------------|----------------|-------------------------------|-------------|
| <b>Order Intake</b>   | <b>1,181.0</b> | <b>1,438.5</b> | <b>-257.5</b>                 | <b>-18%</b> |
| Domestic              | 456.6          | 469.9          | -13.3                         | -3%         |
| International         | 724.4          | 968.6          | -244.2                        | -25%        |
| % International       | 61             | 67             |                               |             |
| <b>Sales revenues</b> | <b>1,243.1</b> | <b>1,373.8</b> | <b>-130.7</b>                 | <b>-10%</b> |
| Domestic              | 572.9          | 545.4          | 27.5                          | 5%          |
| International         | 670.2          | 828.4          | -158.2                        | -19%        |
| % International       | 54             | 60             |                               |             |
| <b>Order backlog*</b> | <b>671.0</b>   | <b>832.6</b>   | <b>-161.6</b>                 | <b>-19%</b> |
| Domestic              | 173.0          | 289.3          | -116.3                        | -40%        |
| International         | 498.0          | 543.3          | -45.3                         | -8%         |
| % International       | 74             | 65             |                               |             |
| <b>Investments</b>    | <b>54.9</b>    | <b>103.0</b>   | <b>-48.1</b>                  | <b>-47%</b> |
| <b>EBITDA</b>         | <b>111.6</b>   | <b>126.2</b>   | <b>-14.6</b>                  | <b>-12%</b> |
| <b>EBIT</b>           | <b>57.5</b>    | <b>78.9</b>    | <b>-21.4</b>                  | <b>-27%</b> |
| <b>EBT</b>            | <b>35.8</b>    | <b>58.3</b>    | <b>-22.5</b>                  | <b>-39%</b> |
|                       | 2024           | 2023           | Changes against previous year |             |
| <b>Employees*</b>     | <b>4,498</b>   | <b>4,616</b>   | <b>-118</b>                   | <b>-3%</b>  |
| Thereof trainees      | 261            | 244            | 17                            | 7%          |

\* reporting date 31 Dec.

Sales revenue decreased to € 1,243.1 million (-10%; previous year: € 1,373.8 million). In the fourth quarter, sales revenue amounted to € 363.7 million (previous year: € 402.6 million). Domestic sales revenues for the year as a whole rose by +5% to € 572.9 million (previous year: € 545.4 million). International sales revenues amounted to € 670.2 million (previous year: € 828.4 million). The export share was 54% (previous year: 60%). The machine tools segment accounted for 56% of sales revenues (previous year: 55%).

The order backlog as of 31 December 2024 was € 671.0 million (previous year: € 832.6 million). The domestic order backlog decreased to € 173.0 million (previous year: € 289.3 million). At € 498.0 million, foreign orders accounted for 74% (previous year: € 543.3 million; 65%). Compared to the previous year, there was a change in the method used to determine the order backlog, which led to an adjustment of the previous year's order backlog of € +141.1 million domestically and € -141.1 million internationally. EBITDA reached € 111.6 million (previous year: € 126.2 million). EBIT decreased to € 57.5 million (previous year: € 78.9 million). EBT amounted to € 35.8 million (previous year: € 58.3 million).

Investments in property, plant and equipment and intangible assets amounted to € 51.6 million as planned (previous year: € 97.3 million). This also includes additions from rights of use assets pursuant to IFRS 16 amounting to € 2.5 million (previous year: € 3.0 million). Investments in financial assets amounted to € 3.3 million (previous year: € 5.7 million). Investments thus totaled € 54.9 million (previous year: € 103.0 million). Capitalized development costs amounted to € 5.3 million (previous year: € 5.4 million).

At our production site in Pfronten, we have started construction of a new training center. By 2026, 150 state-of-the-art training places will be created here. The new premises will cover an area of around 4,500 m<sup>2</sup> on three levels and will enable us to focus even more on future technologies as well as automation and digitization in our training.

In Bielefeld and Stipshausen, we have started targeted modernization and expansion measures. These include infrastructure renewal and capacity expansion in the area of logistics and assembly. The completion of the measures at both sites is planned for 2025.

At our site in Tortona (Italy), the new assembly hall has been completed. In the first quarter of 2025, the implementation of a state-of-the-art assembly concept based on driverless AGV transport systems (Automated Guided Vehicles) for efficient and flexible assembly is planned.

We also invested in the expansion of additional photovoltaic systems at our production sites in Pleszew (Poland).

We also continued to invest in our "GLOBE – Global One Business Excellence" ERP project to harmonize and optimize systems and processes.

The "Machine Tools" segment had 4,498 employees at year-end (previous year: 4,616 employees). The share of employees working in this segment was 60% (previous year: 61%).

The personnel quota was 25.4% (previous year: 22.7%). Personnel expenses amounted to € 316.1 million (previous year: € 311.2 million).

## Industrial Services

In the reporting period, the “Industrial Services” segment mainly comprised the business activities of the Services division. Here we bundle the marketing activities and LifeCycle services for both our machines and those of DMG MORI COMPANY LIMITED. With the help of DMG MORI LifeCycle Services, our customers maximize the productivity of their machine tools over their entire life cycle – from commissioning, maintenance and repair to trade-in as a used machine. The wide range of service agreements, maintenance and training services offered, enables our customers to achieve maximum cost-effectiveness for their machine tools. Our online customer portal *myDMG MORI* digitizes service processes and sets new standards for transparent communication.

DMG MORI AKTIENGESELLSCHAFT is responsible for the German domestic market, Austria and Switzerland (DACH) as well as the EMEA region (Europe, Middle East, Africa) and the Chinese market. Thanks to DMG MORI COMPANY LIMITED, we also have a successful presence in Japan, North and South Americas well as in India and other parts of Asia. Further details can be found in the notes to the <sup>2</sup> Consolidated Financial Statements.

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### T.15 KEY FIGURES “INDUSTRIAL SERVICES” SEGMENT

| in € million          | 2024           | 2023           | Changes against previous year |             |
|-----------------------|----------------|----------------|-------------------------------|-------------|
| <b>Order Intake</b>   | <b>1,075.3</b> | <b>1,144.9</b> | <b>-69.6</b>                  | <b>-6%</b>  |
| Domestic              | 372.9          | 388.5          | -15.6                         | -4%         |
| International         | 702.4          | 756.4          | -54.0                         | -7%         |
| % International       | 65             | 66             |                               |             |
| <b>Sales revenues</b> | <b>984.9</b>   | <b>1,124.6</b> | <b>-139.7</b>                 | <b>-12%</b> |
| Domestic              | 336.8          | 355.4          | -18.6                         | -5%         |
| International         | 648.1          | 769.2          | -121.1                        | -16%        |
| % International       | 66             | 68             |                               |             |
| <b>Order backlog*</b> | <b>781.0</b>   | <b>702.9</b>   | <b>78.1</b>                   | <b>11%</b>  |
| Domestic              | 413.2          | 377.1          | 36.1                          | 10%         |
| International         | 367.8          | 325.8          | 42.0                          | 13%         |
| % International       | 47             | 46             |                               |             |
| <b>Investments</b>    | <b>23.8</b>    | <b>19.0</b>    | <b>4.8</b>                    | <b>25%</b>  |
| <b>EBITDA</b>         | <b>237.3</b>   | <b>231.1</b>   | <b>6.2</b>                    | <b>3%</b>   |
| <b>EBIT</b>           | <b>215.0</b>   | <b>207.3</b>   | <b>7.7</b>                    | <b>4%</b>   |
| <b>EBT</b>            | <b>230.5</b>   | <b>221.1</b>   | <b>9.4</b>                    | <b>4%</b>   |
|                       | 2024           | 2023           | Changes against previous year |             |
| <b>Employees*</b>     | <b>2,895</b>   | <b>2,789</b>   | <b>106</b>                    | <b>4%</b>   |
| Thereof trainees      | 4              | 50             | -46                           | -92%        |

\* reporting date 31 Dec.

DMG MORI AG also showed solid growth in the “Industrial Services” segment, despite ongoing challenging markets and business conditions worldwide. Order intake amounted to € 1,075.3 million (previous year: € 1,144.9 million). This figure comprises order intake from our original Service business of € 742.1 million, which includes LifeCycle Services (including spare parts, maintenance and repair), and sales commissions (previous year: € 779.2 million). Orders for

machines from DMG MORI COMPANY LIMITED were € 333.2 million (previous year: € 365.7 million). Order intake in the fourth quarter amounted to € 245.4 million (previous year: € 249.1 million). Domestic orders for the full year were € 372.9 million (previous year: € 388.5 million). International orders fell to € 702.4 million (previous year: € 756.4 million). 65 % of all orders came from abroad (previous year: 66 %). "Industrial Services" accounted for 48 % of all orders (previous year: 44 %).

Sales revenue decreased by € -139.7 million to € 984.9 million (-12%; previous year: € 1,124.6 million). Of this, € 702.1 million was attributable to our original Service business (-3%; previous year: € 724.8 million) and € 282.9 million to trading revenues with products from DMG MORI COMPANY LIMITED (-29%; previous year: € 399.6 million). In the fourth quarter, sales revenues amounted to € 260.2 million (previous year: € 297.2 million). Domestic sales revenues for the full year amounted to € 336.8 million (previous year: € 355.4 million). International sales revenues amounted to € 648.1 million (previous year: € 769.2 million). The share was 66 % (previous year: 68 %). "Industrial Services" accounted for 44 % of sales revenues (previous year: 45 %).

As of 31 December 2024, order backlog amounted to € 781.0 million (previous year: € 702.9 million). EBITDA in the "Industrial Services" segment was € 237.3 million in the reporting year (previous year: € 231.1 million). EBIT improved to € 215.0 million (previous year: € 207.3 million). EBT rose significantly to € 230.5 million (previous year: € 221.1 million).

Investments in property, plant and equipment and in intangible assets amounted to € 23.8 million (previous year: € 19.0 million) and mainly resulted from rights of use in accordance with IFRS 16 (€ 15.9 million; previous year: € 14.7 million). We also invested in equipping our service employees with tools, measuring equipment and diagnostic tools.

In the "Industrial Services" segment, the number of employees at the end of the reporting year rose to 2,895 (previous year: 2,789 employees). This increase is primarily a result of the strategic expansion of our local sales and service companies. The share of employees working in this segment was 39 % (previous year: 37 %).

The personnel expenses ratio was 28.3 % (previous year: 24.0 %). Personnel expenses amounted to € 279.3 million (previous year: € 270.2 million).

### Corporate Services

The "Corporate Services" segment mainly comprises DMG MORI AKTIENGESELLSCHAFT with its group-wide holding functions.

Order intake and sales revenues of € 0.3 million respectively mainly comprised rental income (previous year: € 0.2 million). As in the previous year, the "Corporate Services" segment accounted for less than 0.1 % of sales revenues in the group. EBIT was € -27.1 million (previous year: € -57.4 million). The financial result was positive and amounted to € 15.4 million (previous year: € 15.6 million). EBT was € -11.6 million (previous year: € -41.9 million). The previous year's EBIT included an expense effect from severance agreements with former members of the Executive Board in the amount of € 24.7 million.

Investments in property, plant and equipment and intangible assets were € 2.4 million (previous year: € 1.7 million). Investments also included additions from rights of use pursuant to IFRS 16 amounting to € 0.3 million (previous year: € 0.6 million).

As of 31 December 2024, the “Corporate Services” segment had 105 employees (previous year: 110). As in the previous year, this corresponds to 1% of the group’s workforce.

#### T.16 KEY FIGURES “CORPORATE SERVICES” SEGMENT

| in € million   | 2024  | 2023  | Changes against previous year |
|----------------|-------|-------|-------------------------------|
| Order intake   | 0.3   | 0.2   | 0.1                           |
| Sales revenues | 0.3   | 0.2   | 0.1                           |
| Investments    | 2.4   | 1.7   | 0.7                           |
| EBITDA         | -22.9 | -54.0 | 31.1                          |
| EBIT           | -27.1 | -57.4 | 30.3                          |
| EBT            | -11.6 | -41.9 | 30.3                          |
|                | 2024  | 2023  | Changes against previous year |
| Employees*     | 105   | 110   | -5                            |

\* reporting date 31 Dec.

## Overall Statement of the Executive Board on Financial Year 2024

The global market for machine tools again faced major challenges in 2024. The war in Ukraine, geopolitical uncertainties, intensifying trade conflicts and the associated economic restraint curbed demand for capital goods throughout the year. According to preliminary figures from the German Machine Tool Builders’ Association (VDW) and the British economic research institute, Oxford Economics, global consumption of machine tool fell significantly in 2024 by -3.8% to € 79.6 billion (previous year: € 82.7 billion).

In this still challenging market environment, DMG MORI AG recorded solid business development. In its core business with machine tools and services, DMG MORI AG generated an order intake of € 2,256.6 million (-13%; previous year: € 2,583.6 million). Due to the restrained demand for capital goods, especially in Europe, order intake was slightly below our forecast of around € 2.3 billion in our Annual Report 2023. At the same time, this muted demand for capital goods, combined with longer processing times for export licenses and the associated delays in the delivery of our machines, led to sales revenue of € 2,228.3 million in the reporting year (previous year: € 2,498.6 million). Sales revenue was therefore also below the figure of around € 2.4 billion forecast in the 2023 Annual Report. Free cash flow increased to € 117.0 million (previous year: € 93.5 million). Due to the lower advance payments as a result of the reduced order intake, the free cash flow was also below the forecast value from the 2023 Annual Report. In line with developments in our business performance, we have already adjusted our forecasts in our statement Management System of DMG MORI AG for the third quarter of 2024 (T.04).

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By contrast, EBIT rose by +7% to € 245.4 million (previous year: € 228.9 million), exceeding our expectations. Lower costs of materials, a positive currency result and reduced sales-related expenses contributed to this. The EBIT margin improved accordingly to 11.0% (previous year: 9.2%). EAT from continuing operations amounted to € 179.4 million. The disposal of our

production company in Ulyanovsk, Russia, and the subsequent discontinuation of the “ECOLINE” product line resulted in EAT from discontinued operations of € -91.9 million. This results in EAT of the DMG MORI AG group in the amount of € 87.5 million (previous year: € 163.2 million).

Our strong long-standing network with customers, partners and suppliers, the innovative product portfolio as well as our highly qualified employees are the backbone of our success. In today’s challenging market conditions, DMG MORI is responding to the change and increase in customer expectations with its Machining Transformation (MX) strategy. MX supports the user by optimally combining process integration, automation and digitization to release the greatest possible potential for sustainability and innovative growth. This is how we are providing an answer to changes in our business environment, such as the increasing shortage of skilled workers and the scarcity of raw materials, and we want to create a significant competitive advantage for our customers at every step of the value chain.

With MX, DMG MORI is consistently developing from a machine builder to a holistic, sustainable solution provider in the production industry – true to our DMG MORI Mission Statement.

# OPPORTUNITIES AND RISK REPORT

## Opportunities Management System

Opportunities at DMG MORI AG are systematically identified, analyzed and managed. Alongside annual and medium-term planning, we prepare “Rolling Forecasts” (RFCs) on an ongoing basis. Potential positive deviations from the current RFC that may materialize over a horizon of twelve months are defined as operational opportunities. We further analyze existing strategic opportunities over the next five years against the background of current and expected future fundamental conditions.

Our global customer relationship management system (CRM) documents and analyzes our sales and service activities in the areas of machine tools and industrial services. Our CRM is based on a number of operational early indicators, such as market potential, order intake or trade fair evaluations. This allows for the targeted management of our sales and service activities and focused utilization of opportunities. We also continuously monitor our markets and thereby recognize macroeconomic and industry-specific opportunities at an early stage.

Our focused and comprehensive activities in all established market regions and current growth markets assist us in identifying and using macroeconomic opportunities. We benefit from the international presence of our “Global One Company” with 124 sales and service companies. Our innovative product portfolio and consistent automation and digitization strategy allow us to seize industry-specific opportunities. In order to meet the technological requirements, our broad product portfolio contains various machine models at different price levels. We are involved in our customer’s development processes at an early stage – especially in the key industries of aviation & space, automotive & e-mobility, die & mold, medical, and semiconductor. At our production sites, we bundle decades of expertise.

Company strategic opportunities for DMG MORI AG arise through continuous product innovations and integrated technology solutions. Our key focus here is on the four pillars of our “Machining Transformation” (MX) strategy: Process integration, Automation, Digital Transformation (DX) and Green Transformation (GX). Our innovations allow us to position ourselves for a successful future. Our focus is always on our customers and their needs respectively. In the reporting year, a materiality analysis was also carried out for the first time in accordance with CSRD. For this purpose, sustainability risks were assessed and coordinated with risk management. Further details can be

page 103 et seqq. found in chapter [Sustainability Report](#).

As part of the “Global One Company” with clearly organized global sales and service structures, we operate directly in our German domestic market, Austria and Switzerland (DACH) as well as the EMEA region (Europe, Middle East, Africa) and the Chinese market. Through DMG MORI COMPANY LIMITED, we also have a successful local presence in Japan, North and South America, and other parts of Asia.

Performance-related opportunities arise from the constant optimization of our processes in the areas of production, technology, quality, purchasing and logistics. We are gradually introducing fully digitized processes in our manufacturing factories, particularly in the areas of production and logistics. We also take action to assure that our services are sustainable for the environment and the society. We believe that our sustainability strategy opens up opportunities as an ecologically responsible and sustainable manufacturer of capital goods and provider of integrated technology solutions. Other potential opportunities arise from the growing number of ways artificial intelligence can be used in the machine environment as a whole, e. g. in process optimization.

## Risk Management System

Our international business activities as a worldwide leading manufacturer of machine tools and supplier of integrated and sustainable technologies, automation and digitization solutions expose us to potential risks. Active risk management is therefore vital for DMG MORI AG. It serves the purpose of early risk identification and assessment as well as active risk minimization and extends across all organizational levels. The early risk identification system, the internal control system (ICS), and the central insurance management are some of the components of our risk management system. A materiality analysis in accordance with the CSRD was also prepared for the first time in the reporting year. Sustainability risks were assessed and coordinated with risk management. Further details can be found in chapter <sup>7</sup> **Sustainability Report**.

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### Risk early warning system

Our risk early warning system is based on the COSO II concept and allows us to ascertain and control risks that affect future development. We define operational risk as being a negative deviation from our planned earnings target (EBIT) within the next twelve months when compared with the current RFC. In addition, we also take tax and interest rate risks into account. Our risk early warning system consists of five elements:

1. the company-specific Risk Management Manual that defines the system,
2. a central risk management officer who develops, implements and monitors the current risk management concept, and who coordinates the measures for risk reduction or risk elimination,
3. local risk officers in any group company, who are responsible for the decentralized recording, analysis and communication of existing risks,
4. area-specific risk ascertainment for specified risk fields and review of the associated measures aimed at risk reduction and elimination, including a quantitative assessment taking into account the risk-bearing capacity of the group and its individual subsidiaries,
5. the risk reporting at the level of the group and individual subsidiaries, including ad-hoc reporting on existential risks, as well as additional risk quick-checks performed by selected executives.

DMG MORI AG determines risks as the result of the reported maximum risk potentials and their probability of occurrence (gross risks), and then subtracting the effect of the risk minimization and elimination measures (net risks). All subsidiaries report to the Risk Management Unit on the basis of the existing net risks, with the reported risks broken down into three categories: current risks, catalog risks and other risks. The risks listed in the catalog are subject to compulsory assessment and reporting. Additional risks are assigned to the other risks. The risk early warning system is structured in a way that allows us to determine the individual local and central risks as well as group effects and, on that basis, present the overall risk situation.

- Local risks are individual risks the group companies are exposed to but can be assessed locally.
- Central risks are risks that can, at least in part, only be assessed centrally. They include, for example, risks arising from the group's financing circumstances.
- Group effects usually arise from consolidation requirements. This includes, for example, the double counting of risks, which then have to be adjusted correspondingly.

We use the following categories of risk occurrence in our risk assessment:

#### T.17 PROBABILITY OF OCCURRENCE

| in %     |    |
|----------|----|
| No risk  | 0  |
| Very low | 5  |
| Unlikely | 25 |
| Possible | 50 |

Risks with a probability of occurrence of over 50% are directly recognized at their net risk value in regular corporate planning, or as a risk provision. Any risks that could jeopardize the company as a going concern are reported without delay, including outside of the regular reporting schedule. In addition to the potential financial effects, the risk-bearing capacity – defined as the proportion of the total consolidated equity to the cumulative expected amount of all identified risks after elimination of relevant group effects – is an important risk management indicator.

#### T.18 POSSIBLE FINANCIAL EFFECT

| in € million |           |
|--------------|-----------|
| Low          | 1 – 10    |
| Moderate     | > 10 – 25 |
| High         | > 25      |

The categories of possible financial effects were determined on the basis of the prevailing risk strategy in consideration of sales, EBIT, equity, as well as risk-bearing capacity. The Supervisory Board and the Executive Board are informed at regular intervals of the current total risk situations of the group and the individual business units. The risk early warning system set up by the Executive Board pursuant to Section 91 (2) German Stock Corporation Act (AktG) is reviewed by the auditors in accordance with Section 317 German Commercial Code (HGB).

### **Internal Control System (ICS)**

The ICS of DMG MORI is an additional key component of the group-wide risk management system. It complies with German statutory requirements from the German Stock Corporation Act (AktG) as well as the necessary Japanese legal requirements of the 'Japanese Financial Instruments and Exchange Act' in the form of documentation in accordance with the J-SOX/Naibutousei.

The ICS of DMG MORI AG records the controllable risks on the basis of the information from an annually updated analysis and documentation of the essential business processes. We eliminate or reduce these risks to an appropriate level by optimizing our structural and procedural organization, as well as by suitable control activities. Our ICS is comprised of our existing internal guidelines and instructions, as well as preventative and detecting control activities, such as authorizations and releases, plausibility checks, reviews and the four-eyes principle. Our transparent organizational and procedural structure assures an adequate functional separation of business processes.

The ISC covers the principles, procedures and measures for ensuring the regularity of the group's financial reporting. Rules that bear group-wide relevancy are codified in accounting-related guidelines, such as the Accounting Manual. These guidelines and the group-wide financial reporting calendar form the basis for preparing the financial statements. The local companies are responsible for compliance with the relevant rules and regulations. They are supported by group accounting. There are also local regulations that are coordinated with group accounting, such as compliance with local accounting requirements. The consolidation is carried out centrally by the group accounting department. DMG MORI AG engages external service providers, for example for the valuation of pension obligations. Employees who have been assigned financial reporting duties receive regular internal and external training.

The appropriateness and effectiveness of the ICS is evaluated based on an annual management testing at the group affiliates and central departments of DMG MORI AG. This is carried out by the internal audit department on the basis of random samples. The results are reported to the Supervisory Board and the Executive Board. The appropriateness and effectiveness of the internal control system is also reviewed and evaluated on the basis of random samples, with the results reported to the Supervisory Board and Executive Board.

### **Insurance management**

Another part of risk management is the central insurance management of DMG MORI AG, which, in close coordination with DMG MORI CO. LTD., strategically identifies and hedges economically feasible insurable risks across the group.

## Overview of significant risk fields

### T.19 KEY RISK AREAS

| Type of risk  | Possible financial impact |
|---|---------------------------|
| Overall economic, industry-specific and sales-related | High                      |
| Corporate strategy risks                              | Moderate                  |
| Production risks                                      | Moderate                  |
| Procurement and purchasing risks                      | High                      |
| Research & development risks                          | Low                       |
| Personnel risks                                       | Low                       |
| IT risks  | Moderate                  |
| Financial risks                                       | Low                       |
| Legal risks   | Low                       |
| Tax risks   | Low                       |
| Other risks   | Moderate                  |

A materiality analysis in accordance with the CSRD was also prepared for the first time in the reporting year. Sustainability risks were assessed and coordinated with risk management.

### Presentation of the individual risk fields

**Macroeconomic risks** mainly arise from uncertainty about the future development of material sourcing problems, existing logistics bottlenecks as well as rising inflation and interest rates, which have a negative effect on the willingness to invest. The economic outlook is bleak. In addition, there are global and political uncertainties, such as the unresolved China-Taiwan conflict and the war in Ukraine and the Middle East. In addition, uncertainties have arisen from the change of government in the US, such as increased tariffs, and from the early German federal election in February 2025. These exogenous factors can have a significant impact on economic development in the affected regions, but also beyond. Other risks arise from industrial structural change, volatile raw material and energy prices on the international markets, and inflationary risks, which can have a negative impact on demand. Moreover, our future competitive position may be affected by exchange rate fluctuations (economic currency risk). In particular, a possible devaluation of the US dollar, Chinese renminbi and British pound could make our products more expensive in the countries concerned and in dollar-dependent markets. We counteract this risk through international sourcing and regionalized production.

**Industry-specific and sales-related risks** arise from the continued intense competition with high price pressure in the markets for machine tools as well as spare parts and services. We are responding to this heavy competition with the technological edge of our products and a clear focus on our customers and markets. We equip our customers with highly efficient, automated and sustainable manufacturing solutions. Specific sales-related risks may arise from a downturn in capital goods purchasing in the automotive industry and associated suppliers adjusting to the current structural changes. In addition, a growing reluctance to invest is also evident in other sectors. Risks with increased pressure on margins may also arise for existing orders due to price increases for materials and in view of high demands from the collective bargaining

parties. Circumstances resulting from export control regulations may give rise to risks stemming from their direct influence on potential trade restrictions affecting countries, markets, industry segments or specific customers. Changes resulting from sanctions may, including on short notice, give rise to significant sales-related risks.

**Corporate strategy risks** predominantly concern misjudgments of future industry-specific developments and technological developments. We counteract these risks through close market and competition surveillance, regular strategy meetings with customers and suppliers, digital customer events, and a corporate strategy focused on innovation. Risks from the existing domination and profit transfer agreement arise insofar as the company's business development can be influenced by potential instructions issued by DMG MORI Europe Holding GmbH. These do not always have to be in the sole interest of DMG MORI AG, but may be issued in the group's interest.

**Procurement and purchasing risks** may arise from potentially material sourcing problems, longer delivery times as well as rising raw material, energy and transport prices. Further price increases for materials may also occur, resulting in a potential increase in the manufacturing costs of our products. Risks also arise from potential supplier insolvencies, dependencies on individual suppliers, and payment target risks. Stricter environmental regulations and requirements for suppliers may also lead to the loss of individual suppliers. We counter these risks by standardizing parts and components and with our global double-sourcing strategy. This means that we have at least two suppliers for essential components. In addition, we are increasingly manufacturing core components ourselves, our DMG MORI components. We maintain stable and close partnerships with our suppliers and increasingly rely on sourcing from local suppliers. In combination with digital tools, this allows us to identify risks in our supply chain at an early stage and to immediately initiate counteractive measures. Additionally, we use all available transport routes to speed up deliveries and ensure they arrive on time. These measures allow us to further strengthen the resilience of our supply chain. Beyond the risks mentioned here, the main purchasing and procurement risks are listed in our CSRD Sustainability Statement.

**Production risks** can result from production inefficiencies or potential quality risks. We constantly monitor these by means of key figures on order intake and order backlog, assembly and manufacturing progress, contribution margin per machine type and the turnover rate of raw materials and consumables as well as of other inventories. We avoid production projects with uncertain calculation bases and thereby keep these risks at a manageable and controllable level. Production bottlenecks may arise from difficulties in the supply of materials. As a result of the ongoing conflict in the Middle East, there are restrictions on passage through the Suez Canal, which could lead to delays or cost increases. Our response to counterfeit products is our innovation-focused product strategy in combination with a pro-active IP (Intellectual Property) management, which includes the securing of rights for proprietary intellectual property and the vigorous enforcement of our rights. These measures help us to secure our technological edge. Risks in the technical work safety are addressed by the stringent application and implementation of statutory occupational safety regulations and the highest certified technical standards at all of our sites. We carry out all inspections prescribed by law as well as voluntary audits. We counteract environmental risks by fully implementing statutory environmental standards, appropriate and safe storage of hazardous goods, and the environmentally conscious disposal of hazardous goods and other waste. Furthermore, we ensure the efficient use of resources in our internal business processes to protect the environment.

In the area of **research and development**, risks may arise from overshot budgets, failed developments, increased start-up costs for new products, and delayed market launches of innovations. We counteract these risks with a group-wide standardized product development process and involving our sales and service teams at an early stage. We also rely on the closely coordinated cooperation with DMG MORI COMPANY LIMITED, customers, suppliers and universities. We avoid incalculable research and development projects and thereby keep these risks at a manageable and controllable level. In the area of digital products, risks may arise from increased product requirements due to the Cyber Resilience Act.

**Personnel risks** arise from our continuous demand for highly qualified specialists and executives. An insufficient recruitment and retention of these employees may negatively affect the group's development. These risks are kept at bay by our modern corporate culture, employee surveys, sophisticated training programs and personnel development, performance-rewarding remuneration packages with performance-based incentives, and early succession planning and representation rules. A permanent availability of highly qualified managers and specialist personnel could also be negatively affected by a higher rate of sick leave. We counteract this risk, in particular, through preventive occupational health care as well as options for remote work. There is also the risk of rising personnel costs as a result of inflation and higher wage agreements. In addition to the risks mentioned here, the material personnel risks are listed in accordance with CSRD requirements in our Sustainability Statement.

**IT risks** arise from the networking of our internal systems. Network could fail or data could be manipulated or destroyed as a result of user and program errors or external circumstances. We are also exposed to the risks of organized data theft, extortion, cyber-crime and fraudulent activities ("scams"). According to the findings of the Federal Office for Information Security (BSI), there has been a noticeable increase in threats. In particular, attackers are extremely active when it comes to further developing malware programs and attack routes. These IT risks are addressed by a variety of measures, which include the relocation of resource-heavy software to the cloud, increasing the resilience of our most important data centers, the use of SaaS solutions, a security-optimized organization of our IT landscape, regular investment in hardware and software, the use of anti-virus software and firewall systems, as well as entry and access controls. In addition, we help to increase the awareness of our employees by keeping them informed and regularly educating them about the relevant risks and current security threats. As a result of the group-wide ongoing implementation of a new ERP system, unforeseeable events may have negative effects on our operational business activities.

**Financial risks** result across all segments e.g. from our international business activities and manifest in the form of currency risks, which we measure and hedge on the basis of our currency strategy. The key components of our financing structure at DMG MORI AG are a syndicated loan, which comprises a cash and guarantee tranche available until February 2027, as well as factoring services. The finance contracts contain a clause that prescribes compliance with a market standard covenant. The liquidity of the group is considered sufficient. In principle, inflation, rising interest rates and a slowing economy may continue to lead to increased risks of bad debts and insolvency for our customers. This may result in the recognition of value impairments, or in certain cases even credit losses. Further information on the risks pursuant

page 271 et seqq. to IFRS 7 can be found in the <sup>2</sup> Notes.

**Legal risks** may in particular arise from legal disputes with suppliers and service providers, public authorities and former employees, as well as potential warranty claims from customer complaints, which even our quality management is unable to prevent in every single case. To keep the existing risks at a manageable and quantifiable level, all warranty and liability obligations are limited both in terms of their extent and limitation period. Any different arrangement must be approved separately by the Executive Board.

**Tax risks** may arise from company audits. We assume that the tax returns and social security returns submitted by our company are complete and accurate. In the case of tax audits, additional claims may arise due to a different assessment of facts or double taxation. If current losses and loss carryforwards cannot be utilized, this could have a negative impact on the net assets, financial position and results of operations.

**Other risks** arise from general project risks and potential balance sheet impairments. The rapid development and increasing use of artificial intelligence poses potential serious risks, for example in the area of IT security or if we fail to take advantage of technological developments.

### **Overall Statement of the Executive Board on the Risk Situation**

The Executive Board considers the existing risks as manageable and, based on current information, does not view the continued existence of the group to be endangered by these risks. Compared with the reporting in the Annual Report 2023, the total exposure to risk increased slightly. The Executive Board responds to the risk development by an always up-to-date supervision of business development and by regular Executive Board meetings and status meetings. The risks-bearing capacity of equity is determined on the basis of the calculated accumulated total expected risk value. The group's equity significantly exceeds the assessed total expected risk value.

# FORECAST REPORT

## Future Business Environment

The Kiel Institute for Economic Research (IfW) forecasts global economic growth of +3.1% for the financial year 2025 in its latest economic report published in December 2024. The turnaround in interest rates was initiated by the central banks in Europe and the USA. The world economy should increasingly receive a tailwind from the more favorable financing conditions. However, the ongoing wars and geopolitical uncertainties, the increasing trade conflicts and the associated possible increases in the costs of wages, resources and energy could dampen global investment demand and thus lead to a lower growth rate for the world economy.

In Europe, the economy is expected to slowly regain momentum this year. In the southern eurozone in particular, the more expansive fiscal policy bodes well for an economic recovery. However, geopolitical uncertainties and increasing trade conflicts could have a particularly negative impact on the economies of export-oriented industrialized nations in Europe, meaning that economic momentum is likely to remain subdued. Very low GDP growth of just +0.1% is forecast for Germany in 2025. GDP is expected to increase moderately by +0.9% in the eurozone.

Asia is expected to be the region with the strongest growth once again, with an increase of +4.9%. In China, the real estate crisis seems to be ongoing, and an acceleration of the economy is not expected at present. GDP is expected to grow by +4.4% in 2025. In Japan, inflation is expected to remain stubborn, meaning that only modest GDP growth of +1.1% is expected. In the USA, the economy is expected to continue to expand significantly due to the more favorable financing conditions. Economic growth is expected to increase by only +2.4% in the forecast period.

According to the VDW and Oxford Economics, worldwide machine tool consumption will grow by +7.0% to € 85.1 billion in 2025, thus exceeding the 2023 peak (2024: € 79.6 billion; 2023: € 82.7 billion). The USA and Asian countries, led by China and India, are expected to be the growth markets. The effects of the war in Ukraine, geopolitical uncertainties and trade policy conflicts, as well as increasing deglobalization, are likely to continue to influence the demand for capital goods, particularly in Europe.

According to the VDW and Oxford Economics, machine tool consumption in Germany is set to fall by -2.4% to € 4.7 billion in 2025 (previous year: € 4.8 billion) and thus be around -34% below the pre-pandemic level of 2019 (€ 7.1 billion).

In Europe, consumption is also predicted to see a marginal increase of +4.1% to € 21.0 billion (previous year: € 20.2 billion). A +6.6% rise is expected for Asia. At country level, the growth rate in the Chinese machine tool market is expected to be moderate at +5.5% to € 25.1 billion. Meanwhile, demand in Japan is expected to rise again by +8.5% to € 3.7 billion (previous year: € 3.4 billion) after two years of declining, but will remain well below the pre-pandemic level of 2019 (€ 5.5 billion). The VDW and Oxford Economics are also forecasting a marked increase in machine tool consumption in the USA by +14.0% to € 12.5 billion (previous year: € 11.0 billion).

Global demand for capital goods is expected to gradually recover from around midyear. The turnaround in interest rates initiated by the central banks in Europe and the US should have a stabilizing effect. However, the global economy continues to face risks from a possible escalation of geopolitical conflicts and from the uncertainties surrounding the new US administration. In particular, intensified trade disputes would further burden global economic interdependencies and thus also investment demand for machine tools. Against this background, an adjustment of the trade association forecasts during the year cannot be ruled out if economic conditions worsen worldwide.

## Future Development of DMG MORI AG

As the “Global One Company”, together with DMG MORI COMPANY LIMITED, we aim to further expand our market position as a leading global manufacturer of high-precision machine tools with high process integration, sustainable technologies as well as holistic automation and end-to-end digitization solutions for the manufacturing industry.

With 124 international sales and service locations and 17 production plants, DMG MORI is present in 44 countries worldwide. Our goal is to support our more than 100,000 customers along the entire value chain with innovative solutions – consisting of machine tools, automation, software, processes, peripherals and service.

In today’s challenging market conditions, DMG MORI is responding to the change and increase in customer expectations with its Machining Transformation (MX) strategy. MX is based on the four pillars of Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX). Our products and services in the areas of process integration, automation and digital transformation not only increase productivity, but also help to conserve resources, reduce energy consumption and therefore carbon emissions, as well as to optimize the deployment and development of specialists. Thus, these three pillars are key components of Green Transformation (GX).

People are at the heart of the implementation of our strategy. Qualified, motivated and satisfied employees are the basis for our success. This is why we work hard to be an attractive employer. Our group-wide “Mission Statement” forms the basis for our corporate culture, business practices and thus for our Code of Conduct.

We expect the financial year 2025 to remain volatile. The cautiously optimistic growth forecasts for the world economy and machine tool consumption are offset by geopolitical uncertainties, ongoing conflicts and subdued demand for capital goods. Nevertheless, we have good reasons to look ahead positively: we are solidly positioned, have high levels of resilience and innovative strength, a broad product portfolio and qualified employees, as well as a strong network of customers, partners and suppliers.

DMG MORI AG is planning for order intake of between € 2.4 billion and € 2.5 billion for the financial year 2025. Sales revenues are expected to range between € 2.2 billion and € 2.3 billion. We expect EBIT to range between € 150 million and € 160 million. Free cash flow should be between

€ 110 million and € 130 million. The effects of possible compensation from the investment guarantee for our production plant in Ulyanovsk, the amount of which cannot be estimated at present, are not included in the forecasts.

We are forecasting sales revenue of between € 1.2 billion and € 1.3 billion for the “Machine Tools” segment and between € 1.0 billion and € 1.1 billion for the “Industrial Services” segment. We are forecasting EBIT of between € 60 million and € 70 million for the “Machine Tools” segment. We are forecasting EBIT of between € 130 million and € 140 million for the “Industrial Services” segment and EBIT of between € -35 million and € -40 million for the “Corporate Services” segment.

Our agreed financing framework will cover the necessary liquidity requirements in financial year 2025. We therefore have sufficient financial leeway in the group at all times. We expect market interest rates to rise slightly in financial year 2025 compared with the reporting year.

Our financing structure will remain largely unchanged. There are no plans for strategic financing measures. Seasonally required liquidity can be covered from existing financial resources.

For financial year 2025, we plan to invest around € 65 million in property, plant and equipment and intangible assets. The focus is on the construction of the new training center in Pfronten and the finalization of our targeted modernization and expansion measures at the sites in Bielefeld and Stipshausen. In addition, we are continuing to invest in our ERP project “GLOBE – Global One Business Excellence” to ensure standardized systems and integrated processes.

As a technology company, together with DMG MORI COMPANY LIMITED, we will continue to forge ahead with our MX strategy in the area of research and development. For the current financial year, we are again planning a large number of world premieres and innovations in the areas of Automation, Process Integration, Digitization and Sustainability. Expenses for research and development is expected to remain stable at a high level of around € 88 million. Overall, 16 % of the workforce at our plants will work in the area of research and development.

### **Overall Statement of the Executive Board on Future Business Development 2025**

Overall economic is expected to develop only modestly in the current financial year and to recover only gradually from the middle of the year onwards. The interest rate turnaround was initiated by the central banks in Europe and the USA. The world economy should increasingly be buoyed by more favorable financing conditions. However, ongoing wars and geopolitical uncertainties, increasing trade policy conflicts and the associated potential increases in the cost of wages, resources and energy could dampen global investment demand and lead to a slower growth rate in the world economy.

According to the VDW and Oxford Economics, worldwide machine tool consumption is also expected to grow by +7.0 % to € 85.1 billion in 2025, thus exceeding the 2023 peak (2024: € 79.6 billion; 2023: € 82.7 billion). However, ongoing wars and geopolitical uncertainties, increasing

trade conflicts and the associated rise in the cost of wages as well as volatile resources and energy prices could dampen global investment demand and lead to a slower pace of growth in the world economy.

DMG MORI AG is planning for order intake of between € 2.4 billion and € 2.5 billion for the financial year 2025. Sales revenues are expected to range between € 2.2 billion and € 2.3 billion. We expect EBIT to range between € 150 million and € 160 million. Free cash flow should be between € 110 million and € 130 million. The effects of possible compensation from the investment guarantee for our production plant in Ulyanovsk, the amount of which cannot be estimated at present, are not included in the forecasts.

Capital expenditure on tangible and intangible assets is forecast to amount to around € 65 million and will be financed primarily from our own funds.

We will continue to strengthen and expand our diversified product portfolio. In today's challenging market conditions, we are responding to the change and increase in customer expectations with our Machining Transformation (MX) strategy. By interlinking these four pillars as closely as possible, we provide our customers with tailored solutions for state-of-the-art, sustainable and efficient production. MX is helping DMG MORI to systematically evolve from a machine builder to a holistic, sustainable solution provider in the production industry – true to our DMG MORI Mission Statement. With this solid basis, our high level of resilience and innovative strength, and our strong network of customers, partners and suppliers, we are well positioned for the current financial year.

# CORPORATE GOVERNANCE

## Corporate Governance Report / Group Declaration on Corporate Management

Business Report information not reviewed for content<sup>1</sup>

The Executive Board and Supervisory Board of DMG MORI AKTIENGESELLSCHAFT always act in accordance with good corporate governance and report on matters concerning corporate governance at DMG MORI AG in adherence to the German Corporate Governance Code. This is reflected in a responsible and transparent business management and corporate governance. Good corporate governance is an essential element of strategic thinking and action on all organizational levels throughout the group.

In November 2024, the Executive Board and Supervisory Board issued a Compliance Statement pursuant to Section 161 of the German Stock Corporation Act (AktG). This statement confirms that DMG MORI AG complied with the recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated 28 April 2022 and will continue to comply with them in the future, but with the following exception:

— **Exception: Recommendation G.10 of the German Corporate Governance Code**

In accordance with G.10 of the German Corporate Governance Code, the majority of the Executive Board remuneration is to be paid in the form of company shares or a corresponding share-based arrangement. DMG MORI AG is not implementing this recommendation, but is rather basing the long-term remuneration components of the Executive Board on performance indicators the Supervisory Board has found to bear significant relevance on the company’s success over the long term.

Share-based remuneration is not suitable for DMG MORI AG, as DMG MORI AKTIENGESELLSCHAFT, as a result of the domination and profit transfer agreement from 2 June 2016, is a dependent company whose shareholders have been promised compensation and settlement as part of the conclusion of the domination and profit transfer agreement. Thus, the Executive Board’s performance does not significantly affect the company’s share price performance and the latter is therefore not an appropriate means of measuring Executive Board long-term remuneration at DMG MORI AG.

DMG MORI AG fully complies with the non-mandatory suggestions of the German Corporate Governance Code. The current declaration of conformity and the Corporate Governance Report, together with the declarations of conformity from previous years, are permanently accessible on our website.

<sup>1</sup> <https://en.dmgmori-ag.com/investor-relations/corporate-governance/corporate-governance-overview>

Pursuant to Section 317 (2) sentence 6 German Commercial Code (HGB), the purpose of the audit of the statements made in the group declaration on corporate governance pursuant to Section 289f (2) and (5) and Section 315d German Commercial Code is limited to determining whether such statements have been made.

## Responsible Management of Opportunities and Risks

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For us, part of good corporate governance is the comprehensive and systematic management of opportunities and risks within corporate management. Group-wide risk management is based on an integrated governance, risk and compliance model (GRC model). Detailed information on the opportunities and risk management system can be found in the <sup>7</sup> **Opportunities and Risk Report**. We are not aware of any material circumstances from our reviews of internal control and risk management or from reports by internal audit that speak against the appropriateness and effectiveness of these systems.

## Cooperation between the Executive Board and Supervisory Board

The Executive Board and Supervisory Board work together closely in the best interest of the company. The Executive Board coordinates the strategic direction of the company with the Supervisory Board and informs the Supervisory Board regularly, timely and comprehensively about all questions pertaining to the strategy, business development, risk position, risk management and compliance that are of relevance for the company. Any deviations in the course of business from the established plans and goals adopted by the group are investigated and explained. The Executive Board forwards the half-year reports and quarterly releases to the Finance and Audit Committee and discusses these reports and releases with the Finance and Audit Committee before their publication. The Articles of Association and the Rules of Procedure require the Supervisory Board's approval for a wide range of business transactions proposed by the Executive Board.

page 87 et seqq.

The remuneration of both the members of the Supervisory Board and of the Executive Board is presented in detail in the <sup>7</sup> **Remuneration Report** – as part of the Business Report of the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT.

The Supervisory Board and Executive Board work together to ensure long-term succession planning. The Supervisory Board has set an age limit of 70 years for the (re-)appointment of Executive Board members.

## Composition Targets of the Supervisory Board

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The following section contains information marked with a bracket, which also deals with the specifically stated disclosure requirements of the ESRS. An overview of this information can be found in chapter Sustainability Report in table <sup>7</sup> T.40.

- The Supervisory Board should continue to be composed of the unchanged number of shareholder representatives with experience in the management or governance of companies with global operations;
- Consideration of employees from important areas of DMG MORI AG on the employee representatives' side;

- Knowledge about DMG MORI AG and key markets for DMG MORI AG, as well as knowledge about technical contexts and technology management should be taken into consideration;
- Specialist knowledge and experience in the application of accounting principles, internal monitoring procedures and compliance processes should be given consideration;
- At least two male and two female Supervisory Board members should be among the shareholder representatives as well as the employees' representatives;
- At least 50 % of all Supervisory Board members should be independent;
- Avoiding conflicts of interest;
- An upper age limit of 75 years at the time of election to the Supervisory Board should be observed; limit of five office terms;
- Nominations for future composition of the Supervisory Board should also look, in particular, to the interests of the company, while observing the aforementioned objectives.

The re-election of the Supervisory Board in May 2023 meant that the Supervisory Board again met its gender quota targets in financial year 2023. It also complied with recommendation C.7 of the German Corporate Governance Code on the independence of at least 50 % of Supervisory Board members. In the reporting year, the Supervisory Board reviewed the necessary qualifications and also defined the competencies for the entire board. Further details on this competency profile are shown in table T.20.

Taking into account the shareholder structure and the current domination and profit transfer agreement dated 2 June 2016, the shareholder representatives expect at least 3 members of the shareholder side to be independent (table T.20).

## T.20 QUALIFICATION MATRIX OF SUPERVISORY BOARD – PART 1: EMPLOYER REPRESENTATIVES

|  | Dr.-Eng.<br>Masahiko Mori | Ulrich Hocker          | Irene Bader            | Prof. Dr.-Ing.<br>Berend Denkena | Prof. Dr.<br>Annette Köhler | James Victor<br>Nudo   |
|--|---------------------------|------------------------|------------------------|----------------------------------|-----------------------------|------------------------|
| <b>Tenure</b>  |                           |                        |                        |                                  |                             |                        |
| Joined Board in  | 2009/09/06                | 2010/05/11             | 2016/05/24             | 2013/05/17                       | 2017/05/06                  | 2018/05/04             |
| Elected until  | AGM 2027 <sup>2)</sup>    | AGM 2027 <sup>2)</sup> | AGM 2027 <sup>2)</sup> | AGM 2027 <sup>2)</sup>           | AGM 2027 <sup>2)</sup>      | AGM 2027 <sup>2)</sup> |
| <b>Personal Suitability</b>                                    |                           |                        |                        |                                  |                             |                        |
| Independence <sup>1)</sup>                                     |                           | •                      |                        | •                                | •                           |                        |
| No Overboarding <sup>1)</sup>                                  | •                         | •                      | •                      | •                                | •                           | •                      |
| <b>Diversity</b>   |                           |                        |                        |                                  |                             |                        |
| Gender   | male                      | male                   | female                 | male                             | female                      | male                   |
| Nationality  | Japanese                  | German                 | Austrian               | German                           | German                      | US-American            |
| Date of birth  | 1961/09/16                | 1950/11/06             | 1979/01/01             | 1959/11/05                       | 1967/01/13                  | 1954/05/30             |
| <b>Professional Suitability</b>                                |                           |                        |                        |                                  |                             |                        |
| Technology and knowledge of<br>mechanical engineering industry | •                         |                        | •                      | •                                |                             |                        |
| Strategy   | •                         | •                      | •                      | •                                | •                           | •                      |
| Accounting   |                           | •                      |                        |                                  | •                           |                        |
| Auditing   |                           | •                      |                        |                                  | •                           |                        |
| Law/Regulation   |                           | •                      |                        |                                  | •                           | •                      |
| Personnel/co-determination/<br>remuneration                    | •                         | •                      |                        | •                                |                             | •                      |
| Corporate Governance/<br>Internal processes                    |                           | •                      |                        | •                                | •                           | •                      |
| Compliance   |                           | •                      |                        |                                  | •                           | •                      |
| Digitization   | •                         |                        |                        | •                                |                             |                        |
| ESG/Sustainability/<br>Social and labor conditions             | •                         |                        |                        | •                                | •                           |                        |
| <b>International Experience</b>                                |                           |                        |                        |                                  |                             |                        |
| Germany  | •                         | •                      | •                      | •                                | •                           |                        |
| Europe   | •                         | •                      | •                      | •                                | •                           | •                      |
| Asia   | •                         | •                      | •                      | •                                |                             | •                      |
| America  | •                         | •                      | •                      | •                                |                             | •                      |

1) with the meaning of Corporate Governance Code

2) Annual General Meeting that will decide on the discharge for the financial year 2027 (probably in spring 2028)

• Criterion met, based on a self-assessment by the Supervisory Board. One point means at least "good knowledge" and thus the ability to understand the relevant issues well and make informed decisions based on existing qualifications, the knowledge and experience acquired in the course of work as a member of the Supervisory Board (for example, many years of service on the Audit Committee) or the training measures regularly attended by all members of the Supervisory Board.

ESRS 2 GOV-1

ESRS 2 GOV-1 – G1

Content which should also cover the requirements of the specified ESRS disclosure requirements.

## T.20 QUALIFICATION MATRIX OF SUPERVISORY BOARD – PART 2: EMPLOYEE REPRESENTATIVE

|   | Tanja Fondel           | Stefan Stetter         | Dietmar Jansen         | Thomas Reiter          | Larissa Schikowski     | Michaela Schroll       |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Tenure</b>   |                        |                        |                        |                        |                        |                        |
| Joined Board in   | 2018/01/19             | 2018/05/04             | 2013/05/17             | 2023/05/12             | 2018/05/04             | 2018/05/04             |
| Elected until   | AGM 2027 <sup>2)</sup> |
| <b>Personal Suitability</b>                                 |                        |                        |                        |                        |                        |                        |
| Independence <sup>1)</sup>                                  | •                      | •                      | •                      | •                      | •                      | •                      |
| No overboarding <sup>1)</sup>                               | •                      | •                      | •                      | •                      | •                      | •                      |
| <b>Diversity</b>  |                        |                        |                        |                        |                        |                        |
| Gender  | female                 | male                   | male                   | male                   | female                 | female                 |
| Nationality   | German                 | German                 | German                 | German                 | German                 | German                 |
| Date of birth   | 1976/07/27             | 1968/12/30             | 1965/08/23             | 1969/08/25             | 1969/08/19             | 1976/02/16             |
| <b>Professional Suitability</b>                             |                        |                        |                        |                        |                        |                        |
| Technology and knowledge of mechanical engineering industry | •                      | •                      | •                      | •                      |                        | •                      |
| Strategy  |                        | •                      |                        |                        |                        | •                      |
| Accounting  |                        | •                      |                        |                        | •                      |                        |
| Auditing  |                        | •                      | •                      |                        |                        |                        |
| Law/Regulation  |                        |                        |                        |                        |                        |                        |
| Personnel/co-determination/remuneration                     | •                      | •                      | •                      | •                      | •                      | •                      |
| Corporate Governance/Internal processes                     |                        | •                      | •                      |                        |                        |                        |
| Compliance  |                        | •                      |                        | •                      | •                      |                        |
| Digitization  | •                      |                        | •                      | •                      |                        | •                      |
| ESG/Sustainability/Social and labor conditions              | •                      | •                      | •                      | •                      | •                      | •                      |
| <b>International Experience</b>                             |                        |                        |                        |                        |                        |                        |
| Germany   | •                      | •                      | •                      | •                      | •                      | •                      |
| Europe  | •                      | •                      |                        |                        |                        |                        |
| Asia  |                        | •                      |                        |                        |                        |                        |
| America   |                        |                        |                        |                        |                        |                        |

1) with the meaning of Corporate Governance Code

2) Annual General Meeting that will decide on the discharge for the financial year 2027 (probably in spring 2028)

• Criterion met, based on a self-assessment by the Supervisory Board. One point means at least "good knowledge" and thus the ability to understand the relevant issues well and make informed decisions based on existing qualifications, the knowledge and experience acquired in the course of work as a member of the Supervisory Board (for example, many years of service on the Audit Committee) or the training measures regularly attended by all members of the Supervisory Board.

ESRS 2 GOV-1

ESRS 2 GOV-1 – G1

Content which should also cover the requirements of the specified ESRS disclosure requirements.

## Diversity

The diversity culture lived out at DMG MORI AG allows our employees to become involved e. g. in the group's international projects. This cultural exchange promotes personnel diversity and improves performance. At DMG MORI AG, all employees and applicants are treated and valued equally, regardless of nationality or ethnic origin, gender, age, religion, sexual orientation or physical impairment. The Executive Board has manifested this equal opportunity through the Code of Conduct of DMG MORI.

In the reporting year, the Supervisory Board of DMG MORI AG was composed of five female (42 %) and seven male (58 %) members. Overall, the Supervisory Board members belong to four different nationalities. The average age was 58 years.

In the reporting year, the Executive Board was composed exclusively of male members. Overall, the Executive Board members belong to two different nationalities. After the resignation of Michael Horn as of 31 March 2024, the average age was 68 years.

#### T.21 QUALIFICATION MATRIX OF EXECUTIVE BOARD

|   | Alfred<br>Geißler | Hirotake<br>Kobayashi |
|---|-------------------|-----------------------|
| <b>Tenure</b>   |                   |                       |
| Joined Board in   | 2023/05/26        | 2024/01/01            |
| <b>Diversity</b>  |                   |                       |
| Gender  | male              | male                  |
| Nationality   | German            | Japanese              |
| Date of birth   | 1958/04/17        | 1954/12/25            |
| <b>Professional suitability</b>                             |                   |                       |
| Technology and knowledge of mechanical engineering industry | •                 |                       |
| Strategy  | •                 | •                     |
| Accounting  |                   | •                     |
| Auditing  |                   | •                     |
| Law/regulation  |                   | •                     |
| Personnel/co-determination/remuneration                     | •                 | •                     |
| Corporate governance/internal processes                     |                   | •                     |
| Compliance  |                   | •                     |
| Digitization  | •                 |                       |
| ESG/sustainability/social and labor conditions              | •                 |                       |
| <b>International experience</b>                             |                   |                       |
| Germany   | •                 | •                     |
| Europe  | •                 | •                     |
| Asia  | •                 | •                     |
| America   | •                 | •                     |

• Criterion met, based on a self-assessment by the Supervisory Board. One point means at least "good knowledge" and thus the ability to understand the relevant issues well and make informed decisions based on existing qualifications or the knowledge and experience acquired in the course of work as a board member.

ESRS 2 GOV-1

ESRS 2 GOV-1 – G1

Content of the Group Business Report, which should also cover the requirements of the specified ESRS disclosure requirements.

### Statutory Gender Quota Requirements

Taking into account the Act on Equal Participation of Men and Women in Executive Positions in Private Business and the Public Sector, the Supervisory Board passed a resolution on 5 May 2022 specifying that a quota of 20% of the Executive Board of DMG MORI AKTIENGESELLSCHAFT is to be occupied by female members of staff by 30 June 2027.

As a result of flat hierarchies, there is only one management level below that of the Executive Board at DMG MORI AKTIENGESELLSCHAFT. On 13 June 2022, the Executive Board agreed on a target female quota of 15% for this management level. This target is to be achieved by 30 June 2027.

With regard to the Supervisory Board, the statutory quota of 30% has been met consistently since the Supervisory Board elections in 2023. The shareholders' and employees' representatives have decided to meet the legal requirements separately from each other. Two female members have been among the shareholder representatives of the Supervisory Board since the Supervisory Board's election. This corresponds to a quota of 33%. Three female Supervisory Board members have been among the employees' representatives since the Supervisory Board's elections. This corresponds to a quota of 50%.

### **Prevention of Conflicts of Interest**

Members of the Executive Board and Supervisory Board are obliged to act in the best interests of the company. The members of the Executive Board and of the Supervisory Board are prohibited from pursuing personal interests in their decisions and in connection with their office, from pursuing business opportunities the company is entitled to for their own interests, and from granting undue advantages to other persons. Any conflicts of interest that may arise from these and other situations must be immediately disclosed to, assessed by and if necessary, authorized by the Supervisory Board. The Supervisory Board reports to the Annual General Meeting on any conflicts of interest and how they are dealt with.

### **Shareholders and Annual General Meeting**

Our shareholders exercise their rights at the occasion of the Annual General Meeting. The Annual General Meeting adopts resolutions, among others, on the granting of discharge to the Supervisory Board and Executive Board, as well as on the election of the auditor of the annual financial statements and proposed amendments of the Articles of Association. In the reporting year, shareholders were able to personally exercise their voting rights at virtual Annual General Meeting. Shareholders who are unable to attend a virtual Annual General Meeting are offered the option of appointing an authorized representative of their choosing to exercise their voting rights on their behalf, or to assign them to a proxy who must exercise them in accordance with their instructions. It is also possible to obtain timely information about the Annual General Meeting online. All documents and information are made available to our shareholders online well ahead of the meeting date.

### **Transparency**

We aspire to ensure corporate communications that offer the greatest possible transparency and currency for all target groups, including shareholders, investors, business partners, employees and the general public. Our website is continuously updated with information on the company's current affairs. Press releases, quarterly releases, financial reports and a detailed financial calendar are also published on the website.

## Compliance

We are aware of our responsibility towards our business partners, shareholders and employees, as well as to the environment and to the society. With their best interest in mind, we are firmly committed to clear principles and values. This particularly includes the adherence to and compliance with statutory requirements and regulatory standards, voluntary commitments and our internal policies. Our compliance management system is tasked with warranting our continued alignment with our principles and values. Further information about our compliance management system can be found in the 2024 Sustainability Statement in accordance with CSRD guidelines and on our website.

## Accounting and Annual Audit

For the reporting year, it was agreed with the financial auditing firm, PwC Pricewaterhouse-Coopers GmbH, Frankfurt am Main, that the Chairman of the Supervisory Board and the Chairwoman of the Finance and Audit Committee are to be immediately informed of any reasons for exclusion or bias that arise during the audit and cannot be remedied. In addition, the auditor shall also immediately report any findings and events that arise during the audit of the financial statements and consolidated financial statements that have a significant bearing on the work of the Supervisory Board. Moreover, the auditor informs the Supervisory Board, or points out in the audit report, any circumstances that are inconsistent with the declaration of conformity issued by the Executive Board and Supervisory Board under the Corporate Governance Code.

## Insurance for members of the Supervisory Board and the Executive Board of DMG MORI AG

The group has taken out D & O insurance policies (management liability insurance) and legal expenses insurance policies for members of the Supervisory Board, Executive Board members and Managing Directors. The D & O insurance contains the deductible provided for in the code or in the pertinent statutory provisions.

## Shareholdings of the Executive Board and Supervisory Board Members

Only one member of the Supervisory Board holds a significant indirect interest in DMG MORI AKTIENGESELLSCHAFT. Dr. Eng. Masahiko Mori holds shares in DMG MORI COMPANY LIMITED (Nara, Japan). DMG MORI COMPANY LIMITED indirectly holds 88.93 % interest in the share capital of DMG MORI AKTIENGESELLSCHAFT. Hence, Dr. Eng. Masahiko Mori is holding an indirect interest in DMG MORI AKTIENGESELLSCHAFT.

Pursuant to Section 19 MMVO (German Market Abuse Regulations), members of the Supervisory Board and Executive Board, as well as other individuals, who are subject to reporting requirements, must notify both the company and the Federal Financial Supervisory Authority whenever they buy or sell, among others, shares or other securities of the company. The company is then required to immediately publish a corresponding notification. The relevant notices made by DMG MORI AKTIENGESELLSCHAFT can be accessed at any time on the company's website.

## Remuneration Report

The remuneration system and remuneration of the Supervisory Board and the Executive Board for financial year 2024 are presented in the following report. The Executive Board and the Supervisory Board are responsible for the annual preparation of the remuneration report according to Section 162 of the German Stock Corporation Act (AktG). In accordance with Section 162 (1) sentence 2 no. 1 AktG, remuneration is reported in the financial year in which the activity on which the remuneration is based was completed in full.

### Approval of the Remuneration Report by the Annual General Meeting 2024

At the Annual General Meeting on 30 April 2024, the remuneration report for financial year 2023, prepared and audited in accordance with Section 162 AktG, was approved by 97.96 %. There were no aspects to be considered with regard to the remuneration system or its implementation in the remuneration report.

### Supervisory Board Remuneration

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The following section contains typical business report information marked with a bracket, which also deals with the specifically stated disclosure requirements of the ESRS. An overview of this information can be found in chapter Sustainability Report in table <sup>7</sup>T.40.

The Supervisory Board's remuneration is determined by the Annual General Meeting and governed by Section 12 of the Articles of Association of DMG MORI AKTIENGESELLSCHAFT. The remuneration system for the Supervisory Board was approved by the Annual General Meeting 2021 in accordance with Section 113 AktG. The components of the Supervisory Board remuneration include the fixed remuneration that each member of the Supervisory Board receives, compensation for committee work, as well as attendance fees for meetings.

In financial year 2024, the fixed remuneration entitlement of each individual Supervisory Board member amounted to € 60,000. The chairman is entitled to the 2.5 times this amount (€ 150,000). The Chairman of the Supervisory Board Dr. Eng. Masahiko Mori as well as James V. Nudo and Irene Bader have waived their complete Supervisory Board remuneration. The vice chairman is entitled to 1.5 times this amount (€ 90,000). The entitlement from the base remuneration amounted to € 630,000 in total (previous year: € 630,000).

The remuneration entitlements for committee work totaled € 252,000 (previous year: € 252,000) and took into consideration the work performed in the Finance and Audit Committee, in the Personnel, Nomination and Remuneration Committee and in the Committee for Transactions with Related Parties. The individual committee members were entitled to € 18,000. The committee chairpersons received an additional fixed remuneration of € 18,000.

The members of the Supervisory Board and its committees receive an attendance fee of € 1,500 for each Supervisory Board and committee meeting they attend as a member.

In financial year 2024, the total remuneration paid to the Supervisory Board amounted to € 996,000 (previous year: € 1,009,500). The total base remuneration and committee remuneration amounted to € 882,000 (previous year: € 882,000). The meeting attendance fees amounted to € 114,000 (previous year: € 127,500).

## T.22 REMUNERATION GRANTED AND PAYABLE TO THE SUPERVISORY BOARD

| in €   | Base remuneration | Committee remuneration Finance and Audit committee (F&A) | Committee remuneration: Personnel, Nomination and Remuneration Committee (PNR) | Committee remuneration: Committee for Transactions with Related Parties (TRP) | Base remuneration and committee remuneration total | Meeting attendance fees | Total remuneration            |
|--|-------------------|--|--|---|--|-------------------------|-------------------------------|
| <b>Dr. Eng. Masahiko Mori</b> <sup>1)</sup><br>Chairman of the Supervisory Board<br>Chairman PNR | -                 | -  | -  | -   | -  | -                       | 0                             |
| <b>Ulrich Hocker</b> <sup>2)</sup><br>Deputy chairman SB<br>Chairman TRP                         | 90,000            | 0  | 18,000   | 36,000  | 144,000  | 13,500                  | 157,500                       |
| <b>Irene Bader</b> <sup>3)</sup>   | -                 | -  | -  | -   | -  | -                       | 0                             |
| <b>Prof. Dr.-Ing. Berend Denkena</b> <sup>4)</sup>   | 60,000            | 0  | 0  | 18,000  | 78,000   | 10,500                  | 88,500                        |
| <b>Prof. Dr. Annette Köhler</b><br>Chairwoman F&A  | 60,000            | 36,000   | 0  | 0   | 96,000   | 15,000                  | 111,000                       |
| <b>James Victor Nudo</b> <sup>5)</sup>   | -                 | -  | -  | -   | -  | -                       | 0                             |
| <b>Tanja Fondel</b> <sup>6) 12)</sup><br>1 <sup>st</sup> Deputy chair                            | 90,000            | 0  | 18,000   | 0   | 108,000  | 7,500                   | 115,500                       |
| <b>Stefan Stetter</b> <sup>7)</sup><br>Deputy chairman SB  | 90,000            | 18,000   | 0  | 18,000  | 126,000  | 19,500                  | 145,500                       |
| <b>Dietmar Jansen</b> <sup>8) 12)</sup>  | 60,000            | 18,000   | 0  | 0   | 78,000   | 12,000                  | 90,000                        |
| <b>Thomas Reiter</b> <sup>9) 12)</sup>   | 60,000            | 0  | 18,000   | 0   | 78,000   | 9,000                   | 87,000                        |
| <b>Larissa Schikowski</b> <sup>10)</sup>   | 60,000            | 0  | 18,000   | 0   | 78,000   | 9,000                   | 87,000                        |
| <b>Michaela Schroll</b> <sup>11) 12)</sup>   | 60,000            | 18,000   | 0  | 18,000  | 96,000   | 18,000                  | 114,000                       |
| <b>Total amount</b>  | <b>630,000</b>    | <b>90,000</b>  | <b>72,000</b>  | <b>90,000</b>   | <b>882,000</b>                                     | <b>114,000</b>          | <b>996,000</b> <sup>13)</sup> |

1) Dr. Eng. Masahiko Mori is also a member of the F&A, Nomination and Mediation Committees. Dr. Eng. Masahiko Mori waives his Supervisory Board remuneration in full. Thus, Dr. Eng. Masahiko Mori has not received any Supervisory Board remuneration for 2024.

2) Ulrich Hocker is also a member of the PNR as well as of the Nomination and the Mediation Committee.

3) Irene Bader waives her Supervisory Board remuneration in full. Thus, Irene Bader has not received any Supervisory Board remuneration for 2024.

4) Prof. Dr.-Ing. Berend Denkena is a member of the TRP.

5) James Victor Nudo is a member of the F&A, PNR and Nomination Committee. James Victor Nudo waives his Supervisory Board remuneration in full. Thus, James Victor Nudo has not received any Supervisory Board remuneration for 2024.

6) Tanja Fondel is a member of the PNR and the Mediation Committee.

7) Stefan Stetter is a member of the F&A and TRP as well as the Mediation Committee. Mr. Stetter transfers a significant part of his remuneration for his Supervisory Board activities to various charitable organizations.

8) Dietmar Jansen is a member of the F&A.

9) Thomas Reiter is a member of the PNV.

10) Larissa Schikowski is a member of the PNV. Ms. Schikowski transfers a significant part of her remuneration for her Supervisory Board activities to various charitable institutions.

11) Michaela Schroll is a member of the F&A and TRP Committees.

12) These employee representatives transfer a significant or the majority of their remuneration for their Supervisory Board activities to the Hans Böckler Foundation, Düsseldorf.

13) The total amount corresponds to the expenses of DMG MORI AKTIENGESELLSCHAFT for 2024.

### ESRS 2 GOV-1

The content of the Group Business Report, which should also cover the requirements of the specified ESRS disclosure requirements.

As the remuneration of the members of the Supervisory Board is not composed of variable but solely of fixed components, it is not necessary to determine a maximum total remuneration for the members of the Supervisory Board.

In the reporting year, no loans and advances were granted to members of the Supervisory Board of DMG MORI AKTIENGESELLSCHAFT.

### Comparison of annual change in Supervisory Board remuneration

Table T.23 shows a comparison of the percentage change in the remuneration of Supervisory Board members with the earnings performance (EAT) of DMG MORI AKTIENGESELLSCHAFT and the average remuneration of the employees on a full-time basis compared to the previous year.

#### T.23 COMPARISON OF ANNUAL CHANGE IN SUPERVISORY BOARD REMUNERATION

| in %  | 2021 against<br>2020 | 2022 against<br>2021 | 2023 against<br>2022 | 2024 against<br>2023 |
|---|----------------------|----------------------|----------------------|----------------------|
| Dr. Eng. Masahiko Mori <sup>1)</sup>            | -                    | -                    | -                    | -                    |
| Ulrich Hocker                                   | +8.5 %               | +8.2 %               | +0.9 %               | -1.9 %               |
| Irene Bader <sup>2)</sup>                       | -                    | -                    | -                    | -                    |
| Prof. Dr.-Ing. Berend Denkena                   | +4.4 %               | +13.2 %              | +/-0.0 %             | -1.7 %               |
| Prof. Dr. Annette Köhler                        | +3.6 %               | +4.3 %               | +1.4 %               | +/-0.0 %             |
| James Victor Nudo <sup>3)</sup>                 | -                    | -                    | -                    | -                    |
| Tanja Fondel                                    | +2.3 %               | +9.3 %               | +25.0 %              | +4.4 %               |
| Stefan Stetter                                  | +5.2 %               | +8.9 %               | -1.0 %               | +/-0.0 %             |
| Dietmar Jansen                                  | +0.4 %               | +5.3 %               | -3.3 %               | +3.4 %               |
| Thomas Reiter                                   | -                    | -                    | -                    | +60.2 %              |
| Larissa Schikowski                              | +2.3 %               | +9.3 %               | +3.4 %               | -4.9 %               |
| Michaela Schroll                                | +6.6 %               | +5.6 %               | +1.3 %               | -1.3 %               |
| EAT (DMG MORI AG group) <sup>4)</sup>           | +64 %                | +79 %                | +6 %                 | -46 %                |
| EAT (DMG MORI AKTIENGESELLSCHAFT) <sup>5)</sup> | +8 %                 | +400 %               | +1 %                 | -64 %                |
| Average employee remuneration <sup>6)</sup>     | +2 %                 | +3 %                 | +4 %                 | +4 %                 |

1) Dr. Eng. Masahiko Mori has not received any Supervisory Board remuneration for 2024.

2) Irene Bader has not received any Supervisory Board remuneration for 2024.

3) James Victor Nudo has not received any Supervisory Board remuneration for 2024.

4) 2024: € 87.5 million / 2023: € 163.2 million / 2022: € 153.4 million / 2021: € 85.6 million / 2020: € 52.1 million

5) 2024: € 53.4 million (under HGB) / 2023: € 147.5 million (under HGB) / 2022: € 146.5 million (under HGB) / 2021: € 29.3 million (under HGB) / 2020: € 27.1 million (under HGB)

6) Employee remuneration in Germany in the respective financial year (excluding Executive Board, trainees, apprentices and temporary staff / students).

### Executive Board Remuneration

The remuneration system for the Executive Board is determined by the Supervisory Board. The Personnel, Nomination and Remuneration Committee develops recommendations for the Executive Board remuneration system, which the Supervisory Board also discusses and decides on in detail.

The Personnel, Nomination and Remuneration Committee regularly reviews the Executive Board's remuneration system and presents relevant proposals to the Supervisory Board. The remuneration system is resubmitted to the Annual General Meeting for approval after significant changes, and in any case every four years.

The remuneration system for the Executive Board of DMG MORI AKTIENGESELLSCHAFT is geared to promoting implementation of the company's business strategy and the sustainable and long-term development of the company. This is achieved in compliance with the statutory requirements and in consideration of competitive aspects. The remuneration system was

prepared by the Supervisory Board by resolution of 24 November 2023 on the legal basis of the Implementation of the Shareholders' Rights Directive (ARUG II) and approved by the 122<sup>nd</sup> Annual General Meeting on 30 April 2024.

### **Essential Elements of the Remuneration System**

The system's fundamental structure abides by the following guiding principles:

- a. Extraordinary performances and successes should be rewarded adequately, while target shortfalls should result in a substantial reduction in remuneration ("pay-for-performance-orientation").
- b. The collective performance of the Executive Board members should be promoted without constraining the entrepreneurial discretion of the individual members in their respective portfolio remits. Since important strategic goals can only be achieved in an interdisciplinary approach with the collaboration of all Executive Board members, short and long-term remuneration components result from different performance indicators to which the Executive Board members contribute.
- c. The remuneration system for the Executive Board members is consistently adaptable to the remuneration systems for other management and staff levels within the group.
- d. The remuneration of the Executive Board members should conform with market standards and reflect the size, complexity and strategic direction as well as economic situation of the company.

This forms the basis on which Executive Board members are offered a competitive and market value remuneration package that keeps within the regulatory requirements and promotes the sustainable work of the Executive Board. This is intended to secure the best possible candidates for the Executive Board of DMG MORI AG, both now and in the future.

The remuneration system adopted by the Supervisory Board conforms with the current requirements under the German Stock Corporation Act and in all essential aspects with the recommendations made in the German Corporate Governance Code (DCGK), with the exception that the long-term remuneration component is not share-based. In view of both the current domination and profit transfer agreement between DMG MORI AKTIENGESELLSCHAFT and DMG MORI Europe Holding GmbH, a wholly-owned subsidiary of DMG MORI COMPANY LIMITED and the low free float of the company's share, it was decided not to implement a remuneration component paid in shares or a share-based remuneration component.

### **Adequacy of the Executive Board remuneration**

Following preparation by the Personnel, Nomination and Remuneration Committee, the Supervisory Board determines the amount of total target remuneration for the upcoming financial year for each Executive Board member based on the remuneration system. The total target remuneration for each Executive Board member is the sum of the base remuneration, the STI for 100 % target achievement, the LTI for 100 % target achievement and the pension contribution.

In addition to being reasonably proportionate to the duties and performances of the Executive Board members, this in particular gives consideration to the economic position, the market environment, the success and the future prospects of the company. The Supervisory Board pays particular attention to assuring that the total target remuneration conforms with market standards. Market conformity is assessed on the basis of the following points:

External benchmarking (horizontal conformity): The market conformity of the total remuneration is assessed on the basis of remuneration data from the 90 largest listed companies in Germany with DAX and MDAX listings. This horizontal market benchmarking considers the market position, size and complexity of DMG MORI AG with special emphasis on the position of the company within the comparison group (e. g., on the basis of performance indicators such as sales revenues, number of employees and earnings per share).

Internal benchmarking (vertical conformity): In addition to the above, the development of the Executive Board's remuneration in proportion to the remuneration of the employees of DMG MORI AG is considered in an internal (vertical) benchmarking process. This comparison determines the proportion of the Executive Board's remuneration to the remuneration paid to the upper management and other employees and subjected to a market comparison.

The determination of the total target remuneration gives special credit to the individual Executive Board member's function. The chairperson of the Executive Board, in particular, is awarded a higher total remuneration than the other Executive Board members.

### **Malus and Clawback Provisions**

The Supervisory Board may withhold or demand repayment of the short-term and the long-term variable remuneration in the case of serious breaches of duty or compliance infringements. The same applies in cases of serious unethical conduct.

In cases of grossly negligent or intentional breaches of a duty of care by a diligent business manager pursuant to Section 93 (1) AktG the company is further authorized to demand the Executive Board member repay all or part of the variable remuneration components (STI and/or LTI) paid for the relevant assessment period in which the breach of duty took place, or to withhold such payment before its remittance.

A claim for repayment also arises if the Executive Board member's office tenure or employment has already ended at the time repayment is demanded. This is without prejudice to claims for damages against the Executive Board member.

### Early resignation of Executive Board Members

If an Executive Board member resigns upon request by the Supervisory Board due to reasons not attributable to the Executive Board member's person or conduct, all outstanding LTI tranches will be paid to the member at the end of the initially agreed performance period. The same applies if an Executive Board member resigns from the Executive Board for other reasons outside of his responsibility (e.g. regular expiry or mutually agreed termination of the employment contract, or other contractually recognized reasons for resignation). This also includes the transition into early retirement and the Executive Board member's rejection of an offer of reappointment.

If the company terminates an Executive Board member's employment for good cause, or if the Executive Board member terminates his employment contract without proper cause ("bad leaver"), all outstanding LTI allocations where the three-year reference period has not yet ended will be forfeited.

### Components of the Remuneration System

The following section contains typical business report information marked with a bracket, which also deals with the specifically stated disclosure requirements of the ESRS. An overview of this information can be found in chapter Sustainability Report in table <sup>7</sup>T.40.

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The remuneration of the Executive Board members of DMG MORI AKTIENGESELLSCHAFT consists of fixed and variable remuneration components. The fixed, non-performance-based remuneration consists of a base remuneration ("fixed amount"), fringe benefits and pension entitlements (in particular to the contribution-based retirement provisions). The short-term variable remuneration (STI) and the long-term variable remuneration (LTI) are performance-based variable amounts that depend on the achievement of specific measurable targets.

#### a) Fixed remuneration components

The fixed remuneration forms the basis for recruiting and retaining the highly qualified Executive Board members needed for the group's further development and implementation of its corporate strategy.

The fixed remuneration consists of the base remuneration, fringe benefits and pension entitlements (contribution-based retirement provisions).

**Base remuneration:** Each Executive Board member receives a fixed base remuneration. This is paid in twelve monthly installments.

**Fringe benefits:** Fringe benefits and their maximum amounts are determined for each Executive Board member. These fringe benefits mainly include non-cash benefits from the company and other fringe benefits, particularly the provision of a company car but also insurance coverage.

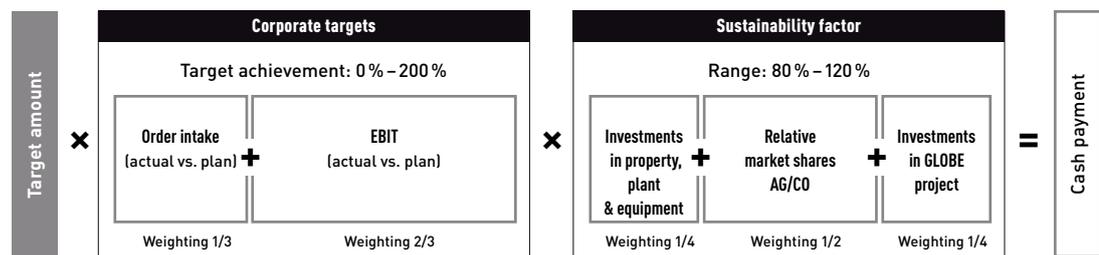
**Retirement provisions:** Each Executive Board member is granted a payment that must be used to add to his personal retirement provisions. The payment is for a certain amount to be invested in an external pension scheme (contribution-based retirement provision).

### b) Short-term variable incentive (STI)

The STI is intended to motivate Executive Board members to achieve challenging and demanding financial, operational and strategic targets in the financial year. These targets reflect the corporate strategy of DMG MORI AG and aim at increasing the earnings and market position of the company. The one-year variable remuneration is linked to the achievement of key group figures in the respective financial year, particularly as it is connected to order intake and EBIT. An individual target amount is set for each member of the Executive Board. The target amount represents the initial value for determining performance-related payment after the end of the assessment period. A payment claim only arises at the end of the one-year assessment period and depends on if and how the targets have been achieved.

The STI system is based on two target dimensions, which are assigned different weightings and can be adjusted through so called sustainability factors ("modifiers"). This considers both the market position (measured by the performance indicator "order intake"), as well as the earnings position (measured by the performance indicator "EBIT"). These company-specific targets are modified by a sustainability factor ("modifier"), which moves within a bandwidth from 80 % to 120 %. The sustainability factor is intended to reward the Executive Board's actions and successes that have made a contribution to sustainably securing the company's success.

#### G.24 SHORT-TERM-INCENTIVE (STI) DIAGRAM

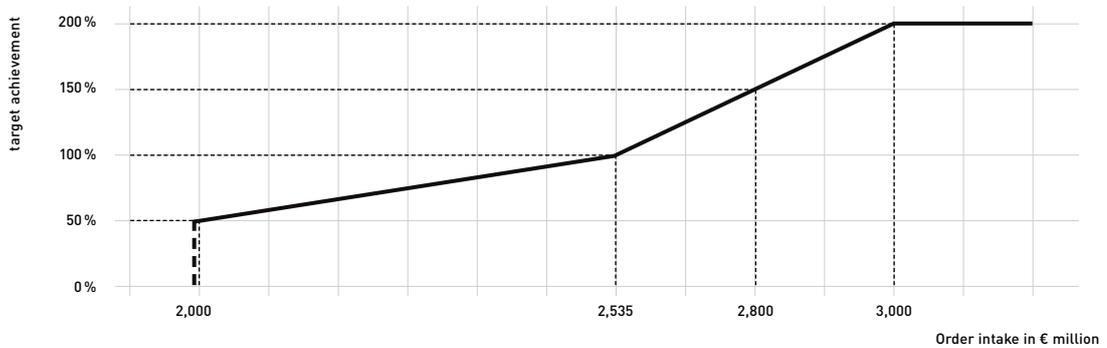


The target achievement levels for the STI 2024 result from the following key figures and factors for 2024 and are determined using the same criteria for all Executive Board members:

**Order intake** is weighted at 1/3. This means that the STI includes one of the key financial figures of DMG MORI AG. The order intake component of the STI must reach a floor before it becomes relevant to bonus payments. This floor is a target achievement of 50%. Reaching the target amount corresponds to a target achievement of 100%. The component does not increase any further once a cap has been reached. This cap is a target achievement of 200%.

The following figure shows further target achievement details:

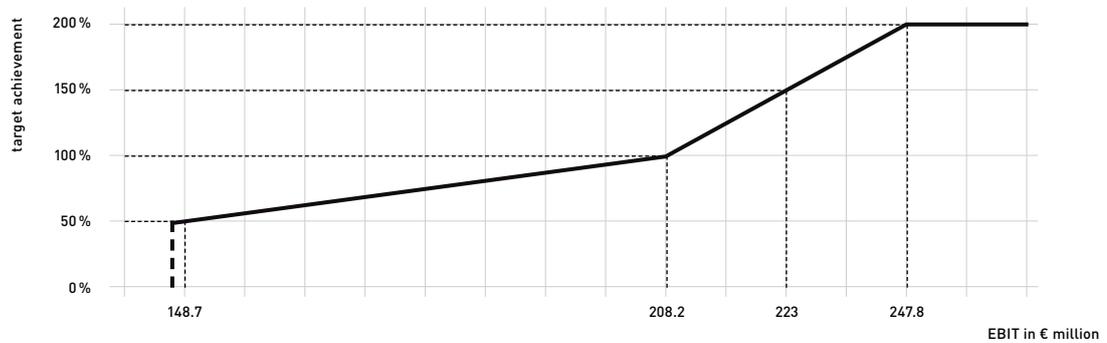
#### G.25 STI: TARGET ACHIEVEMENT ORDER INTAKE 1/3



**EBIT** is weighted at 2/3. This means that the STI includes another key financial figure of DMG MORI AG. The EBIT component of the STI must reach a floor before becoming relevant to bonus payments. This is a target achievement of 50%. Reaching the target amount corresponds to a target achievement of 100%. The consideration of a bonus ends once a cap has been reached. This is a target achievement of 200%.

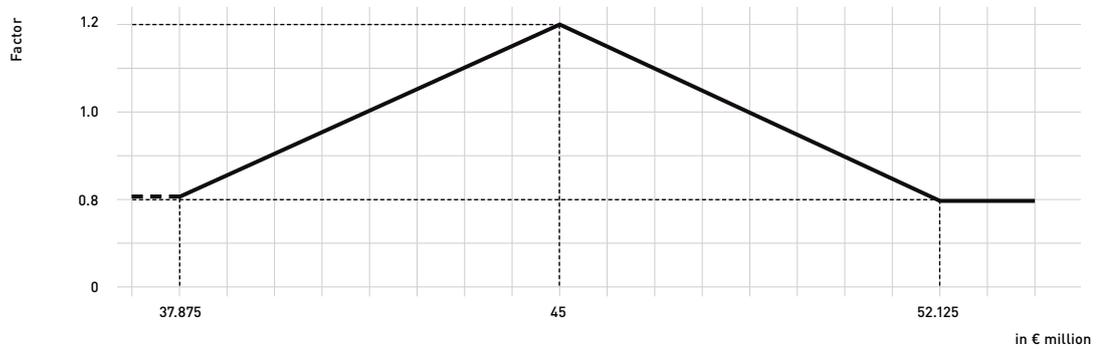
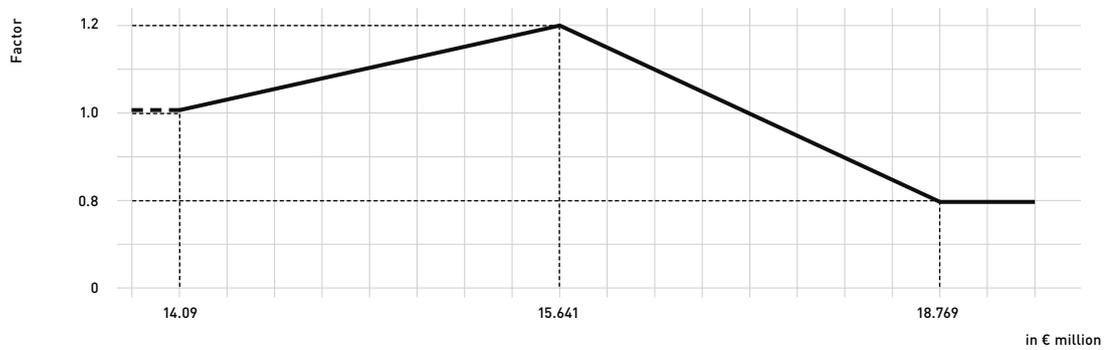
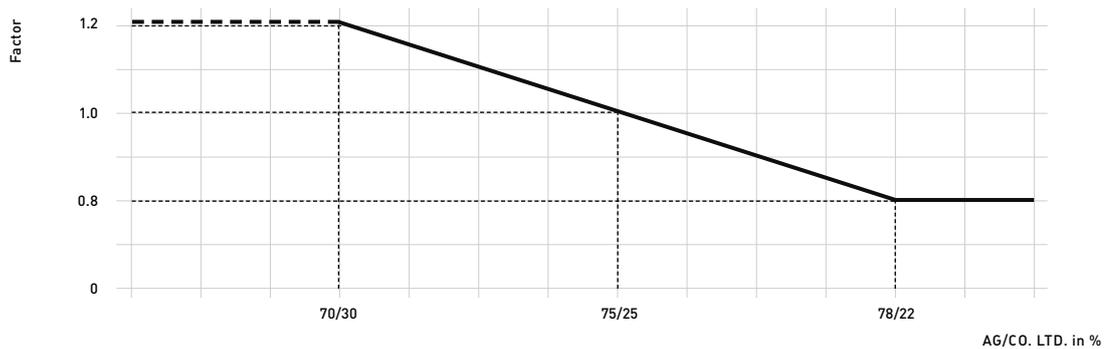
The following figure shows further target achievement details:

#### G.26 STI: TARGET ACHIEVEMENT EBIT 2/3



The remuneration resulting from the achievement of targets is adjusted by three sustainability factors ("modifiers") defined as part of the bonus payment (80%-120%). These goals, on which the sustainability factor is based, include investments in property, plant and equipment, investments for the GLOBE project (SAP implementation) and the development of internal market shares and positions (order intake ratio for the DMG MORI AG group and DMG MORI COMPANY LIMITED). All sustainability factors can reach a level of 80%-120%. The factors, investments in property, plant and equipment and investments for the GLOBE project are each weighted at 25%. The factor, development of internal market shares and positions is weighted at 50%. They are intended to boost the Executive Board's efforts aimed at a sustainable management that delivers future growth.

The following graphics show further details on target achievement:

**G.27 STI: TARGET ACHIEVEMENT INVESTMENTS IN TANGIBLE ASSETS (1/4)****G.28 STI: TARGET ACHIEVEMENT GLOBE INVEST 2024 (1/4)****G.29 STI: TARGET ACHIEVEMENT INTERNAL MARKET SHARE AG / CO. LTD. (1/2)****c) Long-term variable incentive (LTI)**

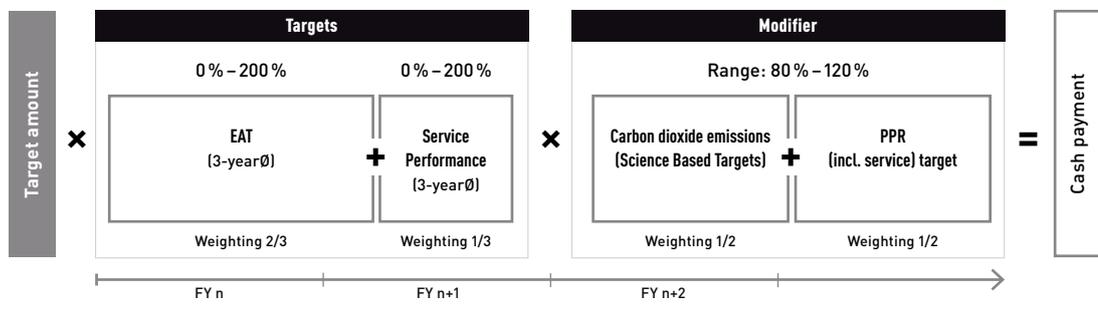
The Executive Board's work is focused on a long-term, sustainable commitment to DMG MORI AG. It is the only way to promote sustainable growth and achieve a permanent increase in value. The three-year performance period helps to ensure that the Executive Board's decisions in the current financial year are also focused on the company's long-term development.

Benefits from the LTI program are paid in cash on the basis of an indicator-based remuneration determined over an assessment period of three years ("performance period"). These benefits are paid in annual tranches.

The LTI is based on two financial targets as well as measurable sustainability targets that are expressed in the form of a "modifier". The financial performance criteria represent the key management ratios of DMG MORI AG (Earnings After Tax – EAT – and service performance). In addition to that, the "modifier" with a bandwidth of 80 % to 120 % also incorporates the sustainability targets.

An individual target amount is set for each member of the Executive Board. The target amount represents the initial value for determining performance-related payment after the end of the assessment period. A claim for payment only arises at the end of the three-year assessment period and depends on whether and to what degree the targets were achieved.

**G.30 LONG-TERM-INCENTIVE (LTI) DIAGRAM**



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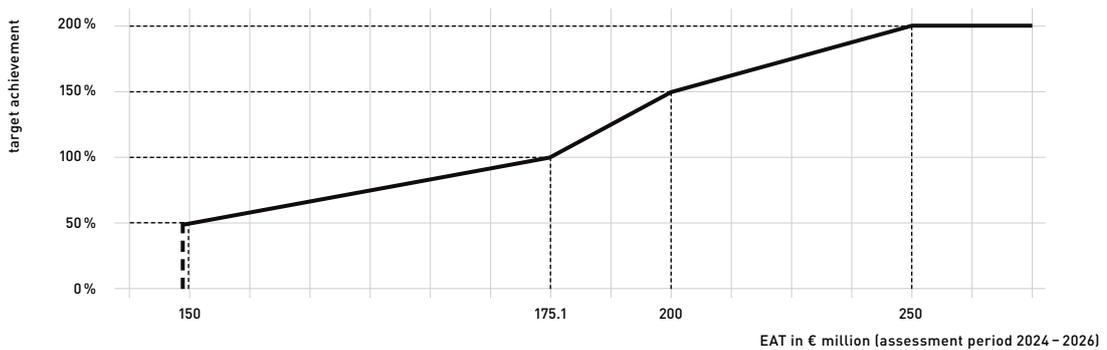
The content of the Group Business Report, which should also cover the requirements of the specified ESRS disclosure requirements.

The levels of target achievement result from the following key figures and factors and are determined using the same criteria for all Executive Board members:

**EAT** is weighted at 2/3. This means that the LTI includes one of the key financial figures of DMG MORI AG. The EAT component of the LTI must reach a floor before becoming relevant to bonus payments. This floor is a target achievement of 50 %. Reaching the target amount corresponds to a target achievement of 100 %. The component does not increase any further once a cap has been reached. This cap is a target achievement of 200 %.

The following figure shows further target achievement details:

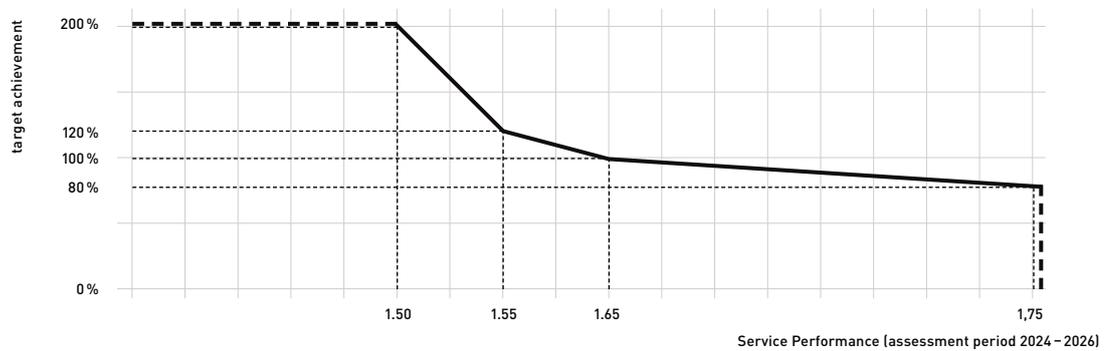
**G.31 LTI: TARGET ACHIEVEMENT EAT 2/3**



**Service performance** over a period of three years is weighted at 1/3. This means the LTI includes a key performance indicator of DMG MORI AG. The service performance is the average number of service calls per machine under warranty over the last 12 months. The service performance component of the LTI must fall below a threshold value before becoming relevant to bonus payments. This threshold value is a target achievement of 80%. Reaching the target figure corresponds to a target achievement of 100%. It does not increase further after reaching the minimum value. This minimum value is a target achievement of 200%.

The following figure shows further target achievement details:

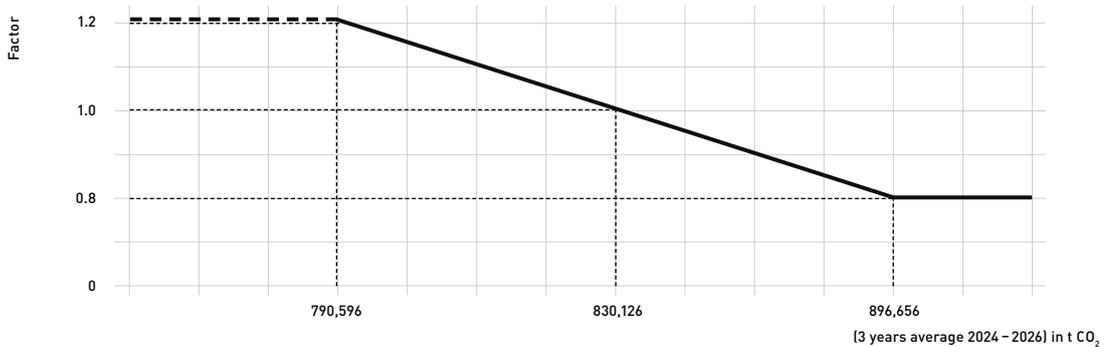
**G.32 LTI: TARGET ACHIEVEMENT SERVICE PERFORMANCE (1/3)**

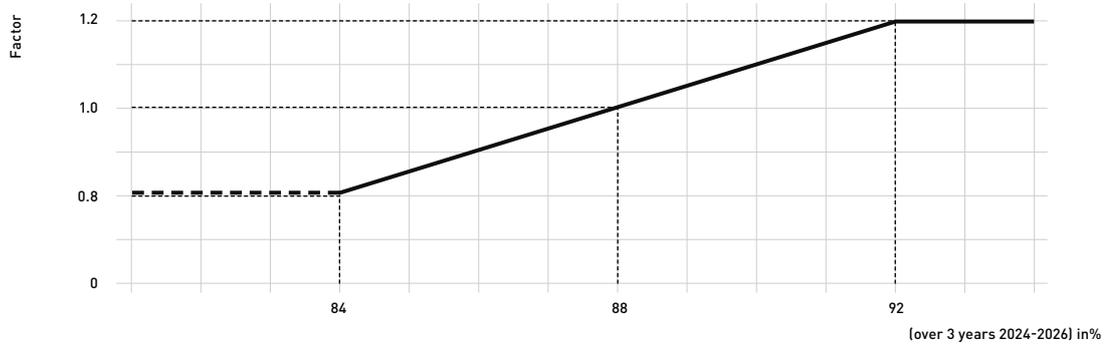


The remuneration resulting from the targets achieved is adjusted (80%-120%) by two sustainability factors (“modifiers”), which are defined as part of the bonus payment. These sustainability targets include the reduction of carbon dioxide emissions (carbon dioxide emissions as defined by Science Based Targets) and the development of the PPR indicator (calculated for each year included: number of “Product Problem Reports” in the last twelve months with status completed and final adjusted divided by the number of “Product Problem Reports” issued in the last twelve months). A “product problem report” describes a customer complaint. Both sustainability factors can reach a level of 80% – 120% and are weighted at 50% each. To secure the long-term and sustainable development, the targets are selected in consideration of the strategy.

The following graphics show further details on target achievement:

**G.33 LTI: TARGET ACHIEVEMENT CO<sub>2</sub> EMISSIONS SCIENCE BASED TARGETS (1/2)**



**G.34 LTI: TARGET ACHIEVEMENT PPR COMPLETION RATIO (1/2)****Target and Maximum Amounts of Remuneration**

The payment from the STI and LTI is limited in each case to a total of 200 % of the target amount.

The maximum total remuneration of an Executive Board member is determined annually by the Supervisory Board on the basis of their target total remuneration and is the maximum amount of total remuneration for the respective bonus payment year, taking into account their fixed remuneration, short-term variable remuneration (STI), long-term variable remuneration (LTI) and retirement provisions.

The maximum total remuneration for financial year 2022 was set at € 5,550 K for the CEO and € 2,950 K each for Executive Board members (table **τ.35**).

**τ.35 TARGET AND MAXIMUM REMUNERATION (REMUNERATION COMPONENTS 2022)**

| in €                                    | Michael Horn     |                  |
|---|------------------|------------------|
|   | 2022 (Actual)    | 2022 (MAX)       |
| Base remuneration                       | 600,000          | 600,000          |
| STI                                     | 800,000          | 800,000          |
| LTI 2022-2024 <sup>1)</sup>             | 428,750          | 1,225,000        |
| Pension                                 | 200,000          | 200,000          |
| <b>Total remuneration <sup>2)</sup></b> | <b>2,028,750</b> | <b>2,950,000</b> |

1) The amount of € 428,750 for Michael Horn only corresponds to the advance payments. The payment of the LTI tranche 2022-2024 for Michael Horn was settled with the severance payments.

2) The maximum total remuneration is a CAP value. The CAP value is not necessarily the sum of the individual remuneration components.

The maximum total remuneration for financial year 2024, including a pension, is € 2,600 K for the CEO, Alfred Geißler and € 1,450 K for the Executive Board member Michael Horn (table **τ.36**). Due to the agreed severance payments, the maximum total remuneration in 2024 for Michael Horn was exceeded (table **τ.36**).

**T.36 TARGET AND MAXIMUM REMUNERATION (REMUNERATION COMPONENTS 2024)**

| in €                                    | Alfred Geißler   |                  | Michael Horn     |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2024 (Target)    | 2024 (MAX)       | 2024 (Target)    | 2024 (MAX)       |
| Base remuneration                       | 900,000          | 900,000          | 600,000          | 600,000          |
| STI                                     | 600,000          | 1,200,000        | 300,000          | 600,000          |
| LTI 2024-2026                           | 900,000          | 1,800,000        | 550,000          | 1,100,000        |
| Pension                                 | 300,000          | 300,000          | 200,000          | 200,000          |
| <b>Total remuneration <sup>1)</sup></b> | <b>2,700,000</b> | <b>2,600,000</b> | <b>1,650,000</b> | <b>1,450,000</b> |

<sup>1)</sup> The maximum total remuneration is a CAP value. The CAP value is not necessarily the sum of the individual remuneration components.

**Retirement Provisions**

The retirement provisions are a further foundation for recruiting and retaining the highly qualified Executive Board members required for the group's further development and implementation of the corporate strategy. The retirement provisions should be competitive on the market for highly qualified Executive Board members and provide an appropriate level of benefits. Retirement benefits were paid for the financial year in the form of a defined contribution-based retirement provisions for the following active and former members of the Executive Board:

- Alfred Geißler: € 300 K p.a.

The expenses for the contribution-based retirement provisions for all members of the Executive Board amounted to € 300 K in financial year 2024 (previous year: € 1,025 K).

**Remuneration for Former Members of the Executive Board**

In the reporting year, as part of direct pension obligations € 1,199 K (previous year: € 1,187 K) was paid to former members of the Executive Board and their surviving dependents, of which € 775 K went to Dr. Rüdiger Kapitza who left the Executive Board in 2016.

**Remuneration of the Executive Board for Financial Year 2024**

The target achievement for the short-term variable remuneration (STI) was 195 % for the performance indicator EBIT, and 74 % for order intake. The target achievement for the sustainability factor relating to the budget for investments in property, plant and equipment was 110 %, for the GLOBE project 100 % and for the relative market shares AG/CO 108 %, resulting in a weighted modifier of 106 % in total. The target achievement for short-term variable remuneration (STI) for 2024 was 165 %. The STI payment was limited to a total of 200 % of the target amount (cap).

Hirotake Kobayashi was appointed as a member of the Executive Board for the period from 1 January 2024 to 31 December 2026. Due to his existing employment relationship with DMG MORI COMPANY LIMITED, DMG MORI AG has not concluded an Executive Board employment contract with him. Hirotake Kobayashi does not receive any direct or indirect remuneration from DMG MORI AG and is therefore not covered by the remuneration system of DMG MORI AG. Accordingly, he is not listed in the remuneration tables of the remuneration report.

With effect from 31 March 2024, Michael Horn left the company. Contrary to the compensation system, Michael Horn received a severance payment of € 3,300 K. All contractual payments for the future, including future STI and LTI tranches, are covered by the agreed severance payment. Advance payments already made (LTI tranche 2022-2024: € 429 K) cannot be reclaimed.

The total remuneration of the Executive Board for financial year 2024, excluding advance payments, amounted to € 5,662 K (previous year: € 33,560 K). This includes € 4,373 K (previous year: € 29,781 K) in fixed, non-performance-related remuneration (base remuneration and fringe benefits as well as severance payments) and € 989 K (previous year: € 2,323 K) in short-term variable remuneration (STI) as well as € 300 K in contribution-based retirement provisions (previous year: € 1,025 K).

There will be no payment from the LTI tranche 2022-2024, which was allocated on 31 December 2024 and would generally have been paid out in 2025. Severance agreements were concluded with all originally entitled members of the Management Board and lump-sum severance payments were made, which also included compensation for the LTI tranche 2022-2024.

No reclaimable advance payments were made in 2024 for the LTI tranche 2023-2025.

No loans were granted to members of the Executive Board of DMG MORI AKTIENGESELLSCHAFT in the reporting year.

The companies belonging to the DMG MORI AKTIENGESELLSCHAFT group did not pay any remuneration directly to members of the Executive Board for services provided personally, in particular consulting and mediation services.

No Executive Board members were requested to repay any remuneration components. Malus and clawback provisions were not invoked.

Table 1.37 shows the granted and payable remuneration components for active and former Executive Board members in the respective financial year, including the corresponding relative share pursuant to Section 162 (1) sentence 1 AktG. The figures represent the base remuneration, fringe benefits and retirement provisions paid in the financial year. The table shows the STI 2024 and the LTI tranche 2022-2024 that will be paid in financial year 2025, but whose underlying activities were fully performed by the end of financial year 2024. The recoverable advance payment for the LTI tranche 2022-2024 is also shown.

## T.37 REMUNERATION AS GRANTED AND PAYABLE (SECTION 162 (1) SENT. 1 AKTG)

| in € K   | Alfred Geißler<br>CEO (since 26 May 2023) |                    |              |                    | Christian Thönes<br>CEO (until 25 May 2023) |                    |      |                    |
|--|---|--------------------|--------------|--------------------|---|--------------------|------|--------------------|
|  | 2023                                      | 2023 <sup>4)</sup> | 2024         | 2024 <sup>4)</sup> | 2023  | 2023 <sup>4)</sup> | 2024 | 2024 <sup>4)</sup> |
| Base remuneration  | 538                                       |                    | 900          |                    | 483   |                    | -    |                    |
| Fringe benefit   | 8   |                    | 13           |                    | 4   |                    | -    |                    |
| Severance payment  | -   |                    | -            |                    | 20,000                                      |                    | -    |                    |
| <b>Total</b>   | <b>546</b>                                | <b>38 %</b>        | <b>913</b>   | <b>41 %</b>        | <b>20,487</b>                               | <b>98 %</b>        | -    | -                  |
| STI  | 723                                       | 50 %               | 989          | 45 %               | -   |                    | -    | -                  |
| LTI 2021 – 2023 <sup>1)</sup>  | -   | -                  | -            | -                  | -   |                    | -    | -                  |
| LTI 2022 – 2024  | -   | -                  | -            | -                  | -   |                    | -    | -                  |
| <b>Total</b>   | <b>723</b>                                | <b>50 %</b>        | <b>989</b>   | <b>45 %</b>        | -   |                    | -    | -                  |
| Pension <sup>2)</sup>  | 175                                       | 12 %               | 300          | 14 %               | 450   | 2 %                | -    | -                  |
| <b>Total remuneration without advance payment</b>  | <b>1,444</b>                              | <b>100 %</b>       | <b>2,202</b> | <b>100 %</b>       | <b>20,937</b>                               | <b>100 %</b>       | -    | -                  |
| Recoverable advance payment LTI 2022 – 2024 <sup>3)</sup>  | -   |                    | -            |                    | 805   |                    | -    |                    |
| Recoverable advance payment LTI 2023 – 2025  | -   |                    | -            |                    | -   |                    | -    |                    |
| <b>Total inflow with advance payment (Remuneration pursuant to Section 162 (1) sent. 1 AktG)</b> | <b>1,444</b>                              |                    | <b>2,202</b> |                    | <b>21,742</b>                               |                    | -    |                    |

|  | Björn Biermann<br>Executive Board Member (until 31 Dec. 2023) |                    |      |                    | Michael Horn<br>Executive Board Member (until 31 March 2024) |                    |              |                    |
|--|---|--------------------|------|--------------------|--|--------------------|--------------|--------------------|
|  | 2023  | 2023 <sup>4)</sup> | 2024 | 2024 <sup>4)</sup> | 2023   | 2023 <sup>4)</sup> | 2024         | 2024 <sup>4)</sup> |
| Base remuneration  | 600   |                    | -    |                    | 600  |                    | 150          |                    |
| Fringe benefit   | 8   |                    | -    |                    | 40   |                    | 10           |                    |
| Severance payment  | 7,500   |                    | -    |                    | -  |                    | 3,300        |                    |
| <b>Total</b>   | <b>8,108</b>  | <b>89 %</b>        | -    | -                  | <b>640</b>   | <b>31 %</b>        | <b>3,460</b> | <b>100 %</b>       |
| STI  | 800   | 9 %                | -    | -                  | 800  | 38 %               | -            | -                  |
| LTI 2021 – 2023 <sup>1)</sup>  | -   | -                  | -    | -                  | 431  | 21 %               | -            | -                  |
| LTI 2022 – 2024  | -   | -                  | -    | -                  | -  | -                  | -            | -                  |
| <b>Total</b>   | <b>800</b>  | <b>9 %</b>         | -    | -                  | <b>1,231</b>   | <b>59 %</b>        | -            | -                  |
| Pension <sup>2)</sup>  | 200   | 2 %                | -    | -                  | 200  | 10 %               | -            | -                  |
| <b>Total remuneration without advance payment</b>  | <b>9,108</b>  | <b>100 %</b>       | -    | -                  | <b>2,071</b>   | <b>100 %</b>       | <b>3,460</b> | <b>100 %</b>       |
| Recoverable advance payment LTI 2022 – 2024 <sup>3)</sup>  | 429   |                    | -    |                    | 429  |                    | -            |                    |
| Recoverable advance payment LTI 2023 – 2025  | -   |                    | -    |                    | -  |                    | -            |                    |
| <b>Total inflow with advance payment (Remuneration pursuant to Section 162 (1) sent. 1 AktG)</b> | <b>9,537</b>  |                    | -    |                    | <b>2,500</b>   |                    | <b>3,460</b> | -                  |

|  | Executive Board total |                    |              |                    |
|--|-----------------------|--------------------|--------------|--------------------|
|  | 2023                  | 2023 <sup>4)</sup> | 2024         | 2024 <sup>4)</sup> |
| Base remuneration  | 2,221                 |                    | 1,050        |                    |
| Fringe benefit   | 60                    |                    | 23           |                    |
| Severance payment  | 27,500                |                    | 3,300        |                    |
| <b>Total</b>   | <b>29,781</b>         | <b>89 %</b>        | <b>4,373</b> | <b>77 %</b>        |
| STI  | 2,323                 | 7 %                | 989          | 18 %               |
| LTI 2020 – 2022  | 431                   | 1 %                | -            | -                  |
| LTI 2021 – 2023 <sup>1)</sup>  | -                     | -                  | -            | -                  |
| <b>Total</b>   | <b>2,754</b>          | <b>8 %</b>         | <b>989</b>   | <b>18 %</b>        |
| Pension <sup>2)</sup>  | 1,025                 | 3 %                | 300          | 5 %                |
| <b>Total remuneration without advance payment</b>  | <b>33,560</b>         | <b>100 %</b>       | <b>5,662</b> | <b>100 %</b>       |
| Recoverable advance payment LTI 2022 – 2024 <sup>3)</sup>  | 1,663                 | -                  | -            | -                  |
| Recoverable advance payment LTI 2023 – 2025  | -                     | -                  | -            | -                  |
| <b>Total inflow with advance payment (Remuneration pursuant to Section 162 (1) sent. 1 AktG)</b> | <b>35,223</b>         | -                  | <b>5,662</b> | -                  |

1) Amount less prepayments and including maximum remuneration for 2021

2) Payments for defined contribution pension plans

3) LTI 2022 – 2024: Advance payment made in 2023. As part of the termination agreements with Christian Thönes, Björn Biermann and Michael Horn, DMG MORI AG waives repayment of the advance payments.

4) The relative percentages stated here relate to the remuneration components "granted and payable" in the respective financial year pursuant to Section 162 (1) sentence 1 AktG.

Table T.38 shows a comparison of the percentage change in the remuneration of Executive Board members with the earnings performance of DMG MORI AKTIENGESELLSCHAFT and the average remuneration of employees on a full-time equivalent basis compared to the previous year. These figures for the reporting year correspond to the total remuneration figures specified in the table "Remuneration granted and payable" pursuant to Section 162 (1) sentence 1 AktG. Earnings performance is generally presented on the basis of the development of the key figure EAT.

**T.38 COMPARISON OF ANNUAL CHANGE IN EXECUTIVE BOARD'S REMUNERATION (SECTION 162 (1) NO. 2 AKTG)**

| in %  | 2021 against<br>2020 | 2022 against<br>2021 | 2023 against<br>2022 | 2024 against<br>2023 |
|---|----------------------|----------------------|----------------------|----------------------|
| Alfred Geißler                                  | -                    | -                    | -                    | +52                  |
| Christian Thönes <sup>4)</sup>                  | +47.7                | +37.7                | +280.4               | -                    |
| Björn Biermann <sup>4)</sup>                    | +35.4                | +27.8                | +236.6               | -                    |
| Michael Horn <sup>4)</sup>                      | +49.8                | +27.0                | -12.7                | +38                  |
| EAT (DMG MORI AG-Konzern) <sup>1)</sup>         | +64                  | +79                  | +6                   | -46                  |
| EAT (DMG MORI AKTIENGESELLSCHAFT) <sup>2)</sup> | +8                   | +400                 | +1                   | -64                  |
| Average employee remuneration <sup>3)</sup>     | +2                   | +3                   | +4                   | +4                   |

1) 2024: € 87.5 million / 2023: € 163.2 million / 2022: € 153.4 million / 2021: € 85.6 million / 2020: € 52.1 million

2) 2024: € 53.4 million (under HGB) / 2023: € 147.5 million (under HGB) / 2022: € 146.5 million (under HGB) / 2021: € 29.3 million (under HGB) / 2020: € 27.1 million (under HGB)

3) Employee remuneration in Germany in the respective financial year (excluding Executive Board, trainees, apprentices and temporary staff / students).

4) Reason for the high percentage increase is a severance payment

# SUSTAINABILITY REPORT

## About this Report

In the reporting year, we prepared a Group Sustainability Report for the first time (in the following, we will also use the term “Sustainability Statement”) in order to fulfill the requirements of the Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ 315b to 315c HGB for a non-financial group statement.

The Group Sustainability Report was written in full application of the European Sustainability Reporting Standards (ESRS) to ensure a comprehensive and transparent presentation of our sustainability measures.

For a presentation of additional information (pursuant to ESRS 1.114) that arises from the German Commercial Code (HGB) for the non-financial group statement, please refer to the separate section <sup>7</sup> **Additional information related to ESRS 1.114** at the end of the Sustainability Statement.

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## General Information

### 1. Basis for Preparation

#### 1.1. Disclosure Requirement BP-1 – General basis for preparation of the sustainability statement

The Sustainability Statement was prepared on a consolidated basis for the DMG MORI AG group. The Sustainability Statement refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its subsidiaries (hereinafter referred to as the Group, DMG MORI AG or DMG MORI AG group). DMG MORI AG is part of the DMG MORI group (hereinafter referred to as DMG MORI or “Global One Company”), whose group parent company is DMG MORI COMPANY LIMITED (hereinafter referred to as DMG MORI CO. LTD.). **BP-15a**

The consolidation group generally corresponds to the group of fully consolidated subsidiaries as presented in the financial reporting. Data points for which the group of consolidated companies deviates from this basic group of companies are shown accordingly. **BP-15b**

The Sustainability Statement generally covers our upstream and downstream value chain as described in ESRS 1 section 5.1. When adding information about DMG MORI AG, we consider material impacts, risks and opportunities related to our upstream and downstream value chain. These are based on or consider the results of the due diligence process, the materiality analysis, and the results in accordance with any specific requirements of other ESRS relating to the value chain. We focus on the information necessary to enable users of the Sustainability Statement to understand the material impacts, risks, and opportunities. To determine, whether a material sustainability aspect affects our own business activities or our upstream or downstream value chain, is based on our assessment of impacts, risks and opportunities according to the principle of double materiality. **BP-15c**

When disclosing information about our strategy, plans and measures, we limit ourselves to a minimum to exclude the disclosure of classified or confidential information. However, we do not omit any disclosure requirements under ESRS for reasons of confidentiality. **BP-15d**

DMG MORI AG does not consider itself to be an exempt company within the meaning of Article 19a (3) and Article 29a (3) of Directive 2013/34/EU. **BP-15e**

#### 1.2. Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances

In principle, our definition of medium or long-term time horizons corresponds to the definition of “short, medium and long term” for the purposes of reporting in accordance with ESRS 1 section 6.4. We have used corresponding classifications in the assessment of our impacts, opportunities, and risks. **BP-29**

Key performance indicator for which data on the upstream and/or downstream value chain has been estimated using indirect sources is Greenhouse Gas (GHG) emissions from Scope 3 in chapter Environmental Information in section **2.5. E1-6 Gross Scopes 1, 2, 3 and total GHG emissions**. The basis for the preparation is shown in the section for each emissions category. We consider the resulting degree of accuracy to be sufficient and appropriate due to the detailed and sophisticated derivation and the high informative value of the reference machines included, which

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we consider to be representative in terms of energy consumption and individual components installed. Nevertheless, we will attempt to improve the accuracy in future, for example through the measures listed in chapter Environmental Information in section <sup>2.3</sup> **E1-1 Transition plan for climate change mitigation**. On the other hand, we have estimated data for the upstream value chain in the broader sense for the derivation of the total weight of the materials procured in the reporting year in the chapter on environmental information in section <sup>3.1.1.5</sup> **E5-4 Resource inflows**. Specifically, based on a representative cross-section of the goods purchased from our suppliers, the weight information for individual product groups was extrapolated using the purchase quantity in the reporting year. **BP-210**

page 129 et seqq.

page 142 et seqq.

In principle, we do not assume a high degree of measurement uncertainty for any of the quantitative key performance indicators. Assumptions, approximations, and judgments that we have attributed to the key performance indicators are disclosed when the quantitative key performance indicators are disclosed. For example, for the key performance indicators on energy consumption and the energy mix in the chapter on environmental information, in the section <sup>2.4</sup> **E1-5 Energy consumption and energy mix**, the values for missing months are estimated, if necessary, by means of extrapolations based on the previous months or the number of employees, due to the non-availability of a statement or consumption report by the closing date or at the time the Sustainability Statement is prepared. **BP-211**

page 132 et seqq.

As this is our first Sustainability Statement in accordance with CSRD, disclosure of changes in the preparation and presentation of sustainability information compared to a previous reporting period or material errors in previous reporting periods is not required. **BP-213 BP-214**

As described, our Sustainability Statement simultaneously fulfills the requirements for the non-financial group statement prepared in accordance with §§ 315b to 315c of the German Commercial Code (HGB), as well as the requirements of the Corporate Sustainability Reporting Directive (CSRD) and Article 8 of Regulation (EU) 2020/852. For a presentation of additional disclosures (pursuant to ESRS 1.114) that arise from the German Commercial Code (HGB) beyond the ESRS, please refer to the separate section <sup>2</sup> **Additional information related to ESRS 1.114** at the end of the Sustainability Statement. **BP-215**

page 180

The following disclosure requirements of the ESRS were incorporated by reference into the Sustainability Statement: **BP-216**

#### T.40

| Topical Standard         | Disclosure Requirements   | Reference                   |
|--------------------------|---|-----------------------------|
| <b>ESRS 2</b>            | ESRS 2 GOV-1 Representation of employees in the management and supervisory bodies, paragraph 21b              | Remuneration Report         |
| <b>ESRS 2</b>            | ESRS 2 GOV-1 Experiences of the management and control bodies, paragraph 21 (c) (Supervisory Board)           | Corporate Governance Report |
| <b>ESRS 2</b>            | ESRS 2 GOV-1 Experiences of the management and control bodies, paragraph 21(c) (Executive Board)              | Corporate Governance Report |
| <b>ESRS 2 GOV-1 - G1</b> | ESRS 2 - GOV-1 - G1 Role of the management and supervisory bodies, paragraph 5a                               | Corporate Governance Report |
| <b>ESRS 2 GOV-1 - G1</b> | ESRS 2 - GOV-1 - G1 Expert knowledge of the management and control bodies, paragraph 5 b (Supervisory Board)  | Corporate Governance Report |
| <b>ESRS 2 GOV-1 - G1</b> | ESRS 2 - GOV-1 - G1 Expert knowledge of the management and supervisory bodies, paragraph 5b (Executive Board) | Corporate Governance Report |
| <b>ESRS 2</b>            | ESRS 2 GOV-3 Inclusion of sustainability-related performance in incentive systems, paragraph 29               | Remuneration Report         |

DMG MORI AG is not subject to the application of the provisions for phased-in disclosure requirements for companies and groups that do not exceed the average number of 750 employees during the financial year at the balance sheet date, in accordance with ESRS 1 Appendix C. **BP-217**

## 2. Governance

### 2.1. Disclosure Requirement GOV-1 – The role of the administrative, management and supervisory bodies

DMG MORI AG defines the administrative, management and supervisory bodies as the Executive Board (managing director) and the Supervisory Board (non-executive). The Executive Board consisted of three members in the reporting year until 31 March 2024. Since 1 April 2024, it has consisted of two members. The Supervisory Board has consisted of a total of twelve members, six of whom are shareholder representatives and six of whom are employee representatives. **GOV-121a**

**page 301 et seq.** An overview of our <sup>2</sup> **Corporate Directory** can be found in the Notes to the Consolidated Financial Statements. The positions or functions of the Supervisory Board members can be found in table **page 88** <sup>2</sup> **T.22** in the Remuneration Report. This means that the information in the table **T.22** is an integral part of this Sustainability Report. **GOV-121b**

**page 82 et seq.** The experience of the Supervisory Board members relevant to the company's sectors, products and geographical locations are shown in table <sup>2</sup> **T.20** Qualification matrix of the Supervisory Board in the Corporate Governance Report. This also includes the nine independent board members. This corresponds to a ratio of 75%. The positions and functions as well as the Qualification matrix of the Executive Board in table <sup>2</sup> **T.21** are also presented in the Corporate Governance Report. The information in tables **T.20** and **T.21** is thus an integral part of this Sustainability Report. **GOV-121c** **GOV-121e**

In the reporting year, the Supervisory Board of DMG MORI AG was composed of five female (42%) and seven male (58%) members. Overall, the Supervisory Board members belong to four different nationalities. The average age was 58 years.

In the reporting year, the Executive Board was composed exclusively of male members. Overall, the members of the Executive Board belong to two different nationalities. After Michael Horn's resignation on 31 March 2024, the average age was 68 years.

All governing bodies are responsible for monitoring the impacts, risks and opportunities in accordance with their legal responsibilities. Individual responsibility lies with the CEO and the Chief Representative of DMG MORI AG due to their existing responsibilities in sustainability, which were expanded during the CSRD. **GOV-122a** **GOV-122b**

**page 79 et seq.** We generally describe the role of the Executive Board and Supervisory Board in the procedures, controls and processes in the area of governance for monitoring, managing and supervising impacts, risks and opportunities in the <sup>2</sup> **Corporate Governance Report**. The monitoring, management and supervision of impacts, opportunities and risks from the materiality analysis for the Sustainability Statement, as well as the associated reporting obligation to the Executive Board and Supervisory Board, also fall within the scope of responsibility of the aforementioned Chief Representative. We discuss specific controls and procedures for managing impacts, risks and opportunities, particularly with regard to the associated quantitative metrics, in more detail in the relevant chapters. **GOV-122c**

The definition and monitoring of the progress of our targets in relation to material impacts, risks and opportunities will be formalized and documented for the first time as part of our sustainability strategy in 2025. Further information can be found in chapter General Information in section ↗ **3. Strategy**. **GOV-1 22d**

page 112 et seqq.

Due to the increasing importance of sustainability aspects and the resulting need for suitably qualified specialists, the “Sustainability & Business Development” team was established in the reporting year. The members of the team have training in management systems and internal annual audit, are in contact with the compliance team and have professional experience in auditing annual financial statements and management consulting. External expertise was also secured through consultants. In this way, the Executive Board and Supervisory Board endeavor to ensure that the necessary internal expertise is sufficiently available. The “Sustainability & Business Development” team ensures the connection between sustainability-related expertise based on internal skills or experts and material impacts, risks and opportunities. The team works closely with various departments to do justice to the diverse aspects of sustainability. **GOV-123**

**2.2. Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by**

The Chief Representative, in collaboration with the “Sustainability & Business Development” team, reports to the Supervisory Board and the Executive Board on the topics covered in the Sustainability Statement at least twice a year at regular meetings of the Finance and Audit Committee and the Executive Board. In doing so, all material IROs were considered due to the first-year reporting. These were incorporated into strategic decision-making in the reporting year at the discretion of the Executive Board. In addition, the “Sustainability & Business Development” team continuously informs the other specialist departments. Accordingly, no further reports to the Executive Board were necessary. **GOV-2 26**

**2.3. Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes**

The inclusion of sustainability-related performance in incentive systems for the Executive Board is described in graphic ↗ **G.30** in the Remuneration Report. Thus, the information in graphic **G.30** is an integral part of this Sustainability Report. There were no sustainability-related incentive systems for the members of the Supervisory Board in the reporting year. **GOV-3 29**

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**2.4. Disclosure Requirement GOV-4 – Statement on due diligence**

As the ESRS do not contain any rules of conduct regarding due diligence in sustainability, we are guided exclusively by the core elements of the ESRS when preparing the Sustainability Statement. These core elements of due diligence are directly reflected in the disclosure requirements set out in ESRS 2 and in the topic related ESRS. **GOV-4 30 GOV-4 32**

**T.41 ALLOCATION OF ESRS TO THE CORE ELEMENTS OF THE DUTY OF CARE**

| Core elements of due diligence   | Paragraphs in the Sustainability Statement                                      |
|--|---|
| Integrating due diligence into governance, Strategy and Business model       | <b>ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3</b>                                   |
| Involvement of affected stakeholders in All important steps of due diligence | <b>ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 ESRS 2 MDR-P + topic-related ESRS</b> |
| Determination and evaluation negative effects                                | <b>ESRS 2 IRO-1 ESRS 2 SBM-3</b>  |
| Measures against these negative effects                                      | <b>ESRS 2 MDR-A</b>   |
| Tracking the effectiveness of these Efforts and communication                | <b>ESRS 2 MDR-M ESRS 2 MDR-T + topic-related ESRS</b>                           |

## 2.5. Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting

We describe our risk management system and opportunities management system in detail in the **page 67 et seqq.** <sup>↗</sup> **Opportunities and Risk Report**. Further information can be found there. **GOV-5 36**

Regarding sustainability reporting, the risk management system serves as the starting point for the materiality analysis. For example, the assessment of impacts, opportunities and risks was aligned with the categorization of the risk management system. In addition, the internal procedure already provides for an assessment based on two dimensions like dual materiality. In addition, a thematic distinction is already made between environmental, social and governance. **GOV-5 36**

To integrate the materiality analysis into the existing risk and opportunity management system, there is an active exchange between the “Sustainability & Business Development” team and the risk managers. Accordingly, in the current financial year, a general CSRD risk is to be entered into the internal systems for the first time in order to take into account impacts, opportunities and risks by means of the risk and opportunity management system. In doing so, content duplications are to be eliminated as far as possible. Due to the complexity and specifications of the ESRS, a more in-depth integration is only possible with disproportionate effort and is not being considered currently. **GOV-5 36**

In the reporting year, adapted and revised internal control processes were created for the (quantitative) data collection process for sustainability reporting. These are designed to mitigate risks in relation to the completeness and integrity of the data, the accuracy of the estimation results, the availability of data on the upstream and/or downstream value chain and the timing of the availability of the information. As part of the reporting process, data collection processes for all disclosed quantitative key performance indicators were documented for the first time with all those responsible. This includes the implementation of various process controls involving both the specialized departments and the “Sustainability & Business Development” team. **GOV-5 ART1**

## 3. Strategy

### 3.1. Disclosure Requirement SBM-1 – Strategy, business model and value chain

DMG MORI AG is part of the DMG MORI group. DMG MORI is a worldwide leading manufacturer of high-precision machine tools and is represented in 44 countries – with 124 sales and service locations, including 17 production plants. In the “Global One Company” more than 13,500 employees drive the developments of holistic solutions in the manufacturing industry. The number of DMG MORI AG employees by geographical area is presented in chapter Social **page 147 et seqq.** Information under section <sup>↗</sup> **1.5. S1-6 Characteristics of the undertaking’s employees**. Under the guiding principle of Machining Transformation (MX), DMG MORI combines four pillars for the efficient and sustainable production of the future: Process Integration, Automation, Digital Transformation (DX) and Green Transformation (GX). Our strategy applies globally and is independent of individual markets, customers or product groups. We are active worldwide and want to improve our products holistically at all times. At our production sites, we implement holistic turnkey solutions for the main sectors of aviation & space, automotive & e-mobility, die & mold, medical, and semiconductor. With the DMG MORI Qualified Products (DMQP) partner program, we offer

perfectly coordinated peripheral products from a single source. Our customer-oriented services accompany the entire life cycle of a machine tool – including training, repair, maintenance and spare parts service. **SBM-140**

Sustainability plays a central role in the implementation of our corporate strategy. An important pillar of DMG MORI's global Machining Transformation (MX) is the Green Transformation (GX). It has the potential to conserve global resources and thus protect the environment, ease the burden on people and create opportunities for further development. In the course of the initial implementation of CSRD in the reporting year, we have intensively addressed a possible dedicated sustainability strategy in the sense of GX and intend to continue to develop this in the current financial year. In exchange with various specialist departments, initial ideas are to be further operationalized and backed up with key performance indicators. The topics of the strategy are determined by the sustainability aspects as well as the impacts, opportunities and risks identified in the materiality analysis. In the following years, we want to use this strategy to underpin our disclosure. **SBM-140**

As there is not yet a final ratified version of the ESRS sectors, we refrain from disclosures in this regard. As soon as these have been officially determined, we will comply with the disclosure requirements accordingly. **SBM-140**

A general description of our business model and our value chain can be found in chapters **7 Corporate Strategy and Key Financial and Performance Indicators** and **7 Purchasing**. **SBM-142**

page 29 et seqq.; page 41 et seqq.

### 3.2. Disclosure Requirement SBM-2 – Interests and views of stakeholders

We engage in dialog with our stakeholders. Their opinions, questions and comments provide us with important stimuli and directly and indirectly influence our actions. That is why a continuous and constructive exchange with them is set out in our Corporate Responsibility Manual and actively promoted. All departments that interact with our stakeholders are encouraged to take their feedback on board and pass it on internally. During the reporting year, we continued to use exchange formats such as trade fairs, Annual General Meetings, forums and events to engage in active dialog and will continue to do so in the future. The Code of Conduct forms the basis for our interactions with all our stakeholders. Our most important stakeholders are our employees. That is why a targeted exchange and close, trusting cooperation with employee representatives and interdisciplinary sustainability coordinators contribute to the further development of our sustainability strategy. **SBM-245**

page 116 et seqq.

The analysis of the interests and viewpoints of our stakeholders in the materiality analysis is described in chapter General Information in section **4. Impact, risk and opportunity management**. The Executive Board and the Supervisory Board are informed of the results as part of sustainability reporting. **SBM-245**

### 3.3. Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks and opportunities resulting from our materiality analysis are presented in table T.42. **SBM-348**

## T.42 MATERIAL IROs

|   | Direction                                   | Occurrence                   | Value                         | Value chain   | Geographic classification                 | Time horizon   | Impact source                   | Financial impact  |
|---|---|------------------------------|-------------------------------|---|---|--|---------------------------------|---|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) | Upstream (U);<br>own Operations (oO);<br>Downstream (D) | Global (G);<br>Regional (R);<br>Local (L) | Short term (S)<br>(<1 year);<br>Medium term (M)<br>(1-5 years);<br>Long term (L)<br>(>5 years) | Cause (C);<br>Participation (P) | Cash flow (Cf);<br>Access to Financial<br>Resources (AFR);<br>Capital Costs (C);<br>EBIT; other |
| <b>CLIMATE CHANGE MITIGATION (OWN OPERATIONS)</b>   |   |                              |                               |   |   |  |                                 |   |
| Own operations contribute to a rise of GHG concentration in the atmosphere leading to changing climate patterns.  | I   | A                            | N                             | oO  | G   | L  | C                               |   |
| Reducing the GHG intensity of own production reduces the contribution to the GHG concentration in the atmosphere.   | I   | A                            | P                             | oO  | G   | L  | C                               |   |
| High energy consumption in own production processes leads to significant greenhouse gas emissions.  | I   | A                            | N                             | oO  | G   | L  | C                               |   |
| Transitioning to renewable energy sources substantially curtails greenhouse gas emissions.  | I   | A                            | P                             | oO  | G   | L  | C/P                             |   |
| Inefficient energy use in a manufacturing facility can lead to excessive consumption of fossil fuels.   | I   | P                            | N                             | U/oO  | G   | L  | C/P                             |   |
| The installation of PV owned premises offers lower operating expenditure for energy.  | O   |                              |                               |   | G   | L  |                                 | Cf/C/EBIT   |
| <b>CLIMATE CHANGE MITIGATION (VALUE CHAIN)</b>  |   |                              |                               |   |   |  |                                 |   |
| Foundries and other forms of metal casting are highly emitting / energy-intensive operations which overproportionate contribute to the carbon footprint of the value chain. | I   | A                            | N                             | U   | G   | L  | C/P                             |   |
| Downstream GHG emissions (e. g. through logistics and distribution and use of machinery) contribute to a rise of GHG concentration in the atmosphere.                       | I   | A                            | N                             | D   | G   | L  | C/P                             |   |
| Not reducing the GHG- and energy-intensity along the value chain (e. g. through relying on fossil fuels) contributes to the GHG concentration in the atmosphere.            | I   | A                            | N                             | U/D   | G   | L  | C/P                             |   |
| <b>RESOURCES INFLOWS, INCL. RESOURCE USE</b>  |   |                              |                               |   |   |  |                                 |   |
| Increasing global scarcity of raw materials will increase production costs.   | R   |                              |                               |   |   | M/L  |                                 | Cf/EBIT   |
| <b>HEALTH &amp; SAFETY (WORKFORCE OF THE COMPANY)</b>   |   |                              |                               |   |   |  |                                 |   |
| Improve employee well-being and happiness by adhering to safety protocols and decrease work-related injuries.   | I   | A                            | P                             | oO  | G   | S/M/L  | C                               |   |
| <b>TRAINING AND SKILL DEVELOPMENT OF THE COMPANY'S WORKFORCE</b>  |   |                              |                               |   |   |  |                                 |   |
| Companies that invest in training are more attractive to top talent and can increase employee retention.  | O   |                              |                               |   | G   | M/L  |                                 | other   |
| <b>HUMANE WORKING CONDITIONS</b>  |   |                              |                               |   |   |  |                                 |   |
| Neglecting humane working conditions places employees at risk of (severe) physical and mental harm.   | I   | P                            | P                             | oO  | G   | S/M/L  | C                               |   |
| <b>ADEQUATE WAGES</b>   |   |                              |                               |   |   |  |                                 |   |
| By providing adequate wages, DMG MORI AG ensures employees and their families enjoy a decent standard of living and well-being.   | I   | A                            | P                             | oO  | G   | S  | C                               |   |

T.42 MATERIAL IROs

|  | Direction                             | Occurrence                | Value                      | Value chain                                       | Geographic classification           | Time horizon  | Impact source                | Financial impact  |
|--|---------------------------------------|---------------------------|----------------------------|---|-------------------------------------|---|------------------------------|---|
|  | Impact (I); Opportunity (O); Risk (R) | Actual (A); Potential (P) | Negative (N); Positive (P) | Upstream (U); own Operations (oO); Downstream (D) | Global (G); Regional (R); Local (L) | Short term (S) (<1 year); Medium term (M) (1-5 years); Long term (L) (>5 years) | Cause (C); Participation (P) | Cash flow (Cf); Access to Financial Resources (AFR); Capital Costs (C); EBIT; other |
| <b>FREEDOM OF ASSOCIATION &amp; COLLECTIVE BARGAINING</b>  |                                       |                           |                            |   |                                     |   |                              |   |
| A supportive environment for freedom of association enhances communication, collaboration, and teamwork, improving workflows. Supporting this freedom builds trust between employees and management, fostering better relations and reducing conflicts.  | O                                     |                           |                            |   | G                                   | S/M/L   |                              | other   |
| Recognizing and accepting collective bargaining leads to increased employee satisfaction, higher salaries and benefits (more access to social security, healthcare etc.) for DMG MORI AG employees as well as a better representation of their needs and beliefs within the enterprise.  | I                                     | A                         | P                          | oO  | G                                   | S/M   | C                            |   |
| <b>EMPLOYEE SATISFACTION</b>   |                                       |                           |                            |   |                                     |   |                              |   |
| Unhappy employees are likely to be less motivated and engaged, leading to decreased productivity. This can result in lower output, higher costs and overall operational inefficiencies.  | R                                     |                           |                            |   | G                                   | S   |                              | other   |
| Dissatisfied employees are more likely to leave the company, leading to higher turnover rates. The costs associated with recruiting, hiring, and training new employees can be significant. Additionally, losing experienced personnel can have long-term consequences for the company's knowledge base and operational stability. | R                                     |                           |                            |   | G                                   | S   |                              | other   |
| <b>HUMANE WORKING CONDITIONS OF WORKERS IN THE VALUE CHAIN</b>   |                                       |                           |                            |   |                                     |   |                              |   |
| Exploitative practices in the value chain can lead to labor disputes and increasing health issues of workers in the value chain.   | I                                     | P                         | N                          | U/D   | G                                   | S/M/L   | P                            |   |
| Neglecting other work related rights of workers in DMG MORI AG's value chain, contradicts fundamental principles of fairness and social responsibility. This may potentially lead to economic discrimination of vulnerable groups.   | I                                     | P                         | N                          | U/D   | G                                   | S/M/L   | P                            |   |
| <b>HEALTH AND SAFETY (CONSUMERS AND END-USERS)</b>   |                                       |                           |                            |   |                                     |   |                              |   |
| Failure to ensure the health and safety of consumers and end-users exposes a company to litigation risk, as negligence in these areas can lead to legal actions, fines, and reputational damage.   | R                                     |                           |                            |   |                                     | S/M/L   |                              | Cf/EBIT   |
| <b>PROTECTION OF WHISTLEBLOWERS</b>  |                                       |                           |                            |   |                                     |   |                              |   |
| Whistleblowing is one of the most effective ways to detect and prevent corruption and other malpractice. Strong protection of whistleblowers, hence, encourages people to report wrongdoing and increase the likelihood that wrongdoing is uncovered and penalised.  | I                                     | A                         | P                          | U/oO/D  | G                                   | S/M   | C                            |   |
| <b>MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS INCL. PAYMENT PRACTICES</b>  |                                       |                           |                            |   |                                     |   |                              |   |
| Fostering a good and successful relationship with suppliers, will lead to economic success of both DMG MORI AG and its suppliers contributing, in turn, to economic growth and overall innovative potential.   | I                                     | A                         | P                          | oO  | G                                   | S/M/L   | C                            |   |
| <b>CORRUPTION AND BRIBERY (PREVENTION AND DETECTION)</b>   |                                       |                           |                            |   |                                     |   |                              |   |
| Well-founded anti-corruption and anti-bribery prevention and detection systems ensure fair competition and can contribute to responsible business practices which contributes to economic growth and prosperity.   | I                                     | P                         | P                          | oO  | G                                   | S/M/L   | C                            |   |

Further information on conducting the materiality analysis can be found in the following section <sup>page 116 et seq.</sup> **4. Impact, risk and opportunity management**. Details on the interaction between our strategy and business model and the material impacts, risks and opportunities are explained in the sections of the corresponding topic related ESRS. The resilience of our strategy and business model was taken into account in the evaluation of the IROs as part of the respective assessment of the financial effects, as shown in table <sup>page 114 et seq.</sup> **T.42. SBM-3 48**

## 4. Impact, Risk and Opportunity Management

### 4.1. Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

The double materiality analysis in accordance with ESRS 1 paragraph 3 forms the basis of this Sustainability Statement. Accordingly, both the impact of our business activities on the environment and society (inside-out) and the financial risks and opportunities arising from external influences on our business model (outside-in) were assessed. Topics that were classified as material from one or both perspectives are reflected in this Sustainability Statement. **IRO-153**

DMG MORI AG has used a multi-level approach to identify its actual and potential impacts on the environment and society, as well as the risks and opportunities. In principle, all activities, business relationships and geographical circumstances of DMG MORI AG were included equally. The basis was the list of sustainability aspects that are dealt with in the topic-related ESRSs and are categorized according to topics, sub-topics and sub-sub-topics in ESRS 1 AR 16. To take our own specific circumstances into account when determining the material aspects, we carried out a plausibility check of the sustainability aspects based on competitor analyses and relevant other sustainability standards and ratings. In addition to the sustainability aspects in accordance with ESRS 1 AR 16, this resulted in the company-specific topics of “employee satisfaction” and “corporate responsibility” for us in the reporting year. Impacts, opportunities and risks were also identified for these in the same way. **IRO-153**

To ensure cooperation and dialog with affected stakeholders as a basis for the materiality analysis, we involved them either directly or through representatives via contributions and feedback on our conclusions regarding material impacts, risks and opportunities. Specifically, the direct Inclusion of employees from various areas of the Group who, on the one hand, provide a representative picture but, on the other hand, are also able to speak regarding the selected sustainability aspects. These employees, in turn, were seen as credible representatives of the upstream and downstream value chain and were considered accordingly. The selection of the relevant colleagues was made in consultation with the Executive Board. External experts were not additionally involved. **IRO-153**

The analysis of the materiality of actual or potential, positive or negative impacts is based on the due diligence process set out in the international instruments of the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Depending on the nature of the impact, the severity (based on extent, scope and immutability) and likelihood of the impact were assessed as part of the materiality analysis. In addition, all impacts on human rights were classified as material regardless of the assessment. **IRO-153**

To analyze financial materiality, risks and opportunities arising from a sustainability aspect were identified and assessed based on a combination of the probability of occurrence and the potential extent of the financial effects. **IRO-153**

The process for analyzing financial materiality is consistent with the categorization of general risk management and the definition of materiality used in financial reporting. This enables the target group of general financial reporting to have simple, standardized access to the information.

The interrelationships between impacts and dependencies with risks and opportunities were actively discussed with the stakeholders involved in the materiality analysis and taken into account accordingly in the assessment. Both perspectives were assessed based on the aforementioned parameters using a scale of 1 (immaterial) to 25 (material). In order to include direct and indirect business relationships in the assessment of impacts, risks and opportunities, we also determined at which level (within its own business activities and its upstream and downstream value chain) a material sustainability aspect exists. The time intervals specified by the ESRS (short-term, medium-term, long-term) were also taken into account when assessing impacts, risks and opportunities. **IRO-153**

For the purposes of the ESRS, a sustainability aspect was considered “material” if it met the criteria for materiality of impact or financial materiality or both. As the ESRS does not specify when this materiality is achieved, the stakeholders, in consultation with the Executive Board of DMG MORI AG, defined a threshold value for the assessment of impacts, opportunities and risks, which must be achieved accordingly. Based on the aforementioned scale, the threshold value in the reporting year was 17. **IRO-153**

Accordingly, “non-material” sustainability aspects are all those that have not reached the threshold value for the assessment. At the level of the topic-specific standards according to ESRS, these are ESRS E2 Environmental Pollution, ESRS E3 Water and Marine Resources, ESRS E4 Biodiversity and Ecosystems and ESRS S3 Affected Communities. As described above, all topics, sub-topics and sub-sub-topics listed in ESRS 1 AR 16 were also listed for these standards and assessed on the basis of impacts, opportunities and risks. All topic-specific requirements, such as a simplified LEAP approach (short for “Locate, Evaluate, Assess and Prepare”) of the Taskforce on Nature-related Financial Disclosures with regard to environmental pollution or biodiversity, were generally appreciated. During the materiality analysis and the associated dialog with affected stakeholders, the material locations or sectors/business areas were also discussed to carry out a comprehensive assessment of the impacts, opportunities and risks. An external consultation, for example with affected communities, was not carried out.

The results of the materiality analysis will be reviewed annually as part of the preparation of the Sustainability Statement and adjusted if necessary.

#### **4.2. Disclosure Requirement IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement**

Disclosure requirements that were followed in preparing the Sustainability Statement based on the results of the materiality analysis are listed in table <sup>7</sup> T.39 **Contents of the Sustainability Report**. **IRO-256**

page 103 et seqq.

Table T.43 provides an overview of all data points resulting from other EU legislation in accordance with ESRS 2 Annex B.

**T.43 DATA POINTS FOR OTHER EU LEGISLATION ACCORDING TO ESRS 2 ANNEX B**

| Topical Standard   | Disclosure Requirement | marker / "not material" / "omitted"  |                 |
|--------------------|------------------------|--|-----------------|
| ESRS 2             | ESR 2 GOV-1            | Board's gender diversity paragraph 21 (d)  | GOV-1 21d       |
|                    |                        | Percentage of board members who are independent paragraph 21 (e)   | GOV-1 21e       |
|                    | ESRS 2 GOV-4           | Statement on due diligence paragraph 30  | GOV-4 30        |
| ESRS 2 SBM-1       | ESRS 2 SBM-1           | Involvement in activities related to fossil fuel activities paragraph 40 (d) i   | not material    |
|                    |                        | Involvement in activities related to chemical production paragraph 40 (d) ii   | not material    |
|                    |                        | Involvement in activities related to controversial weapons paragraph 40 (d) iii  | not material    |
|                    |                        | Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv   | not material    |
| ESRS E1-1          |                        | Transition plan to reach climate neutrality by 2050 paragraph 14   | E1-1 14         |
|                    |                        | Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)   | E1-1 16g        |
| ESRS E1-4          |                        | GHG emission reduction targets paragraph 34  | E1-4 34         |
| ESRS E1-5          |                        | Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38  | E1-5 38         |
|                    |                        | Energy consumption and mix paragraph 37  | E1-5 37         |
|                    |                        | Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43   | E1-5 40         |
| ESRS E1-6          |                        | Gross Scope 1, 2, 3 and total GHG emissions paragraph 44   | E1-6 44         |
|                    |                        | Gross GHG emissions intensity paragraphs 53 to 55  | E1-6 53         |
| ESRS E1-7          |                        | GHG removals and carbon credits paragraph 56   | not material    |
| ESRS E1-9          |                        | Exposure of the benchmark portfolio to climate-related physical risks paragraph 66   | omitted         |
|                    |                        | Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)   | omitted         |
|                    |                        | Location of significant assets at material physical risk paragraph 66 (c).   | omitted         |
|                    |                        | Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).   | omitted         |
|                    |                        | Degree of exposure of the portfolio to climate-related opportunities paragraph 69  | not material    |
| ESRS E2-4          |                        | Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | not material    |
| ESRS E3-1          |                        | Water and marine resources paragraph 9   | not material    |
|                    |                        | Dedicated policy paragraph 13  | not material    |
|                    |                        | Sustainable oceans and seas paragraph 14   | not material    |
| ESRS E3-4          |                        | Total water recycled and reused paragraph 28 (c)   | not material    |
|                    |                        | Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29   | not material    |
| ESRS 2- IRO 1 - E4 | ESRS 2 - SBM-3 - E4    | E4 paragraph 16 (a) i  | not material    |
|                    |                        | E4 paragraph 16 (b)  | not material    |
|                    |                        | E4 paragraph 16 (c)  | not material    |
| ESRS E4-2          |                        | Sustainable land / agriculture practices or policies paragraph 24 (b)  | not material    |
|                    |                        | Sustainable oceans / seas practices or policies paragraph 24 (c)   | not material    |
|                    |                        | Policies to address deforestation paragraph 24 (d)   | not material    |
| ESRS E5-5          |                        | Non-recycled waste paragraph 37 (d)  | not material    |
|                    |                        | Hazardous waste and radioactive waste paragraph 39   | not material    |
| ESRS 2 - SBM3 - S1 |                        | Risk of incidents of forced labour paragraph 14 (f)  | ESRS 2 SBM-3 14 |
|                    |                        | Risk of incidents of child labour paragraph 14 (g)   | ESRS 2 SBM-3 14 |

## T.43 DATA POINTS FOR OTHER EU LEGISLATION ACCORDING TO ESRS 2 ANNEX B

| Topical Standard | Disclosure Requirement  | marker /<br>"not material" /<br>"omitted" |
|------------------|---|---|
| ESRS S1-1        | Human rights policy commitments paragraph 20  | S1-120                                    |
|                  | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | S1-121                                    |
|                  | Processes and measures for preventing trafficking in human beings paragraph 22  | S1-122                                    |
|                  | Workplace accident prevention policy or management system paragraph 23  | S1-123                                    |
| ESRS S1-3        | Grievance/complaints handling mechanisms paragraph 32 (c)   | S1-332                                    |
| ESRS S1-14       | Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)                                     | S1-14 88b<br>S1-14 88bc                   |
|                  | Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)  | S1-14 88e                                 |
| ESRS S1-16       | Unadjusted gender pay gap paragraph 97 (a)  | not material                              |
|                  | Excessive CEO pay ratio paragraph 97 (b)  | not material                              |
| ESRS S1-17       | Incidents of discrimination paragraph 103 (a)   | not material                              |
|                  | Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)  | S1-17 104                                 |
| ESRS 2 SBM3 – S2 | Significant risk of child labour or forced labour in the value chain paragraph 11 (b)   | ESRS 2 SBM-3 11                           |
| ESRS S2-1        | Human rights policy commitments paragraph 17  | S2-117                                    |
|                  | Policies related to value chain workers paragraph 18  | S2-118                                    |
|                  | Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19                                   | S2-119                                    |
|                  | Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | S2-119                                    |
| ESRS S2-4        | ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36                   | S2-4 36                                   |
| ESRS S3-1        | Human rights policy commitments paragraph 16  | not material                              |
|                  | Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17                           | not material                              |
| ESRS S3-4        | Human rights issues and incidents paragraph 36  | not material                              |
| ESRS S4-1        | Policies related to consumers and end-users paragraph 16  | S4-116                                    |
|                  | Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17  | S4-117                                    |
| ESRS S4-4        | Human rights issues and incidents paragraph 35  | S4-4 35                                   |
| ESRS G1-1        | United Nations Convention against Corruption paragraph 10 (b)   | G1-1 10b                                  |
|                  | Protection of whistleblowers paragraph 10 (d)   | G1-1 10d                                  |
| ESRS G1-4        | Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)   | not material                              |
|                  | Standards of anti-corruption and anti-bribery paragraph 24 (b)  | not material                              |

The information to be provided in relation to the impacts, risks and opportunities assessed as material was determined based on the sustainability aspects from ESRS 1 AR 16. Specifically, the prescribed relevant information under a disclosure requirement (including its data points) is disclosed if the significance of the information in relation to the aspect it is intended to represent or explain has been assessed as relevant or the ability of that information to assist users in making decisions has been deemed to be given. A threshold was only applied in the materiality analysis as described under disclosure requirements IRO-1. [IRO-259](#)

## Environmental Information

### 1. Information in Accordance with Article 8 of Regulation (EU) 2020 / 852 (Taxonomy Regulation)

With the “European Green Deal”, the EU Commission has formulated the clear goal that the community of states should become climate-neutral by 2050. To achieve this, the EU Taxonomy Regulation (2020/852/EU) came into force in June 2020 as an important pillar. The regulation defines and classifies ecologically sustainable – i. e. taxonomy-aligned – economic activities. On the basis of standardized requirements, companies use it to assess the contribution of their economic activities to the following six defined environmental objectives:

1. Climate protection (CCM)
2. Adaptation to climate change (CCA)
3. Sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. Protection and restoration of biodiversity and ecosystems (BIO)

For companies subject to reporting requirements under the CSRD – such as DMG MORI AG – there are Reporting requirements arising from the Taxonomy Regulation (2020/852/EU). According to Article 8 of the Taxonomy Regulation, in conjunction with Delegated Regulation 2021/2178/EU (hereinafter also “Regulation”), companies must report for each environmental objective what proportion of the sales revenues of their economic activities are to be classified as taxonomy-aligned and indicate the corresponding proportions of capital and operating expenditure. An economic activity is taxonomy-aligned if it makes a significant contribution to at least one of the defined 6 environmental objectives, does not significantly impair the achievement of the other EU environmental objectives and ensures minimum protection for other topics.

In accordance with the supplement to Delegated Regulation 2023/2486/EU, the share of taxonomy-eligible and non-taxonomy-eligible economic activities in relation to sales revenues (I), capital expenditure (Capex, II) and operating expenditure (Opex, III) for the six environmental objectives “climate change mitigation”, “adaptation to climate change”, “sustainable use and protection of water and marine resources”, “transition to a circular economy” for the 2024 reporting year, “Pollution prevention and control” and “Protection and restoration of biodiversity and ecosystems”. Economic activities described in the “Climate and environmental legislation” are taxonomy-aligned, irrespective of whether this economic activity fulfills all defined technical assessment criteria. For the reporting year, the proportion of taxonomy-aligned (see Art. 1 No. 2 of the Delegated Regulation 2021/2178/EU – hereinafter referred to as the Regulation) economic activities for the six environmental objectives. For the reporting year, the proportion of taxonomy-aligned (see Art. 1 No. 2 of Delegated Regulation 2021 / 2178 / EU) economic activities for the six environmental objectives must also be stated.

As in the previous year, our renewed analysis shows that the business model of DMG MORI AG does not fall under the economic activities of the "Climate and Environment Act". Our economic activities and the resulting significant sales revenues can be assigned to the NACE code (EU classification of economic activities) C.28.4 "Manufacture of machine tools". In the EU taxonomy, the description of economic activity includes 3.6 "Manufacture of other low-CO<sub>2</sub> technologies" (CCM) contains a reference to this NACE code.

In the first step, our analysis showed that although some of DMG MORI AG's activities can be assigned to this economic activity 3.6 (CCM), according to the description it aims to significantly reduce greenhouse gases. The products of DMG MORI AG are not primarily aimed at reducing greenhouse gas emissions. In the next step, we also used the technical evaluation criteria to specify this. Accordingly, a life cycle analysis of greenhouse gas emissions and their comparison with the best-performing alternative solution is required. This is often not possible in mechanical engineering, as individual, customer-specific solutions are predominantly offered and no sufficiently detailed data from technologically similar third-party products is available. It is therefore not possible to classify the activities under 3.6 (CCM).

### 1.1. Sales revenues

The share of taxonomy-eligible or taxonomy-aligned economic activities in total revenue is calculated as the portion of net revenue derived from products and services related to these economic activities (numerator) divided by net revenue (denominator). The denominator corresponds to the consolidated net sales in accordance with IAS 1.82. Our analysis has shown that the economic activities of DMG MORI AG are currently not covered by the EU taxonomy. Accordingly, the share of our sales revenues from taxonomy-eligible or taxonomy-aligned economic activities amounts to 0% (previous year: 0%) in 2024. As a result, there are also no investment or operating expenses relating to assets or processes associated with economic activities within the meaning of the EU taxonomy (in accordance with Annex I No. 1.1.2.2. a), b) and No. 1.1.3.2 a), b) VO. Further details on sales revenues, capital expenditure and operating expenses can be found in chapter Results of Operations, Financial Position and Net Worth in table <sup>7</sup>T.07.

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In order to classify the other environmental measures of DMG MORI AG, we will discuss individual, taxonomy-eligible and taxonomy-aligned investment and operating expenses below.

For the allocation of capex and opex, we have identified the relevant acquisitions and measures and the primarily associated economic activities from Annex I of the "Climate Law Act" and from Annexes I, II, III and IV of the "Environmental Law Act". In this way, we ensure that no capex or opex is taken into account more than once. For the economic activities listed in Annex II of the "Climate Act" are subject to very specific criteria that must clearly contribute to "adaptation to climate change" by mitigating significant physical climate risks. Our investment and operating expenditure does not meet these criteria, so the following comments relate only to the environmental and climate protection objective. The relevant acquisitions and measures from capex and opex cannot be allocated to any economic activities from Annexes I, II, III and IV of the "Environmental Act".

## 1.2. Capex

The calculation of the share of capital expenditure or capex is defined in the Ordinance. The denominator comprises additions to Tangible and intangible assets (IAS 16), intangible assets (IAS 38) and rights of use in accordance with IFRS 16 during the reporting year before depreciation and revaluations. Additions from business combinations must also be considered (see Annex I No. 1.1 VO). In addition, additions to real estate (IAS 40) in accordance with Annex I No. 1.2.3.2 a) VO, which are held as financial investments, must be included in the calculation of the denominator. As DMG MORI AG does not recognize any investment property in accordance with IAS 40, no values are included in the denominator. The numerator corresponds to the investment expenditure contained in the denominator in accordance with Annex I No. 1.1.2.2. c) VO, which relate to individual measures such as the installation of charging stations for electric vehicles and energy-efficient appliances. When determining the counter, double counting was avoided by checking the internal key performance indicators reporting and by reconciling them with the individual financial statements of the Group companies. In addition, care was taken to ensure that there were no overlaps in the activities relevant to capital expenditure. The total investment expenditure for the reporting year can be found in chapter **Investment** and in the Notes to the Consolidated Financial Statements in tables **T.107 / T.108**. DMG MORI AG has been paying attention to sustainability in its investment decisions for years. The high capital expenditure of recent years is paying off. For example, we operate solar parks at all European production sites for the manufacture of green, renewable energy. In the current reporting year, around € 14 million (18%) (previous year: € 53.7 million; 45.5%) was invested in taxonomy. Of this amount, we invested € 1.7 million (2.2%) (previous year: € 3.1 million; 2.7%) were identified as taxonomy compliant. Taxonomy-aligned investments were identified for the economic activities "Transportation by motorcycles, passenger cars and light commercial vehicles (6.5)" (CCM), as well as "Installation, maintenance and repair of energy-efficient equipment (7.3)" (CCM) from Annex I of the "Climate Change Act". The decline in taxonomy-eligible capital expenditure compared with the financial year 2023 is mainly due to the economic activity "acquisition and exercise of ownership of property (7.7)" (CCM) at our sites in Seebach, Pinghu (China) and Pleszew (Poland) in the financial year 2023 in the amount of € 33.7 million. Additions to property, plant and equipment include taxonomy-aligned activities in the amount of € 0.03 million (0.04%) (previous year: € 0.1 million; 0.1%) for "Installation, maintenance or repair of charging stations for electric vehicles (7.4)" (CCM), which relate to remaining work on the previous year's projects at the Bielefeld and Stipshausen sites. In addition, economic activities amounting to € 0.1 million (0.1%) (previous year: € 0 million; 0%) are included for "Installation, maintenance and repair of equipment for measuring, regulating and controlling the energy performance of buildings (7.5)" (CCM). These result from the installation of a building control system at the Bielefeld site and the installation of a lighting control system at the Pleszew site. In addition, economic activities amounting to € 1.6 million (2.1%) (previous year: € 3 million; 2.6%) are included for "Installation, maintenance and repair of renewable energy technologies (7.6)" (CCM), which resulted from the completion of the installation of photovoltaic systems at our Polish production site and from the planning of the installation of heat pumps at our production site in Pfronten. Additions to intangible assets from business combinations and in connection with capex plans are not included.

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### 1.3. Opex

The determination of the share of operating expenses or opex is defined in the Regulation. The denominator includes all direct, non-capitalized costs relating to research and development, building renovation measures, short-term leasing, maintenance and repair in connection with the maintenance of assets and tangible fixed assets (see Annex I. 1.1.3.1 VO). The numerator corresponds to the part of the operating expenditure included in the denominator in accordance with No. 1.1.3.2 c) VO that relates to individual measures, such as the maintenance or repair of energy-efficient equipment and the maintenance or repair of equipment for controlling the overall energy efficiency of buildings. Double counting in the determination of the numerator was avoided by checking the internal key performance indicators reporting and by reconciliation with the individual financial statements of the Group companies. Attention was also paid to this, that there were no overlaps in the activities relevant to operating expenses. We also pay attention to sustainability in our operating expenses and have already implemented numerous measures in recent years. The reporting year accounts for a share of € 2.9 million (6.3%) (previous year: € 0.4 million; 0.7%). None of this measures (previous year: € 0 million; 0%) are taxonomy-aligned. Taxonomy-aligned opex was identified for the economic activity "Installation, maintenance and repair of energy-efficient appliances (7.3)" (CCM) in the amount of € 2.9 million (6.3%) (previous year: € 0.3 million; 0.5%) from Annex I of the "Climate Change Act". The additions to tax-deductible Opex in comparison to the financial year 2023 result primarily from the energy-efficient renovation of the partially leaky roof cladding on selected production halls at the Bielefeld site, amounting to € 2.5 million.

In order to determine the taxonomy conformity for the capex and opex taxonomy-eligible economic activities, we analyzed the technical assessment criteria of the EU taxonomy for a significant contribution to climate protection for each capex and opex taxonomy-eligible economic activity. The technical assessment criteria of capex taxonomy-eligible economic activities 7.4, 7.5 and 7.6 (CCM) are met. The proof of energy efficiency and the commissioning and installation of climate protection measures are essential here. If a technical assessment criterion cannot be met, the corresponding capex or opex is not reported as taxonomy-aligned within the meaning of the EU. This applies to the capex taxonomy-eligible economic activities 6.5 and 7.3 (CCM) and to the opex taxonomy-eligible economic activity 7.3 (CCM). Therefore, no taxonomy conformity can be reported for these economic activities.

If the technical criteria for a significant contribution to climate protection were met, we also analyzed for each measure whether the five other defined environmental objectives are significantly harmed by the taxonomy-eligible economic activities. Only if an economic activity cumulatively fulfills the "Does Not Significantly Harm" ("DNSH") criteria specified by the EU taxonomy is an adverse impact ruled out.

For the capex (7.4, 7.5, 7.6) (CCM) identified as taxonomy-aligned, the only specified DNSH criterion "adaptation to climate change" is fulfilled. For this purpose, a climate risk and vulnerability assessment were carried out in accordance with Annex A (Section I) of the "Climate Law Act" with a view to medium-term and long-term climate hazards for a period of 10 to 30 years. The assessment was carried out on a site-specific basis for each potential taxonomy-aligned economic activity and considering all classified climate hazards (temperature, wind, water, solids) and subcategories from Annex A. If a climate hazard is relevant, due to the site conditions, a further climate simulation is carried out using the CMIP6 climate simulation of the IPCC WGI Interactive

Atlas (base scenario: SSP 5-8.5, forecast corridor: 2041-2060, comparison period: 1850-1900). Considering the extent of damage and probability of occurrence, no significant climate risks were identified. For this reason, no adjustment measures are necessary.

To ensure compliance with the minimum protection, we identify and counter potential risks or violations with suitable processes and systems established across the group. Our measures include our own company as well as our suppliers and cover the areas of human rights (including employee and consumer rights), corruption/bribery, taxation, and fair competition. Our group-wide guidelines and training courses apply to these areas. In addition, our group-wide risk assessment is used to identify and minimize potential risks. Further principles are the requirements of the Supply Chain Due Diligence Act, which has been in force since 1 January 2023, and the associated UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. In addition to the risk assessment, we also conduct a human rights impact assessment for ourselves and our suppliers. There is no evidence that DMG MORI AG violates the minimum protection. Further information on respect for human rights at DMG MORI AG and along the entire value chain can be found in chapter Social Information under sections **1.6.3. Humane working conditions** and **2.5.1. Humane working conditions of workers in the value chain**. DMG MORI AG is not affected by any economic activity in connection with energy production from fossil gas or nuclear energy, as shown in table **T.47 Template 1: Nuclear and fossil gas related activities**. Therefore, we do not disclose templates 2 to 5 according to this regulation. The detailed taxonomy-aligned and taxonomy-enabled values can be found in tables **T.44, T.45** and **T.46**.

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Within sustainability management at DMG MORI AG, the preparation of disclosures in connection with the Taxonomy Regulation and the management of the associated key performance indicators is the responsibility of the “Sustainability & Business Development”, “Energy and Environmental Management”, “Accounting” and “Capex / NWC Management” departments.

## T.44 TAXONOMY TURNOVER

| Financial Year 2024  | 2024     |                 | Substantial contribution criteria |                               |                               |               |               |                      |                   | DNSH criteria<br>("Does not significantly harm") |                                |            |                |                       |                   |                         |  |                                 |                                     |
|--|----------|-----------------|-----------------------------------|-------------------------------|-------------------------------|---------------|---------------|----------------------|-------------------|--|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|--|---------------------------------|-------------------------------------|
|  | Code (2) | Turnover (3)    | Proportion of Turnover, 2024 (4)  | Climate change mitigation (5) | Climate change adaptation (6) | Water (7)     | Pollution (8) | Circular economy (9) | Biodiversity (10) | Climate change mitigation (11)                   | Climate change adaptation (12) | Water (13) | Pollution (14) | Circular economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, 2023 (18) | Category enabling activity (19) | Category transitional activity (20) |
| Economic activities (1)  |          | in<br>€ million | %                                 | Y; N;<br>N/EL                 | Y; N;<br>N/EL                 | Y; N;<br>N/EL | Y; N;<br>N/EL | Y; N;<br>N/EL        | Y; N;<br>N/EL     | Y/N  | Y/N                            | Y/N        | Y/N            | Y/N                   | Y/N               | %                       | E  | T                               |                                     |
| <b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>   |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |
| <b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>   |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)  |          | 0               | 0                                 | -                             | -                             | -             | -             | -                    | -                 | -  | -                              | -          | -              | -                     | -                 | 0                       | -  | -                               |                                     |
| Of which Enabling  |          | 0               | 0                                 | -                             | -                             | -             | -             | -                    | -                 | -  | -                              | -          | -              | -                     | -                 | 0                       | -  | -                               |                                     |
| Of which Transitional  |          | 0               | 0                                 | -                             | -                             | -             | -             | -                    | -                 | -  | -                              | -          | -              | -                     | -                 | 0                       | -  | -                               |                                     |
| <b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>        |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |          | 0               | 0                                 | -                             | -                             | -             | -             | -                    | -                 | -  | -                              | -          | -              | -                     | -                 | 0                       | -  | -                               |                                     |
| A. Turnover of Taxonomy-eligible activities (A.1+A.2)  |          | 0               | 0                                 | -                             | -                             | -             | -             | -                    | -                 | -  | -                              | -          | -              | -                     | -                 | 0                       | -  | -                               |                                     |
| <b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>   |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |
| Turnover of Taxonomy-non-eligible activities   |          | 2,228.3         | 100                               |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |
| <b>Total</b>   |          | <b>2,228.3</b>  | <b>100</b>                        |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |  |                                 |                                     |

Y = Yes, taxonomy-eligible and with the relevant environmental objective, taxonomy-aligned activity

N = No, activity that is eligible for taxonomy but not in line with the relevant environmental objective

EL = Activity eligible for taxonomy for the respective objective

N/EL = Activity not eligible for taxonomy for the respective objective

E = Enabling activity criterion met

T = Transition activity criterion met

## T.45 TAXONOMY CAPEX

| Financial year 2024   | 2024     |                 | Substantial contribution criteria |                               |                               |               |               |                      |                   | DNSH criteria<br>("Does not significantly harm") |                                |            |                |                       |                   |                         |   |                                 |
|---|----------|-----------------|-----------------------------------|-------------------------------|-------------------------------|---------------|---------------|----------------------|-------------------|--|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|---|---------------------------------|
|   | Code (2) | Capex (3)       | Proportion of Capex, 2024 (4)     | Climate change mitigation (5) | Climate change adaptation (6) | Water (7)     | Pollution (8) | Circular economy (9) | Biodiversity (10) | Climate change mitigation (11)                   | Climate change adaptation (12) | Water (13) | Pollution (14) | Circular economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1) or eligible (A.2) Capex, 2023 (18) | Category enabling activity (19) |
| Economic activities (1)   |          | in<br>€ million | %                                 | Y; N;<br>N/EL                 | Y; N;<br>N/EL                 | Y; N;<br>N/EL | Y; N;<br>N/EL | Y; N;<br>N/EL        | Y; N;<br>N/EL     | Y/N  | Y/N                            | Y/N        | Y/N            | Y/N                   | Y/N               | %                       | E   | T                               |
| <b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>  |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |
| <b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>  |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |
| Installation, maintenance and repair of charging stations for electric vehicles in buildings (and on parking lots belonging to buildings) | CCM 7.4  | 0.03            | 0.04                              | Y                             | N/EL                          | N/EL          | N/EL          | N/EL                 | N/EL              | Y  | Y                              | Y          | Y              | Y                     | Y                 | 0.1                     | E   |                                 |
| Installation, maintenance and repair of equipment for the measurement, control and management of the energy performance of buildings      | CCM 7.5  | 0.1             | 0.1                               | Y                             | N/EL                          | N/EL          | N/EL          | N/EL                 | N/EL              | Y  | Y                              | Y          | Y              | Y                     | Y                 | 0                       | E   |                                 |
| Installation, maintenance and repair of renewable energy technologies   | CCM 7.6  | 1.6             | 2.1                               | Y                             | N/EL                          | N/EL          | N/EL          | N/EL                 | N/EL              | Y  | Y                              | Y          | Y              | Y                     | Y                 | 2.6                     | E   |                                 |
| <b>Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>   |          | <b>1.7</b>      | <b>2.2</b>                        | <b>2.2</b>                    | <b>0</b>                      | <b>0</b>      | <b>0</b>      | <b>0</b>             | <b>0</b>          | <b>Y</b>   | <b>Y</b>                       | <b>Y</b>   | <b>Y</b>       | <b>Y</b>              | <b>Y</b>          | <b>2.7</b>              |   |                                 |
| Of which Enabling   |          | 1.7             | 2.2                               | 2.2                           | 0                             | 0             | 0             | 0                    | 0                 | Y  | Y                              | Y          | Y              | Y                     | Y                 | 2.7                     |   |                                 |
| Of which Transitional   |          | 0               | 0                                 | 0                             |                               |               |               |                      |                   |  |                                |            |                |                       |                   | 0                       |   |                                 |
| <b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>                             |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |
|   |          |                 |                                   | EL<br>N/EL                    | EL<br>N/EL                    | EL<br>N/EL    | EL<br>N/EL    | EL<br>N/EL           | EL<br>N/EL        |  |                                |            |                |                       |                   |                         |   |                                 |
| Transportation by motorcycles, passenger cars and light commercial vehicles   | CCM 6.5  | 11.4            | 14.7                              | EL                            | N/EL                          | N/EL          | N/EL          | N/EL                 | N/EL              | -  | -                              | -          | -              | -                     | -                 | 13.7                    |   |                                 |
| Installation, maintenance and repair of energy-efficient equipment  | CCM 7.3  | 0.9             | 1.2                               | EL                            | N/EL                          | N/EL          | N/EL          | N/EL                 | N/EL              | -  | -                              | -          | -              | -                     | -                 | 0.6                     |   |                                 |
| <b>Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>                  |          | <b>12.3</b>     | <b>15.8</b>                       | <b>15.8</b>                   | <b>0</b>                      | <b>0</b>      | <b>0</b>      | <b>0</b>             | <b>0</b>          | <b>-</b>   | <b>-</b>                       | <b>-</b>   | <b>-</b>       | <b>-</b>              | <b>-</b>          | <b>14.3</b>             |   |                                 |
| <b>A.1 Capex of Taxonomy eligible activities (A.1+A.2)</b>  |          | <b>14.0</b>     | <b>18.0</b>                       | <b>18.0</b>                   | <b>0</b>                      | <b>0</b>      | <b>0</b>      | <b>0</b>             | <b>0</b>          | <b>-</b>   | <b>-</b>                       | <b>-</b>   | <b>-</b>       | <b>-</b>              | <b>-</b>          | <b>17.0</b>             |   |                                 |
| <b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>  |          |                 |                                   |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |
| Capex of Taxonomy-non-eligible activities   |          | 63.8            | 82                                |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |
| <b>Total</b>  |          | <b>77.8</b>     | <b>100</b>                        |                               |                               |               |               |                      |                   |  |                                |            |                |                       |                   |                         |   |                                 |

Y = Yes, taxonomy-eligible and with the relevant environmental objective, taxonomy-aligned activity  
N = No, activity that is eligible for taxonomy but not in line with the relevant environmental objective  
EL = Activity eligible for taxonomy for the respective objective  
N/EL = Activity not eligible for taxonomy for the respective objective  
E = Enabling activity criterion met  
T = Transition activity criterion met

## T.46 TAXONOMY OPEX

| Financial year 2024  | 2024    | Substantial contribution criteria |            |                              |                               |                               |               |               |                      | DNSH criteria<br>("Does Not Significantly Harm") |                                |                                |            |                |                       |                   |                         |  |                                 |
|--|---------|-----------------------------------|------------|------------------------------|-------------------------------|-------------------------------|---------------|---------------|----------------------|--|--------------------------------|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|--|---------------------------------|
|  |         | Code (2)                          | Opex (3)   | Proportion of Opex, 2024 (4) | Climate change mitigation (5) | Climate change adaptation (6) | Water (7)     | Pollution (8) | Circular economy (9) | Biodiversity (10)                                | Climate change mitigation (11) | Climate change adaptation (12) | Water (13) | Pollution (14) | Circular economy (15) | Biodiversity (16) | Minimum safeguards (17) | Proportion of Taxonomy aligned (A.1) or eligible (A.2) Opex, 2023 (18) | Category enabling activity (19) |
| Economic activities (1)  |         | in<br>€ million                   | %          | Y; N;<br>N/EL                | Y; N;<br>N/EL                 | Y; N;<br>N/EL                 | Y; N;<br>N/EL | Y; N;<br>N/EL | Y; N;<br>N/EL        | Y/N  | Y/N                            | Y/N                            | Y/N        | Y/N            | Y/N                   | Y/N               | %                       | E  | T                               |
| <b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>   |         |                                   |            |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |
| <b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>   |         |                                   |            |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |
| Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)  |         | 0                                 | 0          | -                            | -                             | -                             | -             | -             | -                    | -  | -                              | -                              | -          | -              | -                     | -                 | 0                       |  |                                 |
| Of which Enabling  |         | 0                                 | 0          | -                            | -                             | -                             | -             | -             | -                    | -  | -                              | -                              | -          | -              | -                     | -                 | 0                       |  |                                 |
| Of which Transitional  |         | 0                                 | 0          | -                            | -                             | -                             | -             | -             | -                    | -  | -                              | -                              | -          | -              | -                     | -                 | 0                       |  |                                 |
| <b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>    |         |                                   |            |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |
|  |         |                                   |            | EL<br>N/EL                   | EL<br>N/EL                    | EL<br>N/EL                    | EL<br>N/EL    | EL<br>N/EL    | EL<br>N/EL           |  |                                |                                |            |                |                       |                   |                         |  |                                 |
| Installation, maintenance and repair of energy-efficient equipment   | CCM 7.3 | 2.9                               | 6.3        | EL                           | N/EL                          | N/EL                          | N/EL          | N/EL          | N/EL                 | -  | -                              | -                              | -          | -              | -                     | -                 | 0.5                     |  |                                 |
| Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |         | 2.9                               | 6.3        | 6.3                          | 0                             | 0                             | 0             | 0             | 0                    | -  | -                              | -                              | -          | -              | -                     | -                 | 0.5                     |  |                                 |
| <b>A. Opex of Taxonomy eligible activities (A.1+A.2)</b>   |         | <b>2.9</b>                        | <b>6.3</b> | <b>6.3</b>                   | <b>0</b>                      | <b>0</b>                      | <b>0</b>      | <b>0</b>      | <b>0</b>             | <b>-</b>   | <b>-</b>                       | <b>-</b>                       | <b>-</b>   | <b>-</b>       | <b>-</b>              | <b>-</b>          | <b>0.5</b>              |  |                                 |
| <b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>   |         |                                   |            |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |
| Opex of Taxonomy-non-eligible activities   |         | 43.5                              | 99.3       |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |
| <b>Total</b>   |         | <b>46.4</b>                       | <b>100</b> |                              |                               |                               |               |               |                      |  |                                |                                |            |                |                       |                   |                         |  |                                 |

Y = Yes, taxonomy-eligible and with the relevant environmental objective, taxonomy-aligned activity  
N = No, activity that is eligible for taxonomy but not in line with the relevant environmental objective  
EL = Activity eligible for taxonomy for the respective objective  
N/EL = Activity not eligible for taxonomy for the respective objective  
E = Enabling activity criterion met  
T = Transition activity criterion met

## T.47 TEMPLATE 1: NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

| Row | Nuclear energy related activities   |    |
|-----|---|----|
| 1.  | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.   | No |
| 2.  | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.   | No |
| 3.  | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | No |
| Row | Fossil gas related activities   |    |
| 4.  | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.  | No |
| 5.  | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.   | No |
| 6.  | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.   | No |

## 2. ESRS E1: Climate Change

### 2.1. Disclosure Requirement related to ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes

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In the financial year 2024, climate-related aspects were an integral part of the Executive Board remuneration system at DMG MORI AG. This created an incentive for the Executive Board to sustainably reduce emissions in Scopes 1, 2 and 3. In addition to a fixed base salary, the members of the Executive Board at DMG MORI AG receive both short-term (STI) and long-term (LTI) variable remuneration components (<sup>7</sup> Remuneration Report). The modifier “carbon dioxide emissions” is used to determine the amount of the LTI. Specifically, this means that the base value set for the LTI is multiplied by the modifier’s factor. This factor is derived from the degree of target achievement for the set targets for reducing emissions in the reporting year. If total carbon dioxide emissions are reduced to 814,819 metric tons of CO<sub>2</sub> equivalents or less, the modifier is 1.2. If total emissions in 2024 are reduced to 855,560 t CO<sub>2</sub>-equivalents, the modifier is 1.0. For total emissions of 896,300 t CO<sub>2</sub>-equivalents or more in the reporting year, the modifier is 0.8. The reduction target is in line with the Science Based Targets. DMG MORI AG has committed to reducing Scope 1 and 2 emissions by 46.2% and Scope 3 emissions by 27.5% by 2030 compared to the base year 2019. This results in annual, linear reduction targets for total emissions. For 2024, the value to be achieved with a linear reduction is 814,819 tons of CO<sub>2</sub>-equivalents, which accordingly forms the maximum value of the modifier. There is no incentive system for the Supervisory Board in the form of variable compensation components. **GOV-313**

### 2.2. Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

During the materiality analysis carried out in the reporting year, the DMG MORI AG systematically recorded the general climate risks for the first time in accordance with ESRS specifications. No fundamental distinction was made between climate-related physical risks and transition risks. For details of existing analyses relating to such risks, please refer to our topic-related disclosure

in connection with disclosure requirement IRO-1. The climate and business scenarios depicted therein form the basis for us to identify assets and business activities exposed to risk and are incorporated into the determination of corporate strategy and investment decisions as well as ongoing and planned climate protection measures. **SBM-3 18**

DMG MORI AG's ability to adapt its business model to climate change in the short, medium and long term, including in terms of continued access to finance and affordable cost of capital, the ability to repurpose, modernize or decommission existing assets, relocate its product and services portfolio or retrain its workforce, is integral to our daily business activities and will be further formalized as part of our sustainability strategy in the future. **SBM-3 18**

No additional dedicated resilience analysis regarding climate risks was carried out in the reporting year. **SBM-3 19**

### 2.3. E1-1 Transition plan for climate change mitigation

In the reporting year, we considered various measures in connection with our CO<sub>2</sub> balance sheet holistically for the first time in the sense of a transition plan in accordance with ESRS. Accordingly, we intend to further formalize and document this in subsequent years. In the reporting year, the Executive Board and Supervisory Board were informed and briefed by the respective specialist departments on measures relating to climate protection. **E1-1 14 E1-1 16a E1-1 16i E1-4 34 E1-4 AR24**  
**ESRS 2 MDR-T**

The overarching goal is to achieve the Science Based Targets set in 2021. DMG MORI AG has committed to reducing emissions in Scope 1 and 2 by 46.2% (in absolute terms, this corresponds to a reduction of 22,409 tons of CO<sub>2</sub> equivalents) and in Scope 3 by 27.5% (in absolute terms, this corresponds to a reduction of 244,043 tons of CO<sub>2</sub> equivalents) by 2030 compared to the base year 2019. For the combined target in Scope 1 and 2, we follow the clear recommendations of the Science Based Targets Initiative (SBTi) and do not break this down further, partly due to the high interdependencies between the emission sources. However, we estimate that the reduction in further Scope 1 and Scope 2 emissions will mainly be in the area of Scope 1 emissions. The absolute values for the base year are shown in our carbon footprint in accordance with disclosure requirements E1-6. These correspond to the simplified market-based approach that we have disclosed in our previous reporting. With regard to the limitations of CO<sub>2</sub> recognition, there are no differences between the base and reporting year. This results in annual, linear reduction targets for total emissions. Furthermore, DMG MORI AG has committed to a net zero target by 2050 in accordance with the definition of the SBTi, which is in line with the Paris Climate Agreement. As described in our disclosure requirements in connection with ESRS 2 GOV-3, these targets are an integral part of the variable Executive Board remuneration, so that the effectiveness of the measures mentioned hereinafter regarding target achievement is of high strategic importance. Accordingly, the effectiveness is reviewed with the annual preparation of the CO<sub>2</sub> balance sheet. As the targets were developed in cooperation with the SBTi, the direct involvement of relevant stakeholders was also ensured. Our Science Based Targets generally follow the guidelines and framework of the climate protection organization of the same name and are therefore scientifically sound and in line with what the latest climate science considers necessary to achieve the goals of the Paris Agreement. A sector-specific decarbonization path, climate and political scenarios or other future developments that could affect DMG MORI AG were not explicitly taken into account in the calculation. **E1-1 16a E1-1 16i E1-4 34 E1-4 AR24 ESRS 2 MDR-T**

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The main lever in Scope 1 and 2 is the transition to green electricity. All of DMG MORI AG's German sites switched completely to green electricity in the financial year 2020. In 2023, the Polish plant also switched to green electricity. We also invest in further efficiency measures every year. For example, the roof of our production halls in Bielefeld was renovated in 2024. We also invested in further photovoltaic systems at our site in Pleszew, Poland, to increase our own production. A detailed list can be found in chapter Environmental Information under section **2.6.1.3. E1-3 Actions and resources in relation to climate change policies**. Thanks to the measures implemented, DMG MORI AG was able to achieve the reduction targets by 2030 in terms of the Science Based Targets in Scope 1 and 2 at an early stage. **E1-116b**

The majority of emissions in DMG MORI AG's value chain are generated in the upstream processes at our suppliers and in later operations at our customers. **E1-116b**

A transparent data basis is crucial to achieving our reduction targets in Scope 3. To this end, we began introducing CO<sub>2</sub> management software in the reporting year. For example, the "Supplier Engagement Tool" of this software will also be used in future to record emissions in the upstream supply chains (Scope 3 Upstream). This will enable us to transparently exchange emissions data at workpiece level, automatically validate data and derive reduction measures for our suppliers. **E1-116b**

DMG MORI enables improved resource efficiency and long service life of our machines as well as low scrap rates in the subsequent operation of our machine tools at the customer's site (Scope 3 Downstream) through a high degree of technology integration, quality and precision. Automation and digitalization solutions enable DMG MORI machines to run efficiently around the clock. In addition, we offer our **GREENMODE** measures as an option or as standard, depending on the machine model. This makes it possible to achieve energy savings of over 30% for our customers, for example by operating machine components only when needed, using efficient chillers, or by adaptively supplying coolant. We are successively developing this offer for our entire portfolio. The effectiveness of our energy efficiency measures and our calculation methods has also been confirmed by TÜV SÜD Industrie Service GmbH: DMG MORI was the first machine tool manufacturer in Germany to be awarded the TÜV SÜD EME certificate for the **GREENMODE** management system in January 2023 and was successfully recertified in the reporting year. **E1-116b**

Sustainability is a key topic in our dialog with our customers. We actively support improvement measures such as the switch to green electricity. In the future, digital functions of the aforementioned CO<sub>2</sub> management software will also be used for this purpose. In future, for example, we plan to ask our customers to provide us with proof of their electricity mix when they purchase machine tools. **E1-116b**

In order to achieve our Science Based Targets, we have further intensified the internal anchoring of sustainability as an important aspect in decision-making processes, for example in development plans or by taking new investments into account in financial planning. With regard to the aforementioned levers for decarbonization, the following table provides a summary of the most important measures that were taken in the reporting year and are planned for the future. **E1-329a**

**E1-329b** **ESRS 2 MDR-A**

**T.48 DECARBONIZATION MEASURES IN THE REPORTING YEAR**

| Levers for decarbonization   | Central measures  | Scope of the central measures | Time horizon | Expected results   |
|--|---|-------------------------------|--------------|--|
| Increasing the quality of data used to calculate the CO <sub>2</sub> balance sheet and plan reductions | Introduction of a centralized CO <sub>2</sub> management system | All sites of DMG MORI AG      | 31 Dec. 2026 | Basis for data-driven reduction measures   |
| Decarbonization of the supply chain  | Supplier engagement   | Suppliers of DMG MORI AG      | 31 Dec. 2030 | Basis for supplier-specific reduction measures to achieve the target of a 27.5 % reduction by 2030 |
| Decarbonization of the usage phase of our machines   | R&D Projects: GREENMODE measures                                | All machines from DMG MORI AG | Continuous   | Energy efficiency can be increased by more than 30 % for specific machines                         |
|  | Customer engagement   | Customers of DMG MORI AG      | 31 Dec. 2030 | Basis for customer-specific reduction measures to achieve the target of a 27.5 % reduction by 2030 |

page 131 The overall contribution of the levers listed in table <sup>†</sup>T.47 **Decarbonization measures in the reporting year** to achieving the GHG emission reduction targets focuses on Scope 3, which we cannot quantify clearly and conclusively at this time. [E1-4.34f](#) [E1-3.29b](#)

page 120 et seqq. In the reporting year, there was no specific budget plan for the main levers for decarbonization, as this is still being developed. Rather, individual measures were part of various budgets, for example for the modernization and repair of our production sites, which in turn leads to lower energy consumption. Our disclosures in connection with the Taxonomy Regulation can be found in chapter Environmental Information under section <sup>†</sup>1. **Information in accordance with Article 8 of Regulation (EU) 2020 / 852 (Taxonomy Regulation)**. Due to the described approach to budget planning, we are currently unable to disclose any monetary amounts of Capex and Opex required for the implementation of the decarbonization levers taken or planned. In principle, the extent of our ability to implement the measures depends on the availability and allocation of funds, which must be approved accordingly by the Executive Board. [E1-1.16c](#) [E1-1.16e](#) [ESRS MDR-A](#) [E1-3.29c](#) [E1-3. AR21](#)

DMG MORI AG has not carried out a qualitative assessment of potential included greenhouse gas emissions in connection with the relevant assets and products in 2024. Such greenhouse gas emissions are not included in the set Science Based Targets anyway, so that effects on target achievement are excluded. [E1-1.16d](#)

In the reporting period, € 0 was invested in coal-, oil- and gas-related economic activities in accordance with the Taxonomy Regulation. DMG MORI AG was not excluded from the EU Paris-aligned reference values based on the exclusion criteria in Article 12.1 (d) to (g) and 12.2 of Commission Delegated Regulation (EU) 2020/1818. [E1-1.16f](#) [E1-1.16g](#)

We report regularly on our progress in achieving the Science Based Targets in the interests of maximum transparency. Thanks to the measures implemented, DMG MORI AG was able to achieve the reduction targets in Scopes 1 and 2 ahead of schedule. We are confident that we will

also achieve our reduction targets in Scope 3 and thus meet the Science Based Targets overall. The transition plan is also to be further formalized by our sustainability strategy in the sense of Green Transformation (GX), which is currently being developed. [E1-116h](#) [E1-116j](#)

#### 2.4. E1-5 Energy consumption and mix

Table T.49 shows the energy consumption within the organization in MWh. The energy consumption values were determined using the bills from the energy supplier and digital energy data collection. Due to the non-availability of the statement or consumption report at the closing date or at the time of preparing the Sustainability Statement, the values for missing months were estimated, if necessary, using projections based on the previous months or the number of employees. In addition, the consumption of gray electricity in the individual companies was assumed to be part of the German electricity mix in order to determine the total energy consumption from nuclear sources. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key performance indicator. The values are also part of the energy management system in accordance with the ISO 50001 standard as described in chapter Environmental Information under section <sup>2</sup>2.6.1.2. **E1-2 Policies related to climate change mitigation and adaptation** and are therefore subject to an additional, separate annual review. [E1-5 37](#) [E1-5 38](#) [ESRS 2 MDR-M](#)

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#### T.49 ENERGY CONSUMPTION WITHIN THE ORGANIZATION (IN MWH)

| in MWh   | 2024           |
|--|----------------|
| Fuel consumption from coal and coal products   | -              |
| Fuel consumption from crude oil and petroleum products   | 46,720         |
| Fuel consumption from natural gas  | 26,390         |
| Fuel consumption from other fossil sources   | -              |
| Consumption from purchased or received electricity, heat, steam or cooling from fossil sources                       | 7,517          |
| <b>Total energy consumption from fossil sources</b>  | <b>80,628</b>  |
| <b>Total energy consumption from nuclear sources</b>   | <b>514</b>     |
| Fuel consumption from renewable sources (including biomass, biofuels, biogas, hydrogen) from renewable sources, etc. | -              |
| Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources                     | 38,829         |
| Consumption of self-generated renewable energy (excluding fuels)   | 8,209          |
| <b>Total energy consumption from renewable sources</b>   | <b>47,037</b>  |
| <b>Total energy consumption from all sources</b>   | <b>128,179</b> |

The table T.50 shows the energy generation within the organization in MWh. The values for energy generation were determined using digital energy data collection. Due to the fact that the generation quantities were not reported by the booking deadline or at the time the Sustainability Statement was created, the values for missing months were estimated if necessary using extrapolations based on the previous months or the number of employees. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key figure. The values are also part of the energy management system in accordance with the ISO 50001 standard as described in chapter Environmental Information under section <sup>2</sup>2.6.1.2. **E1-2 Policies related to climate change mitigation and adaptation** and are therefore subject to an additional, separate annual review. [E1-5 37](#)

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**T.50 ENERGY GENERATION WITHIN THE ORGANIZATION (IN MWH)**

| in MWh   | 2024         |
|--|--------------|
| Total amount of non-renewable energy generated | 681          |
| Total amount of renewable energy generated     | 8,209        |
| <b>Total amount of energy generated</b>        | <b>8,890</b> |

This is essentially the amount of energy generated by our PV systems, a very large proportion of which is consumed by the respective sites themselves. Only a marginal amount is fed into the energy grid during the summer months and at weekends.

The energy intensity (total energy consumption per net sales revenue) amounted to 57.52 MWh/mEUR in the reporting year. As described in our disclosures on the EU Taxonomy Regulation, we fully classify our business activities under NACE code C.28.4 "Manufacture of machine tools". In accordance with Commission Delegated Regulation (EU) 2022/1288 Annex I, our business activities are therefore classified as the climate-intensive sectors. The sales revenues included in the calculation of the key performance indicators are consistent with the disclosures in the Consolidated Financial Statements. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to the key performance indicators hereinafter. [E1-5 40](#) [E1-5 42](#) [E1-5 43](#) [ESRS 2 MDR-M](#)

**2.5. E1-6 Gross Scopes 1, 2, 3 and total GHG emissions**

The following table T.51 contains the GHG emissions for Scope 1, 2 and 3 in metric tons of CO<sub>2</sub> equivalents (CO<sub>2e</sub>) for the financial year 2024. [E1-6 44](#) [E1-6 AR 48](#)

T.51 CO<sub>2</sub> BALANCE SHEET ACCORDING TO GHG PROTOCOL

| in metric tons of CO <sub>2</sub> equivalents  | Looking back        |                    |                     |                           | Milestones and target years |                         |                 |                        |
|--|---------------------|--------------------|---------------------|---------------------------|-----------------------------|-------------------------|-----------------|------------------------|
|  | Reference year 2019 | Previous year 2023 | Reporting year 2024 | Changes 2024 against 2023 | 2025                        | Target values 2030 SBTi | 2050            | Reduction against 2019 |
| <b>Scope 1 – Direct greenhouse gas emissions</b>   |                     |                    |                     |                           |                             |                         |                 |                        |
| Scope 1 gross GHG emissions  | 23,712              | 18,211             | 17,668              | -3 %                      | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Percentage of Scope 1 GHG emissions from regulated emissions trading systems                             | -                   | -                  | -                   | -                         | -                           | -                       | -               | -                      |
| <b>Scope 2 – Indirect greenhouse gas emissions</b>   |                     |                    |                     |                           |                             |                         |                 |                        |
| Location-based Scope 2 GHG gross emissions   |                     |                    | 20,194              | n. a.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Market-based Scope 2 GHG gross emissions   | 24,793              | 4,264              | 5,020               |                           |                             |                         |                 |                        |
| <i>Scope 1 + Scope 2 (location-based)</i>  |                     |                    | 37,862              | <i>n. a.</i>              | <i>n. a.</i>                |                         |                 |                        |
| <i>Scope 1 + Scope 2 (market-based)</i>  | 48,505              | 22,476             | 22,689              | <i>n. a.</i>              | <i>n. a.</i>                | 26,096                  | Net Zero        | 46.2 %                 |
| <b>Scope 3 – Significant greenhouse gas emissions from upstream and downstream value creation stages</b> |                     |                    |                     |                           |                             |                         |                 |                        |
| <b>Total indirect Scope 3 GHG gross emissions</b>  | <b>887,429</b>      | <b>836,97</b>      | <b>819,338</b>      | <b>-2 %</b>               | <b>n. a.</b>                | <b>643,386</b>          | <b>Net Zero</b> | <b>27.5 %</b>          |
| Category 1: Purchased goods and services   | 340,361             | 347,780            | 261,174             | -25 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 2: Capital goods  | n. s.               | n. s.              | n. s.               | n. s.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 3: Fuels and energy   | 9,511               | 6,537              | 5,137               | -21 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 4: Upstream transportation  | 17,864              | 18,302             | 13,742              | -25 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 5: Waste  | 189                 | 177                | 1,668               | 843 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 6: Business trips   | 5,174               | 3,826              | 4,003               | 5 %                       | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 7: Business trips   | 12,460              | 10,272             | 8,841               | -14 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 8: Leasing of goods   | n. s.               | n. s.              | n. s.               | n. s.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 9: Downstream transportation and delivery   | 10,851              | 6,139              | 4,601               | -25 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 10: Further processing of sold products   | n. s.               | n. s.              | n. s.               | n. s.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 11: Operation of products sold  | 463,959             | 420,132            | 499,963             | 19 %                      | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 12: Machine recycling   | 27,060              | 23,807             | 20,210              | -15 %                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 13: Downstream leased assets  | n. s.               | n. s.              | n. s.               | n. s.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 14: Franchise   | n. s.               | n. s.              | n. s.               | n. a.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| Category 15: Investments   | n. s.               | n. s.              | n. s.               | n. a.                     | n. a.                       | n. a.                   | n. a.           | n. a.                  |
| <b>Total GHG emissions</b>   |                     |                    |                     |                           |                             |                         |                 |                        |
| <b>Total GHG emissions (location-based) in tCO<sub>2e</sub></b>  |                     |                    | <b>857,201</b>      | <b>n. a.</b>              | <b>n. a.</b>                | <b>n. a.</b>            | <b>n. a.</b>    | <b>n. a.</b>           |
| <b>Total GHG emissions (market-based) in tCO<sub>2e</sub></b>  | <b>935,934</b>      | <b>859,448</b>     | <b>842,027</b>      | <b>n. a.</b>              | <b>n. a.</b>                | <b>n. a.</b>            | <b>n. a.</b>    | <b>n. a.</b>           |

n. a. = not available  
n. s. = not significant

Table T.52 describes the intensity of our total GHG emissions per net revenue. [E1-6 54](#)

## T.52 THG INTENSITY

|  | 2024       |
|--|------------|
| Total GHG emissions – location-based   | 857,201    |
| Total GHG emissions – market-based   | 842,027    |
| Net income (in mEUR)   | 2,228      |
| <b>GHG intensity ratio – location-based (metric tons of CO<sub>2</sub> equivalents per mEUR of sales revenues)</b> | <b>385</b> |
| <b>GHG intensity ratio – market-based (metric tons of CO<sub>2</sub> equivalents per mEUR of sales revenues)</b>   | <b>378</b> |

Net sales revenues as a reference value for calculating greenhouse gas intensity can be directly reconciled with the sales revenues of DMG MORI AG in the Consolidated Financial Statements.

[E1-6 55](#)

The calculation methodology for the aforementioned key performance indicators is in line with the ESRS guidelines. For example, the emissions were derived according to the scope of operational control. The carbon footprint for the reporting year does not include any biogenic emissions, as these are not caused in any of the three scopes. To prepare the carbon footprint, we used the certified tool of a relevant service provider, with whose help we carried out the accounting technically. Accordingly, the emission factors required to calculate the values in metric tons of CO<sub>2</sub> equivalents for all greenhouse gas emissions in categories Scope 1, 2 and 3 were derived in accordance with the certified system or supplied by the service provider. The conversion into CO<sub>2</sub> equivalents was carried out using the recognized conversion factors of the US Department for Environment, Food & Rural Affairs. Additional databases such as those of the Federal Office of Economics and Export Control (BAFA) are used to calculate some specific emissions, in particular due to the production materials used. Since this is a reliable source for conversion, we also ensure that valid and complete factors are used for recognition. With regard to the location-based and market-based methods for calculating Scope 2 greenhouse gas emissions, the differences outlined above arise from the underlying contractual instruments such as green electricity contracts at our production sites. With regard to Scope 3 greenhouse gas emissions, we calculate the extent of the emissions based on indirect approximations for the most part. In principle, primary data from partners in the value chain is available for all categories. These are processed, extrapolated and transferred accordingly. We are always trying to increase the proportion of primary data in our database and would like to systematically determine and disclose this in future. However, we are unable to disclose an exact percentage for recognition in the reporting year. The significant categories of Scope 3 greenhouse gas emissions and the respective calculation methods for estimating greenhouse gas emissions are outlined below: [ESRS 2 MDR-M](#) [E1-6 AR39](#) [E1-6 AR43](#) [E1-6 AR45](#) [E1-6 AR46](#)

### T.53 CALCULATION BASIS FOR SCOPE 3

| Category  | Calculation basis  |
|---|--|
| Category 1: Purchased goods and services                                  | Extended parts list of six representative reference machines                         |
| Category 3: Fuels and energy (e. g. fuel supply chain)                    | Starting point is the energy consumption and emissions presented in Scope 1 and 2    |
| Category 4: Upstream transportation (e. g. ship and truck)                | Extended parts list of six representative reference machines                         |
| Category 5: Waste   | Centralized inquiry from disposal systems  |
| Category 6: Business trips  | Evaluation of external (travel) agencies   |
| Category 7: Official channels (e. g. by car)                              | Quantitative, extrapolated survey  |
| Category 9: Downstream transportation and delivery (e. g. ship and truck) | Detailed examination of four representative reference machines                       |
| Category 11: Operation of the sold products                               | Creation of a detailed energy certificate for prototypes at the product series level |
| Category 12: Machine recycling (e. g. steel and electronics)              | Detailed examination of four representative reference machines                       |

The reporting limits taken into account refer to the entire DMG MORI AG and correspond to the requirements of the GHG Protocol for the various scopes. Categories 2, 8, 10, 13, 14 and 15 were excluded from the carbon footprint accounting for the reasons stated hereinafter: Category 2 (capital goods) and category 15 (investments) are not explicitly stated since the emissions of this category do not constitute a significant share of the total emissions of DMG MORI AG. Furthermore, the associated primary data is not available in sufficient quality. Category 8 (leasing of goods), which also belongs to the upstream categories, is reported in the balance sheet under

Scope 1 due to its high importance for business activities (see leasing). Categories 10 (further processing of sold products), 13 (downstream leased assets) and 14 (franchise) are not applicable.

ESRS 2 MDR-M E1-6 AR39 E1-6 AR43 E1-6 AR45 E1-6 AR46

For quality assurance purposes, the control process described in disclosure requirement GOV-5 was also applied to these key performance indicators. The CO<sub>2</sub> balance is not subject to a separate audit and validation by an external body.

ESRS 2 MDR-M E1-6 AR39 E1-6 AR43 E1-6 AR45 E1-6 AR46

## 2.6. Material sustainability matters

### 2.6.1. Climate change mitigation (own operations)

#### 2.6.1.1. Impact, risk and opportunity management

page 116 et seqq.

We describe our procedure for determining and assessing the impacts, risks and opportunities in connection with climate protection in our own operations in detail in chapter General Information under section <sup>7</sup> 4. **Impact, risk and opportunity management**. In this context, the climate-related impacts of our own operations were discussed, for example, on the basis of greenhouse gas emissions from recent years and their relevant drivers, as well as the energy efficiency of our products. In addition, financial opportunities based on internal project experience with the installation of PV systems were discussed, along with possible financial risks from adapting to climate change. Representatives from energy and sustainability management played a particularly important role in the direct involvement of employees. There was no explicit review of our activities and plans regarding future sources of greenhouse gas emissions. However, in addition to the assessment in the materiality analysis, further climate-related scenario analyses were carried out in the reporting year. IRO-120

As part of the disclosure requirements of the EU Taxonomy Regulation (EU) 2020/852, DMG MORI AG is conducting a climate risk and vulnerability analysis. However, this analysis only includes an assessment of the taxonomy-aligned activities to determine which of the physical climate risks according to the Delegated Regulation (EU) 2021/2139 (e.g. heat waves, cold spells/frost, forest and wildfires, change in wind patterns, etc.) may affect the performance of the economic activity over its expected lifetime, based on the probability, extent and duration of the hazards. Depending on the economic activity, the analysis may include short-, medium- and long-term time horizons. In the reporting year, the analysis is scaled to a differentiation between 10 years (medium term) and 2050 (long term). Our group-wide approach is based on Appendix A of the “Climate Act”. We do not consider particularly vulnerable assets or the supply chain. For sites with taxonomy-aligned activities that pose a relevant climate risk due to local conditions, we carry out a CMI P6 climate simulation of the IPCC WGI Interactive Atlas (baseline scenario: SSP 5-8.5, forecast corridor 2041-2060, reference period: 1850-1900). Since this is a relevant source for such analyses in the context of the EU Taxonomy Regulation, we believe that all plausible risks and uncertainties are covered by the range of scenarios used. In addition, we follow the platform’s best practice to ensure the relevance of the drivers considered in each scenario to our business. Since the platform is based on more general national or regional data, the level of detail of the scenarios is limited. Nevertheless, the materiality of climate risks is assessed accordingly in the climate simulation, based on the potential extent of damage and probability of occurrence. There are no other critical climate-related assumptions in these Consolidated Financial Statements that would be consistent with the scenarios mentioned. IRO-120

DMG MORI AG does not currently have such a separate procedure for identifying and assessing climate-related transition risks and opportunities. Table T.54 shows the impacts, opportunities and risks identified in the materiality analysis. [IRO-120](#)

#### T.54 MATERIAL IRO: CLIMATE CHANGE MITIGATION (OWN OPERATIONS)

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Own operations contribute to a rise of GHG concentration in the atmosphere leading to changing climate patterns.  | I   | A                            | N                             |
| Reducing the GHG intensity of own production reduces the contribution to the GHG concentration in the atmosphere. | I   | A                            | P                             |
| High energy consumption in own production processes leads to significant greenhouse gas emissions.                | I   | A                            | N                             |
| Transitioning to renewable energy sources substantially curtails greenhouse gas emissions.                        | I   | A                            | P                             |
| Inefficient energy use in a manufacturing facility can lead to excessive consumption of fossil fuels.             | I   | P                            | N                             |
| The installation of PV owned premises offers lower operating expenditure for energy.                              | O   |                              |                               |

#### 2.6.1.2. E1-2 Policies related to climate change mitigation and adaptation

DMG MORI AG has been operating an energy management system in accordance with the ISO 50001 standard since 2015 in order to manage significant impacts, risks and opportunities arising from the climate change mitigation and adaptation. The energy management system is based on the Energy Management Manual and focuses on the eight of a total of 60 sites with the greatest environmental impact – our seven European production plants and the site in Geretsried – as well as our vehicle fleet. The effectiveness of the system was confirmed by DEKRA Certification GmbH for the reporting year. In accordance with the ISO 50001 standard, internal and external stakeholders are reviewed for risks and opportunities using a context analysis. The procedures and processes of the energy management system are documented in the energy management manual and in various process instructions. The degree of fulfillment is continuously monitored by the energy manager and then communicated to the Executive Board and Chief Representatives of DMG MORI AG. A local energy team and a central energy manager are available at each site to assist with implementation. [ESRS 2 MDR-P](#) [E1-2.24](#) [E1-2.25](#)

All laws and regulations of the energy management system are managed in a digital legal register via the "Umwelt-Online" web portal. Individual specifications, tasks and responsibilities for the respective locations are derived from this.

DMG MORI AG provides all employees with the Energy Management Handbook to give them a quick overview of the Group-wide strategy, planning and energy management, implemented structures and processes. In addition, all persons who work for or on behalf of DMG MORI AG are trained in energy and environmental issues in accordance with their activities and are reminded of the importance of the issues at regular intervals. The aim is to convey an awareness of the responsible and economical use of energy and to involve each individual employee in this responsibility. In this way, we ensure that our energy and environmental policy and the tasks and obligations arising from it are always adhered to. [E1-2.25a](#) [E1-2.25b](#)

Employees in the energy team are also analyzed at regular team meetings to identify any additional training requirements, which are then implemented in collaboration with the relevant HR department. Of course, every employee, including those in the energy team, can independently submit a training requirement or request to their line manager or the HR department at any time. Further measures in connection with our guidelines can be found in chapter Environmental Information under section <sup>page 138 et seqq.</sup> **2.6.1.3. E1-3 Actions and resources in relation to climate change policies.** <sup>E1-2 25a E1-2 25b</sup>

The energy management handbook covers the following sustainability aspects defined in the materiality analysis, as it specifies processes for monitoring and measuring our energy-related performance, as well as determining and recording appropriate energy performance indicators:

- Greenhouse gas emissions (GHG emissions)
- GHG intensity
- Energy consumption and mix
- Energy efficiency
- Renewable energies

### 2.6.1.3. E1-3 Actions and resources in relation to climate change policies

All employees are actively encouraged to save energy wherever possible and to share ideas via “DMG MORI Improve”, the central idea management platform. We describe training in connection with our climate guidelines in chapter Environmental Information under section <sup>page 137 et seqq.</sup> **2.6.1.2. E1-2 Policies related to climate change mitigation and adaptation.** DMG MORI AG also continued to expand its own green energy generation in 2024 by installing and commissioning additional PV systems. This and other measures are managed and monitored in the central action plan. The tables **T.55** and **T.56** show a corresponding extract of the most relevant measures in the reporting year. <sup>ESRS 2 MDR-A</sup>

As we have already achieved our science-based targets in Scope 1 & 2, specifically the reduction of 22,409 tons of CO<sub>2e</sub> as described in chapter Environmental Information under section <sup>page 129 et seqq.</sup> **2.3. E1-1 Transition plan for climate change mitigation**, through earlier measures such as switching to green electricity, and the measures listed in tables **T.55** and **T.56** only contribute to further CO<sub>2</sub> savings to a very small extent, we have not further quantified the achieved and expected reduction of greenhouse gas emissions through the measures listed below. <sup>E1-3 29b</sup>

#### T.55 OPEX MEASURES IN CONNECTION WITH CLIMATE GUIDELINES

| Location  | Topic       | Energy source | Action                                     | Considered in EU taxonomy | Opex               | Description  | Expected results            |
|-----------|-------------|---------------|--|---------------------------|--------------------|--|-----------------------------|
| Bielefeld | Building    | –             | Partial renovation of the production halls | yes                       | around € 2,500,000 | The roof cladding of selected production halls was partially repaired to make it leak-proof. | Increased energy efficiency |
| Bielefeld | Ventilation | –             | Procurement of a new ventilation system    | yes                       | around € 160,000   | A new ventilation system was installed and put into operation in the construction area.      | Increased energy efficiency |
| Bielefeld | Heating     | Gas           | Installation of new radiators              | yes                       | around € 120,000   | Old equipment was replaced in a production hall.   | Increased energy efficiency |

In the reporting year and in the current budget planning, no further operational measures or financial expenditure are planned to manage the effects mentioned in section <sup>2.6.1.1. Management of impacts, risks and opportunities.</sup> <sup>E1-3 29b</sup>

#### T.56 CAPEX MEASURES IN CONNECTION WITH CLIMATE GUIDELINES

| Location | Topic              | Energy source | Action                             | Considered in EU taxonomy | Capex              | Description  | Expected results                 |
|----------|--------------------|---------------|------------------------------------|---------------------------|--------------------|--|----------------------------------|
| Pleszew  | Renewable energies | Electricity   | Expansion of own generation plants | yes                       | around € 1,300,000 | At the site, a new photovoltaic system is being installed to expand our own energy production. This will significantly increase the site's degree of self-sufficiency. | More cost-effective power source |
| Pfronten | Building           | Electricity   | Installation of heat pumps         | yes                       | around € 320,000   | In the reporting year, initial planning costs were capitalized.  | Increased energy efficiency      |
| Pleszew  | Building           | Electricity   | Installation of lighting control   | yes                       | around € 20,000    | In the area of logistics, a new lighting system was installed and put into operation.  | Reduced power consumption        |

The monetary amounts of Capex and Opex required to implement the measures, are reported in accordance with their fulfillment of the capability and compliance criteria in our disclosure on the Taxonomy Regulation in section <sup>1. Information in accordance with Article 8 of Regulation (EU) 2020 / 852 (Taxonomy Regulation).</sup> These measures are marked in the table above and the amounts of money are listed accordingly. In the reporting year, we did not identify any other measures that cannot be assigned to the key performance indicators in accordance with the taxonomy Regulation (EU) 2021/2178 as relevant. <sup>E1-3 29c</sup> <sup>E1-3 AR22</sup>

The managing director and the Executive Board ensure that the funds required to implement the measures are available and allocated accordingly. <sup>E1-3 AR21</sup>

#### 2.6.1.4. E1-4 Targets related to climate change mitigation and adaptation

The overarching goal of the energy management system is the timely fulfillment of our Science Based Targets and compliance with the transition plan described in section <sup>2.3. E1-1 Transition plan for climate change mitigation</sup>, which also explains in more detail how our reduction targets are derived. Strategic and operational energy targets for improving energy-related performance are introduced, implemented, maintained and documented in a central, cross-site action plan. All energy-related performance is recorded and tracked on a site-specific basis. The data comes from invoices, measurements or projections. In addition, most sites already have energy monitoring software with corresponding measurement technology. <sup>ESRS 2 MDR-T</sup>

#### 2.6.2. Climate change mitigation (value chain)

##### 2.6.2.1. Impact, risk and opportunity management

We describe our process for identifying and assessing the impacts, risks and opportunities associated with climate protection in the upstream value chain in detail in chapter General Information under section <sup>4.2. Disclosure Requirement IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement.</sup> In this context, climate-related impacts in the upstream value chain were discussed, for example, on the basis of greenhouse gas emissions from recent years and their relevant drivers, as well as the energy efficiency of products. In addition, possible financial risks from adapting to climate change were discussed. The representatives of energy

and sustainability management played a particularly important role in the direct involvement of employees. An explicit review of our activities and plans regarding future sources of greenhouse gas emissions did not take place. **IRO-120**

DMG MORI AG does not have a procedure for identifying and assessing climate-related physical and transition risks and opportunities in the value chain. Due to the complexity and length of our supply chains, this would only be possible at considerable expense. Nevertheless, as described hereinafter, we rely on our processes and systems that have been established in line with the due diligence obligations for our suppliers. **IRO-120**

Table T.57 shows the impacts, opportunities and risks identified in the materiality analysis.

**T.57 MATERIAL IRO: CLIMATE CHANGE MITIGATION (VALUE CHAIN)**

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Foundries and other forms of metal casting are highly emitting / energy-intensive operations which overproportionate contribute to the carbon footprint of the value chain. | I   | A                            | N                             |
| Downstream GHG emissions (e. g. through logistics and distribution and use of machinery) contribute to a rise of GHG concentration in the atmosphere.                       | I   | A                            | N                             |
| Not reducing the GHG- and energy-intensity along the value chain (e. g. through relying on fossil fuels) contributes to the GHG concentration in the atmosphere.            | I   | A                            | N                             |

**2.6.2.2. E1-2 Policies related to climate change mitigation and adaptation**

In its internal Guideline for Respecting Human Rights and Labor Practices, DMG MORI AG acknowledges its responsibility in its own business activities and in the supply chain. In addition to environmental aspects, the guideline also includes the human rights aspects described in chapter Social Information under section **1.6.3. Humane working conditions** and applies to every employee who works for or on behalf of DMG MORI AG. Moreover, the respective legal requirements naturally also apply. **ESRS 2 MDR-P E1-224 E1-225**

page 153 et seqq.

With this guideline, we want to ensure that our corporate due diligence obligations are continuously observed along the supply chains in an appropriate manner and to prevent and minimize risks to the environment. Furthermore, activities are to be identified and that lead to a violation of our environmental obligations. Further information on human rights aspects can be found in chapter Social Information under section **2.5.1.2. S2-1 Policies related to value chain workers.**

page 163 et seqq.

**ESRS 2 MDR-P E1-224 E1-225a E1-225b**

The Corporate Risk and Responsibility department is responsible for implementing and ensuring compliance with the policy. This department combines the topics of risk management and compliance as well as the internal control system (ICS) and reports directly to the Executive Board as the highest responsible body. We anchor our environmental due diligence in our existing sustainability and compliance management systems through the sub-areas of “Climate and Environment” and “Partner and Supplier Management”. The Corporate Risk and Responsibility department is responsible for conducting and monitoring the Human Rights Impact Assessment. It supports the various divisions in embedding our principles and ensures regular communication and close coordination between the various functions, departments and Group companies on human rights and environmental issues. As the guidelines primarily comply with

the requirements of the German Supply Chain Due Diligence Act ("German Supply Chain Act"), the sustainability aspects defined in the materiality analysis in accordance with the ESRS are not explicitly taken into account in the guidelines. We are considering aligning these more closely with the ESRS in future. The document will be made available and accessible to all employees on the intranet. In addition, purchasing will ensure that our partners along the supply chains are also familiar with the contents. **ESRS 2 MDR-P E1-2.24 E1-2.25a E1-2.25b**

**2.6.2.3. E1-3 Actions and resources in relation to climate change policies**

page 129 et seqq.

Regarding the value chain, our measures are essentially reflected in our disclosures on the transition plan in the section **2.3. E1-1 Transition plan for climate change mitigation**. Our CO<sub>2</sub> footprint from GHG emissions in Scope 3 is directly linked to our upstream value chain. Therefore, all measures related to the reduction of Scope 3 are also relevant for the impacts, opportunities and risks mentioned above. In addition, preventive measures result from the "German Supply Chain Act", such as supplier webinars, training and audits of direct and indirect suppliers, which are intended to prevent a breach of our environmental obligations. Further details on the "German Supply Chain Act" process can be found in chapter Social Information under section **2.5.1.3. S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions.** **ESRS 2 MDR-A**

page 164 et seqq.

**2.6.2.4. E1-4 Targets related to climate change mitigation and adaptation**

page 129 et seqq.

The overarching goal of our environmental due diligence with regard to the value chain is to meet our Science Based Targets in a timely manner and to comply with the transition plan described in section **2.3. E1-1 Transition plan for climate change mitigation**, which also explains in more detail how our reduction targets are derived. **ESRS 2 MDR-T**

**3. ESRS E5: Resource Use and Circular Economy**

**3.1. Material sustainability matters**

**3.1.1. Resources inflows, incl. resource use**

**3.1.1.1. Impact, risk and opportunity management**

page 116 et seqq.

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with resource inflows and utilization in detail in chapter General Information under section **4. Impact, risk and opportunity management**. Although we have included all our locations and activities in the assessment of materiality in connection with resource use and taken this into account in the discussion of impacts, risks and opportunities, we have not broken it down at the level of individual assets. Consultations, for example with affected communities, were not carried out as part of the materiality analysis. The impacts, risks and opportunities identified in the materiality analysis are shown in table **T.58. IRO-111**

**T.58 MATERIAL IRO: RESOURCES INFLOWS, INCL. RESOURCE USE**

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Increasing global scarcity of raw materials will increase production costs. |   | R                            |                               |

### 3.1.1.2. E5-1 Policies related to resource use and circular economy

At DMG MORI AG, we want to use resources sustainably. Resource management as part of central purchasing is firmly anchored in our sustainability management concept and is an integral part of our "Corporate Responsibility" handbook. The fields of action set out in this document provide for material savings along the value chain, e. g. through digitization, product quality and the use of recycled and recyclable materials as well as the reparability and selective interchangeability of components in our products. **ESRS 2 MDR-P**

The manual applies to the entire DMG MORI AG and is made available and accessible to all employees on the intranet. The responsibilities contained therein regarding resource management are the responsibility of the Executive Board on the one hand, while local coordinators are also involved on the other. **ESRS 2 MDR-P**

In future, we want to focus our resource management explicitly on moving away from the use of primary raw materials towards the use of secondary (recycled) resources and the sustainable procurement and use of renewable resources. Our Green Transformation (GX) sustainability strategy, which is currently being developed, plays a central role in this. In this way, we want to manage the risk identified in the materiality analysis regarding increased costs due to scarce resources in the upstream value chain even more actively. **E5-114 E5-115**

### 3.1.1.3. E5-2 Actions and resources related to resource use and circular economy

page 141 et seqq.

No operational measures or financial resources to mitigate the risk mentioned in section **3.1.1.1. Impact, risk and opportunity management** are planned in the reporting year or in the current budget planning, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A**

In principle, however, we always ensure that our products and their packaging are resource-saving. For example, a high degree of technology integration enables complex work, such as grinding or gear cutting, to be carried out on one machine instead of several. We also save material by designing our machines to withstand stress, using additively manufactured parts and using recycled and recyclable materials. **ESRS 2 MDR-A**

### 3.1.1.4. E5-3 Targets related to resource use and circular economy

Regarding the measures described above, we have not set any measurable, results-oriented targets in line with the minimum disclosure requirements. The reason for this is that we have initially focused on introducing quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. Nevertheless, we are working on using a steadily increasing proportion of recyclable and recycled materials in our products and services. There is no dedicated tracking of the effectiveness of the aforementioned measures in relation to the material sustainability-related risk. **ESRS 2 MDR-T**

### 3.1.1.5. E5-4 Resource inflows

DMG MORI AG does not source any (conflict) minerals such as gold, tantalum, tungsten or tin as direct raw materials. However, this statement cannot be made for the entire upstream value chain, as it consists of a complex, multi-level and global supply chain. **E5-4 30 E5-4 31 ESRS 2 MDR-M**

In the reporting year, we procured components such as cast iron beds and steel covers, which include resources such as cast iron and steel, to manufacture our products. Due to the complexity of our value chain, we are currently unable to state the total weight of the materials

purchased in the reporting year that were used to manufacture our products, as well as the related recycling rate and the percentage of organic materials based on direct measurements. However, with the help of the CO<sub>2</sub> management software introduced in the reporting year and taking into account the quantities purchased in the reporting year, we can already digitally map approximately 74,350 tons of this. This means that weight information is stored in the software for this representative quantity of materials. For the purchased quantity of materials without weight information, we extrapolate the key performance indicators at the level of individual product groups, so that we can estimate the total weight of the materials purchased in the reporting year at approximately 215,380 tons as a best estimate. The weight information in the software originates from the ERP systems and is entered there by the relevant departments. The aim over the next few years is to expand this digital mapping of components and achieve complete coverage wherever possible. On the one hand, this will help us to achieve our reduction targets with regard to Scope 3 GHG emissions; on the other hand, the software also contains our own life cycle data models, which show generic recycling percentages based on the content and composition of each material, e.g. metals, paper, etc. This prevents categories such as “reuse” and “recycling” from overlapping and avoids double counting. The technical recyclability, based on what can be achieved given the technological limits, is decisive here. Accordingly, we extrapolate that our software indicates that we reuse or recycle approximately 48,350 metric tons of secondary components, products, and materials. This corresponds to a rate of approximately 22.4% in relation to the above-mentioned, approximation of the total weight. We are currently unable to measure the percentage of organic materials used in the reporting year for the manufacture of our products that were sourced sustainably, and the corresponding certificates are not systematically recorded. There is no external validation of the above key performance indicators as defined by the ESRS. However, the recycling rate mentioned is jointly developed and derived by the project team around the service provider and operator of the CO<sub>2</sub> management software. For quality assurance purposes, the control process described under disclosure requirements GOV-5 was also applied to these key performance indicators. **ES-4.30** **ES-4.31** **ESRS 2 MDR-M**

## Social Information

### 1. ESRS S1: Workforce of the Company

#### 1.1. Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders

Our employees are our most important stakeholders – because they are the basis for our success. That is why they were the particular focus of our materiality analysis. Specifically, selected contacts from various departments served as credible representatives of both our workforce of the company and the upstream and downstream value chain. Their rights, interests and opinions are also incorporated into our <sup>2</sup> **Code of Conduct**, our strategy and our business model (<sup>2</sup> **Corporate Strategy and Key Financial and Performance Indicators**) (<sup>2</sup> **Purchasing**) through the viewpoints of the employee representatives and the formal processes of the works councils. We support their qualification, motivation and satisfaction with various measures. **ESRS 2 SBM-2 12**

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#### 1.2. Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In the course of implementing the CSRD, we began for the first time to assess the actual and potential effects of our business model and our strategy for our employees in terms of the ESRS. Our strategy is geared towards further growth as a worldwide technology leader in our core business with machine tools and the development of closely related holistic solutions for our customers. Accordingly, the focus is on production, which influences all related processes and all the significant actual and potential effects listed in the report. **ESRS 2 SBM-3 13**

For example: We have classified the topics of occupational safety and health as material due to our manufacturing and production activities. All associated effects therefore arise directly from our business model. With our strict occupational safety rules and precautions, which are part of our strategic orientation, we achieve a real positive impact for our employees. In order to reduce or completely eliminate negative effects in the future, DMG MORI AG will regularly review whether and how an adjustment of the strategy or business model may be useful. The processes, responsibilities and guidelines described in this chapter also serve this purpose. **ESRS 2 SBM-3 13**

The opportunities and risks for our employees mentioned in the sections below also arise from our focus on our core business of machine tools. One example is the topic of training and skills development based on our strategic positioning as a worldwide technology leader. But the collective bargaining orientation of our company with regard to the remuneration of our production employees is also part of our strategy and driven by the business model. In addition, the satisfaction of our employees is essential for our success and at the same time a risk for our strategic growth. **ESRS 2 SBM-3 13**

page 112 et seqq.

As described in chapter General Information chapter under section <sup>2</sup> **3. Strategy**, during the initial implementation of the CSRD in the reporting year, we dealt intensively with a possible dedicated sustainability strategy in the sense of GX and intend to develop this further in the current financial year. Part of this is also a more detailed analysis of the potential and actual effects on our strategy and the business model of DMG MORI AG. **ESRS 2 SBM-3 13**

Our employees can basically be divided into two groups:

1. Blue Collar: Employees in production and manufacturing as well as sales representatives in service.
2. White collar: Employees with an office workplace.

We define employees as all persons who are employed by one of the societies in the DMG MORI AG consolidation group. Temporary workers are persons provided by third-party companies. All employees and temporary workers who could potentially be affected by material effects from the strategy or business model of DMG MORI AG were taken into account in the materiality analysis. At DMG MORI AG, self-employed persons are not normally part of the company's workforce. Significant potential negative impacts were identified in the materiality analysis exclusively in connection with possible human rights violations regarding working conditions. The assessment is based on the following principle described in ESRS 1, paragraph 45: "In the case of possible negative impacts on human rights, the severity of the impacts takes precedence over their probability." DMG MORI AG is countering these potential impacts by strictly adhering to international labor standards for humane working conditions in all the countries in which it operates. Of course, all applicable local laws and regulations are also implemented. In our estimation, it is therefore a matter of individual incidents, such as labor law violations, and not of systemic or widespread abuses. Further details on dealing with potential and actual negative effects can be found in chapter on Social Information under section **1.6.3. Humane working conditions**. [ESRS 2 SBM-3 14](#) [ESRS 2 SBM-3 15](#) [ESRS 2 SBM-3 16](#)

page 153 et seqq.

No activities at DMG MORI AG were identified where there is a significant risk of incidents of forced labor or child labor due to the nature of the activity or the place of work – geographically or politically. [ESRS 2 SBM-3 14](#) [ESRS 2 SBM-3 15](#) [ESRS 2 SBM-3 16](#)

As described, the materiality analysis identified significant positive impacts in connection with compliance with safety protocols and the reduction of work-related injuries, as we are actively contributing to improving the well-being and satisfaction of all employees in production and manufacturing. [ESRS 2 SBM-3 14](#) [ESRS 2 SBM-3 15](#) [ESRS 2 SBM-3 16](#)

The negative potential and actual impacts and possible risks listed hereinafter primarily affect blue-collar employees. This is particularly due to our business model and the resulting increased potential hazards in terms of occupational safety. The corresponding safety mechanisms are described in the respective sections. To take the greater risk to our blue-collar employees into account in the materiality analysis, representatives of the production and manufacturing-related departments were also directly involved in identifying significant impacts, opportunities and risks. [ESRS 2 SBM-3 14](#) [ESRS 2 SBM-3 15](#) [ESRS 2 SBM-3 16](#)

Significant opportunities and risks arising from the effects and dependencies in connection with our employees arise from the issues of satisfaction, training and skills development as well as appropriate remuneration, freedom of association and collective bargaining. The latter only apply to employees covered by collective bargaining agreements.

Further details on dealing with significant impacts, opportunities and risks can be found in the respective topic-specific sections. As a holistic transition plan for climate protection in accordance with ESRS E1 was drawn up for the first time in the reporting year, no resulting impacts, risks and opportunities for employees have yet been identified. DMG MORI AG intends to further formalize and document this in the coming years. [ESRS 2 SBM-3 14](#) [ESRS 2 SBM-3 15](#) [ESRS 2 SBM-3 16](#)

### 1.3. S1-2 Processes for engaging with own workforce and workers' representatives about impacts

page 153 et seqq.

Active dialog with employees is very important to DMG MORI AG. We want to motivate our employees to regularly exchange ideas with their superiors through an open, feedback-oriented management culture. Regular performance reviews take place in which the past year is discussed and goals and, if necessary, measures for the next year are set. Further information can be found in chapter Social Information under section <sup>2</sup> 1.6.2.5. **S1-13 Training and skills development metrics**. In addition, employees can use the central <sup>2</sup> **online complaints procedure** at any time. [S1-2 27](#) [S1-2 28](#) [S1-2 AR24](#)

page 108 et seqq.

To determine the actual and potential impact as part of the materiality analysis, we engaged directly with selected employees without involving employee representatives, as described in the section <sup>2</sup> **General Information**. [S1-2 27](#) [S1-2 28](#) [S1-2 AR24](#)

Since, as described above, blue collar employees are affected by significant potential and actual negative effects, they are particularly represented by the trade union through their own works councils (at Group and individual company level) and through collectively agreed employment contracts. Trade union representatives are also present on the Supervisory Board of DMG MORI AG. In this way, DMG MORI AG aims to ensure that it gains a comprehensive insight into their views and needs. [S1-2 27](#) [S1-2 28](#) [S1-2 AR24](#)

The works councils are regularly informed by the Executive Board in several meetings during the financial year and on an ad hoc basis and are involved in key decisions that affect employees. They have been an established, important communication interface for many years and, together with the trade unions, form an important pillars of employee involvement. The employees appointed as members of the committees communicate all feedback and decisions from the meetings to their respective departments. There was no standardized evaluation of the effectiveness of our cooperation with employee representatives in the reporting year. The Executive Board must ensure that the Works Council has sufficient financial or human resources at its disposal to carry out its mandate accordingly. [S1-2 27](#) [S1-2 28](#) [S1-2 AR24](#)

As a holistic transition plan for climate protection in accordance with ESRS E1 was drawn up for the first time in the reporting year, no systematic involvement of employee representatives took place in this context. [S1-2 27](#) [S1-2 28](#) [S1-2 AR24](#)

The Executive Board is committed to respecting human rights in the <sup>2</sup> **Code of Conduct**, the "Declaration of Human Rights and Environmental Principles" in accordance with Section 6 (2) of the "German Supply Chain Act" and in the "Modern Slavery Statement", which is published annually together with DMG MORI UK Limited. The Group guideline on respecting human rights and working conditions is based on internationally valid and recognized standards and guidelines,

such as the principles of the United Nations Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the core labor standards of the International Labor Organization (ILO). [S1-2.27](#) [S1-2.28](#) [S1-2.AR24](#)

#### 1.4. S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

Our general approach and the procedures for implementing or participating in corrective action are significantly influenced by the requirements of the "German Supply Chain Act". DMG MORI AG will immediately take so-called corrective action if it is determined that a human rights or environmental violation has already occurred or is imminent at DMG MORI AG or at our direct suppliers. The closer DMG MORI AG is to the violation that has already occurred or is imminent and the more DMG MORI AG contributes to it, the more serious our corrective action must be to end or prevent the violation. This includes, for example, concepts for minimizing the breach of duty, including specific timetables for implementation. It is important to react appropriately to breaches that have already occurred or are imminent, to communicate transparently with the stakeholders affected and to implement measures to monitor the effectiveness of the realized remedy. Due to the individual design of the specific measures depending on the respective circumstances of the breach of duty and its rarity, we cannot provide any further examples for the reporting year. The ultimate responsibility for verifying the effectiveness of the remedial actions in achieving the desired outcomes for the company's workers rests with the Executive Board. As described above, the Executive Board is in direct contact with the employee representatives, who regularly review whether negative impacts have been mitigated. In the company's own area of business, the remedial action must lead to an immediate end to the violation.

The DMG MORI AG <sup>3</sup> [whistleblower system](#) also includes a complaints procedure for the the company's workforce to enable them to report their concerns and needs directly. A systematic review of the extent to which the above channels were used by affected persons in our workforce in relation to each significant impact did not take place in the reporting year. [S1-3.32](#) [S1-3.33](#) [S1-3.AR30](#)

#### 1.5. S1-6 Characteristics of the undertaking's employees

At DMG MORI AG, all employees are fully recorded in the headcount. Accordingly, no assumptions or approximations are made in the surveys. The headcount is stated as at the reporting date of 31 December 2024. All disclosures are consistent with the disclosures in the Group Business Report and the Notes to the Consolidated Financial Statements. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to the key performance indicators hereinafter. [S1-6.50d](#) [S1-6.50e](#) [S1-6.50f](#) [ESRS 2 MDR-M](#)

Table T.59 shows the number of employees by employment type and gender. [S1-6.50b](#)

**T.59 EMPLOYEES BY EMPLOYMENT TYPE AND GENDER**

|                                    | Diverse | Male  | Female | Total        |
|------------------------------------|---------|-------|--------|--------------|
| Employees with permanent contracts | -       | 5,970 | 1,030  | 7,000        |
| Employees on temporary contracts   | -       | 204   | 29     | 233          |
| Apprentices / trainees             | -       | 224   | 41     | 265          |
| On-demand labor                    | -       | -     | -      | -            |
| <b>Total</b>                       |         |       |        | <b>7,498</b> |

Our apprentices and trainees are generally employed in our company on fixed-term contracts.

Table T.60 shows the number of employees by gender. **S1-6 50a S1-6 AR55**

#### T.60 EMPLOYEES BY GENDER

| gender       | Number of employees |
|--------------|---------------------|
| Male         | 6,398               |
| Female       | 1,100               |
| Diverse      | -                   |
| <b>Total</b> | <b>7,498</b>        |

Table T.61 shows the number of employees by country. Only the countries Germany and Poland exceed the criterion of at least 50 employees listed in S1-6 AR55 in the reporting year, accounting for at least 10% of the total number of employees at DMG MORI AG. For the sake of completeness, we are disclosing a comprehensive list of our country breakdowns hereinafter.

#### T.61 EMPLOYEES BY COUNTRY

|                      | Number of employees |
|----------------------|---------------------|
| Germany              | 4,800               |
| Poland               | 780                 |
| Austria              | 55                  |
| Switzerland          | 60                  |
| Sweden               | 54                  |
| Norway               | 9                   |
| Denmark              | 16                  |
| Finland              | 17                  |
| Italy                | 554                 |
| France               | 185                 |
| United Kingdom       | 96                  |
| Turkey               | 100                 |
| Spain                | 66                  |
| Netherlands          | 41                  |
| Belgium              | 31                  |
| Greece               | 15                  |
| Slovenia             | 27                  |
| Bulgaria             | 5                   |
| United Arab Emirates | 14                  |
| Czech Republic       | 78                  |
| Hungary              | 30                  |
| Romania              | 12                  |
| Egypt                | 15                  |
| Singapore            | 1                   |
| China                | 432                 |
| Russia               | 5                   |
| <b>Total</b>         | <b>7,498</b>        |

A total of 744 employees left the DMG MORI AG group in the reporting year. This corresponds to a fluctuation rate of 9.9%. The calculation method for this corresponds to the specifications of the ESRS and considers, for example, all reasons for leaving prescribed by law. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key performance indicator. **S1-6 50c** **ESRS 2 MDR-M**

## 1.6. Material sustainability matters

### 1.6.1. Health and safety (workforce of the company)

#### 1.6.1.1. Impact, risk and opportunity management

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with the health and safety of the company's workforce in detail in chapter General Information under section **4. Impact, risk and opportunity**. Table **T.62** shows the impacts, opportunities and risks identified in the materiality analysis.

page 116 et seqq.

#### T.62 MATERIAL IRO: HEALTH & SAFETY (WORKFORCE OF THE COMPANY)

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Improve employee well-being and happiness by adhering to safety protocols and decrease work-related injuries | I   | A                            | P                             |

#### 1.6.1.2. S1-1 Policies related to the company's workforce

To manage our significant impacts on occupational health and safety, we prepared the "Occupational Health and Safety Policy for the company's workforce" in the reporting year. We intend to further develop and implement this in the current financial year. This guideline is intended to set out the principles for promoting the occupational health and safety of our employees and to highlight principles such as continuous improvement and appropriate training. Our aim is to ensure a safe working environment, minimize work-related accidents and illnesses and promote the well-being of our employees. The policy should apply worldwide to all DMG MORI AG locations and to all employees, including temporary workers, on-call workers and third parties working at our sites. The occupational safety officers have a special responsibility in this regard, as they are responsible for both risk analyses and the implementation of occupational health and safety measures. Specifically, the occupational safety officers assigned to the individual companies are required to ensure compliance with the directive. In practice, they report to the respective managing director of the individual company due to decentralized management. The Executive Board bears ultimate responsibility for monitoring compliance with the policy, which is informed in the event of violations and in accordance with our organizational reporting lines of non-compliance, depending on the type of violation. **ESRS 2 MDR-P**

DMG MORI AG aligns its management system for occupational health and safety with the respective national legal provisions for occupational health and safety as well as other relevant safety standards for all areas of activity, including the worldwide occupational and social standards of the International Labor Organization. We use internal audits to verify compliance with the regulations, but have so far refrained from external certification. **S1-123**

The management system covers our international production plants and the German companies. All these societies have their own occupational safety committee, which, for example, consists of a member of management and an employee representative in accordance with local law. Other external or short-term employees are not represented for organizational reasons. The occupational safety committee meets at least once a year – at our German locations four times a year – and analyzes incidents, defines protective measures, and checks the status of their implementation. Our trained occupational safety specialists support managers in analyzing all work areas on our premises, including those of external companies, regarding possible hazards and in eliminating these. The locations design the implementation of the management system individually. In Germany, for example, this is based on the ISO 45001 standard. We provide our employees with comprehensive information about all offers and news in occupational safety and health management on site, in person or through notices, as well as on our intranet. “DMG MORI ONE”. Our company health management has its own area here, where we regularly post articles on health topics. **S1-123**

#### **1.6.1.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions**

With the acquisition of occupational health and safety software for selected societies within DMG MORI AG, we took an important step towards simplifying the provision and processing of data in the reporting year. No further operational measures or financial resources to ensure the positive impact and achievement of the targets set out in our guidelines in chapter Social Information under section **1.6.1.1. Impact, risk and opportunity management** are planned in the reporting year or the current budget planning, as we have initially focused on the introduction of quantitative processes. There was no follow-up and evaluation of the effectiveness of the measures and initiatives mentioned in terms of achieving results for our employees in the reporting year.

**ESRS 2 MDR-A S1-4.38 S1-4.43**

#### **1.6.1.4. S1-5 Targets related to manage material negative impacts, advancing positive impacts, and managing material risks and opportunities**

For the reporting year, DMG MORI AG has not set itself any targets with regard to the positive impacts mentioned in chapter Social Information under section **1.6.1.1. Impact, risk and opportunity management**. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. **ESRS 2 MDR-T S1-5.47**

#### **1.6.1.5. S1-14 Health and safety metrics**

The management system for occupational health and safety described in chapter Social Information under section **1.6.1.2. S1-1 Policies relating to the company's workforce** covers 100% of our company's workforce. **S1-14.88a**

In the reporting year, there were no deaths due to work-related injuries and illnesses. **S1-14.88b**

With regard to accidents at work and commuting accidents, the occupational safety officers are aware of 120 reportable incidents in the reporting year. This corresponds to a rate of 10 cases per million hours worked. **S1-14.88c**

There were no cases of reportable work-related illnesses in the reporting year. In this context, we reviewed whether, for example, acute, recurring and chronic health problems caused or worsened by working conditions or practices were reported by our employees. **S1-14 88d**

The number of lost days resulting from the aforementioned cases amounted to 2,980 days cumulatively for the DMG MORI AG group. **S1-14 88e**

The calculation method for the key performance indicators mentioned above corresponds to the ESRS specifications and guidelines. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to these key performance indicators. The obligation to report occupational accidents and work-related illnesses may vary from country to country. In principle, the above key performance indicators include all incidents in the reporting year known to the respective occupational safety officer as at the reporting date.

**ESRS 2 MDR-M**

#### 1.6.1.6. S1-11 Social protection

The majority of our employees are covered by public programs or by benefits we offer to protect against loss of earnings due to significant life events such as illness, unemployment, occupational accidents, disability, parental leave or retirement. Only in Greece, Slovenia, Bulgaria, Egypt and the United Arab Emirates do other legal business environments apply to employees of our respective national companies, which limit protection against loss of earnings, for example in the event of unemployment or retirement. In addition, our apprentices and trainees in China are excluded from public programs. **S1-11 74**

### 1.6.2. Training and skills development

#### 1.6.2.1. Impact, risk and opportunity management

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with training and the skills development of the company's workforce in detail in chapter General Information under section 74. **Impact, risk and opportunity management**. Table T.63 shows the impacts, opportunities and risks identified in the materiality analysis.

page 116 et seqq.

#### T.63 MATERIAL IRO: TRAINING AND SKILL DEVELOPMENT OF WORKFORCE OF THE COMPANY

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Companies that invest in training are more attractive to top talent and can increase employee retention. |   |                              | 0                             |

#### 1.6.2.2. S1-1 Policies related with the company's workforce

Permanent learning is part of DMG MORI AG's corporate culture. In addition to future-oriented training, our aim is to offer all employees attractive, individual further training. For the management of our significant opportunity regarding training and skills development, the "Guideline for the training and further education of the company's workforce" is to be applied in the future. This is intended to define the obligations and procedures for the training and further education of DMG MORI AG employees and to basically cover all internal and external training and further education measures that are coordinated by the HR departments. The aim is to

enable all employees, regardless of position, site or length of service, to develop professionally and personally. The HR department has a special responsibility here, as it is responsible for coordinating training and development opportunities. **ESRS 2 MDR-P**

#### **1.6.2.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions**

In order to further strengthen our position as an attractive employer and achieve the targets set out in our guidelines, we are investing in state-of-the-art working and learning environments. In 2023, we opened a new training center in Seebach, which was actively used all year round for the first time in the reporting year. Multifunctional project rooms with 50 modern training spaces are available on an area of around 1,000 m<sup>2</sup>. We actively involved our trainees in the redesign of the training areas and incorporated their individual experiences, wishes and suggestions. In the reporting year, we also began construction of a new training center in Pfronten. Completion is planned for 2025. **ESRS 2 MDR-A S1-4 38**

We continuously review and update our training content. This also applies to our general offerings in this area: In the reporting year, we continued to offer the training program for wholesale and foreign trade management assistants that was introduced in 2023. We specifically support young professionals in group-wide trainee programs, in particular potential managers and talented young employees through the "Global Leadership Program". The DMG MORI Academy trains DMG MORI employees and our customers' employees in our own training centers or on-site as needed. The innovative training program includes CNC training and service training for DMG MORI products. Together with our national and international sales companies, the Academy is also a project partner in setting up education and training centers and supports customers in the area of universities, educational institutions and companies with training workshops. **ESRS 2 MDR-A**

We also use other digital learning tools such as TULIP in our production. This innovative no-code manufacturing platform allows users to create their own apps in no time at all – intuitively and without programming knowledge. In our TAKT Academy, our employees learn how to achieve corporate goals through successful optimization projects and how to anchor them in the process in the long term. As the financial expenses required to implement the above measures are not material, we refrain from disclosing them. With regard to the investment details in connection with the training center in Pfronten, no meaningful, reliable information is possible in the context of sustainability reporting due to the ongoing construction progress. Practical tracking of the effectiveness of the measures mentioned did not take place in the reporting year. **ESRS 2 MDR-A**

#### **1.6.2.4. S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

Our aim is to offer all employees the support they need to make the best possible progress. To this end, we want to encourage and enable permanent learning: from our high-quality training program and versatile talent management to the hiring of trainees and dual students as permanent employees, who we qualify with further training. For the reporting year, DMG MORI AG has not set itself any quantitative targets with regard to the opportunities mentioned in chapter Social Information under section "1.6.2.1. Impact, risk and opportunity management". The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. **ESRS 2 MDR-T S1-5 47**

page 151 et seqq.

### 1.6.2.5. S1-13 Training and skills development metrics

page 146 et seqq.

As described in chapter Social Information under section <sup>1</sup>1.3. S1-2 Processes for engaging with own workforce and workers' representatives about impacts, our internal processes provide for regular employee appraisals. For the reporting year, the participation rates of employees by gender (in relation to the average number of employees in the reporting year) are shown in table T.63. **S1-13 83a**

#### T.64 PERFORMANCE RATES OF EMPLOYEE APPRAISALS BY GENDER

|   | Diverse | Male | Female |
|---|---------|------|--------|
| Percentage of employees who participate in regular performance and developments have taken part in the talks. | -       | 69 % | 72 %   |

DMG MORI AG provides a wide range of training and further education opportunities. A basic distinction can be made here between internal (e-learning applications, DMG MORI Academy training, etc.) and external offerings (soft skills training, seminars, etc.). We further ensure that all legally binding training (e.g. occupational safety) is also carried out adequately. The average number of training hours per employee (in relation to the average number of employees in the reporting year), broken down by gender, is shown in table T.65. **S1-13 83b**

#### T.65 TRAINING HOURS BY GENDER

|   | Diverse | Male  | Female |
|---|---------|-------|--------|
| Average number of training hours per employee | -       | 21.26 | 12.11  |

The calculation method for the key performance indicators mentioned above corresponds to the ESRS requirements. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key performance indicator. For the implementation rates of employee appraisals, it is assumed that a maximum of one appraisal is conducted with each employee per year. **ESRS 2 MDR-M**

### 1.6.3. Humane working conditions

#### 1.6.3.1. Impact, risk and opportunity management

page 108 et seqq.

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with working conditions in detail in the section <sup>1</sup>General Information. Table T.66 shows the impacts, opportunities and risks identified in the materiality analysis.

#### T.66 MATERIAL IRO: HUMANE WORKING CONDITIONS

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Neglecting humane working conditions places employees at risk of (severe) physical and mental harm. | I   | P                            | P                             |

#### 1.6.3.2. S1-1 Policies related to the company's workforce

The Executive Board is committed to upholding human rights in the Code of Conduct and in the "Modern Slavery Statement", which is published annually together with DMG MORI UK Limited. This also includes explicit reference to the core labor standards of the International Labor Organization (ILO), particularly regarding precarious employment, human trafficking, forced labor and child labor. As part of the integrated "Responsibility Approach", all elements of our

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compliance management system also apply to the area of human rights. A Group guideline on respecting human rights and working conditions has also been in force since February 2023 to ensure compliance with the latest requirements. In addition to the human rights aspects, this also covers the environmental due diligence obligations described in chapter on Environmental Information under section **2.6.2.2. E1-2 Policies related to climate change mitigation and adaptation**. In general, we are guided by internationally recognized standards and guidelines. These include:

- Principles of the United Nations Universal Declaration of Human Rights
- OECD Guidelines for Multinational Enterprises
- Core labor standards of the International Labor Organization (ILO)
- Guiding principles for business

Our “Declaration of Principles on Respect for Human Rights and the Environment” in accordance with § Section 6 (2) of the “German Supply Chain Act” also explicitly covers the issues of human trafficking, forced labor and child labor. With the five core elements of our integrated responsibility approach, we meet our human rights requirements and our focus on working conditions:

1. Recognizing responsibility
2. Identify and assess risks
3. Initiate measures in your own business area and in the supply chains
4. Inform and report
5. Enable complaints

We naturally expect our suppliers to take the applicable human and environmental due diligence seriously and to comply with it – and to pass these requirements on along their supply chains. At the same time, our customers and employees also expect corresponding standards from us and our suppliers. With appropriate measures, such as our online seminars and classroom training, we ensure that our high standards are further observed and applied worldwide within the DMG MORI AG group. **ESRS 2 MDR-P S1-120 S1-121 S1-122 S1-1 AR13**

In addition to the human rights mentioned above, the principles contained in our Code of Conduct also aim to eliminate discrimination (including harassment) and promote equal opportunities. The following grounds for discrimination are also explicitly named here: nationality, ethnic origin, gender, age, religious affiliation and ideology, sexual identity and orientation, physical and mental impairment and other personal characteristics. In the reporting year, DMG MORI AG also undertook to pay a direct compensation levy for severely disabled employees and made creditable payments, for example to workshops for the disabled. On the one hand, the preventive measures mentioned hereinafter serve to prevent, contain and combat discrimination as soon as it is recognized and to promote diversity and inclusion in general. On the other hand, we rely on our central complaint mechanism and the clearly defined follow-up steps therein, as stated in our disclosures on G1-1. **S1-124**

### 1.6.3.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions

Our measures in connection with decent working conditions in our company and the aforementioned guidelines primarily revolve around preventive measures in our own business area and are significantly influenced by the requirements of the "German Supply Chain Act". These are implemented continuously and independently of the financial year. For example, the Corporate Risk and Responsibility department supports the various divisions in anchoring our human rights and environmental due diligence in their own business areas by defining various minimum requirements to be implemented by each local company in a range of subject areas. With regard to the rejection of child and forced labor, this includes the following principles:

- Appropriate mechanism to verify the legally permissible working age of employees.
- No unlawful (including physical) disciplinary practices or fines, such as unfair or illegal deductions from wages, withholding of remuneration or suspension of contractual services.
- Migrant workers are treated fairly and equally with local employees. **ESRS 2 MDR-A S1-4 38 S1-4 41 S1-4 43**

With the declaration of principles on our human rights strategy, which was first published in 2023, and which is confirmed annually by the Executive Board and available on our website, we summarize our expectations, fields of action and measures for respecting human rights. **ESRS 2 MDR-A S1-4 38 S1-4 41 S1-4 43**

In 2022, DMG MORI AG also conducted a Human Rights Impact Assessment for the first time – based on the UN Guiding Principles on Business and Human Rights – for our internal processes and those of our suppliers. In doing so, we identified and assessed country- and sector-specific human rights risks in order to develop targeted measures for further risk prevention. Since then, we have conducted the assessment annually, and in doing so, we also monitor the effectiveness of the measures adopted in the previous year. A follow-up and evaluation of the effectiveness of the measures and initiatives mentioned above with regard to achieving results for our employees took place in the reporting year, in line with the remedial measures described in the S1-3 disclosure requirements. **ESRS 2 MDR-A S1-4 38 S1-4 41 S1-4 43**

The aforementioned preventive measures also serve to ensure that our own practices do not have a significant negative impact on our employees. The Executive Board is responsible for deciding whether negative impacts lead to the termination of business relationships. There is no standardized process for this, and decisions are made on an ad hoc or case-specific basis. In addition, as part of the annual budget planning process, the Executive Board ensures that the management of our sufficient human and financial resources must be allocated to ensure that the company's activities do not have a significant impact. **ESRS 2 MDR-A S1-4 38 S1-4 41 S1-4 43**

**1.6.3.4. S1-5 Targets related to manage material negative impacts, advancing positive impacts, and managing material risks and opportunities**

page 153 f.

For the reporting year, DMG MORI AG has not set itself any targets with regard to the areas described in section <sup>7</sup>1.6.3.1. **Impact, risk and opportunity management**. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. **ESRS 2 MDR-T S1-5 47**

**1.6.3.5. S1-17 Incidents, complaints and severe human rights impacts**

There were no serious incidents relating to human rights in connection with our employees in the reporting year. Accordingly, no fines, sanctions or compensation payments were due for DMG MORI AG in this context in the reporting period. In determining the key performance indicators, we were guided by the definitions provided by the ESRS. For quality assurance purposes, the control process as described under disclosure requirement GOV-5 was also applied to this key performance indicator and no material assumptions were made in its calculation. **S1-17 104 ESRS 2 MDR-M**

**1.6.4. Adequate wages**

**1.6.4.1. Impact, risk and opportunity management**

page 116 et seqq.

We describe our process for determining and assessing the impacts, risks and opportunities in connection with appropriate remuneration in detail in chapter General Information under section <sup>7</sup>4. **Impact, risk and opportunity management**. Table T.67 shows the impacts, opportunities and risks identified in the materiality analysis.

**T.67 MATERIAL IRO: ADEQUATE WAGES**

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| By providing adequate wages, DMG MORI AG ensures employees and their families enjoy a decent standard of living and well-being. | I   | A                            | P                             |

**1.6.4.2. S1-1 Policies related to the company's workforce**

page 158 et seqq.

We offer our employees remuneration packages consisting of market-oriented base salaries and variable, performance-based payments. In addition, there are various benefits such as health and fitness offers, discounts and job bike leasing. The majority of our “blue collar” employees are also covered by collective bargaining agreements, as described in chapter Social Information under section <sup>7</sup>1.6.5.5. **S1-8 Collective bargaining coverage and social dialogue**. In future, our “Guideline on collective bargaining and appropriate remuneration for the company’s workforce” will set out the principles for this. The aim of the guideline is to establish remuneration that meets the requirements of the societies, the industry, and local and international standards to ensure fair remuneration. It applies worldwide to all subsidiaries, business units and employees of DMG MORI AG. The HR departments are responsible for implementing the remuneration policy, market analyses and benchmarks. They are also supposed to ensure that remuneration statements are complete, correct and legally compliant. **ESRS 2 MDR-P**

### 1.6.4.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions

page 156 et seqq.

In the reporting year and in the current budget planning, no operational measures or financial resources are planned to ensure the positive impact and achievement of the targets set out in our guidelines in chapter Social Information under section <sup>1</sup>1.6.4.1. **Impact, risk and opportunity management**, as we have initially focused on the introduction of quantitative processes. There was no follow-up and evaluation of the effectiveness of these measures and initiatives in terms of achieving results for our employees in the reporting year. **ESRS 2 MDR-A S1-4.38 S1-4.43**

### 1.6.4.4. S1-5 Targets related to manage material negative impacts, advancing positive impacts, and managing material risks and opportunities

page 156 et seqq.

For the reporting year, DMG MORI AG has not set itself any targets with regard to the impacts mentioned in chapter Social Information under section <sup>1</sup>1.6.4.1. **Impact, risk and opportunity management**. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. **ESRS 2 MDR-T S1-5.47**

### 1.6.4.5. S1-10 Decent remuneration

All our employees receive appropriate compensation in line with applicable benchmarks. When determining the benchmarks, we have based our approach either on statutory minimum wages or on a share of the average wage per country. Since a separate legal business environment exists for trainees and apprentices in most countries, we have excluded these employees from the holistic review in the reporting year. This is in line with the calculation methodology specified by the ESRS. For quality assurance purposes, the control process as described under disclosure requirement GOV-5 was also applied to this key performance indicator and no material assumptions were made in the collection. **S1-10.69 ESRS 2 MDR-M**

## 1.6.5. Freedom of association and collective bargaining

### 1.6.5.1. Impact, risk and opportunity management

page 116 et seqq.

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with freedom of association and collective bargaining in detail in chapter General Information under section <sup>1</sup>4. **Impact, risk and opportunity management**. Table T.68 shows the impacts, opportunities and risks identified in the materiality analysis.

**T.68 MATERIAL IRO: FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING**

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| A supportive environment for freedom of association enhances communication, collaboration, and teamwork, improving workflows. Supporting this freedom builds trust between employees and management, fostering better relations and reducing conflicts.                                 | 0   |                              |                               |
| Recognizing and accepting collective bargaining leads to increased employee satisfaction, higher salaries and benefits (more access to social security, healthcare etc.) for DMG MORI AG employees as well as a better representation of their needs and beliefs within the enterprise. | I   | A                            | P                             |

#### 1.6.5.2. S1-1 Policies related to the company's workforce

DMG MORI AG respects the Co-determination and Works Constitution Act, including local regulations on employee co-determination. In future, this is to be anchored in internal processes through our "Guideline on collective bargaining and appropriate remuneration for the company's workforce". The aim of the guideline is to ensure open and respectful communication between the societies and the employees. The agreement should be the basis for the employee representatives to negotiate fair working and employment conditions. It is to apply worldwide to all subsidiaries, business units and employees of DMG MORI AG. The management is responsible for the implementation in its role of conducting the negotiations as well as the trade unions and employee representatives in active and constructive dialog during the negotiations. In line with the guideline, the HR department is involved in the negotiation process in a supportive capacity.

ESRS 2 MDR-P

#### 1.6.5.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions

In 2024, collective bargaining was conducted with the majority of German employees in employment relationships governed by collective agreements. In the reporting year and in the current budget planning, no further operational measures or financial resources are planned to ensure the positive impact and achievement of the targets set out in our guidelines in chapter Social Information under section <sup>1.6.5.1. Impact, risk and opportunity management</sup>, as we have initially focused on the introduction of quantitative processes. The measures and initiatives planned in the reporting year did not meet the requirements set out in our guidelines, as we initially focused on the introduction of quantitative processes. There was no follow-up and evaluation of the effectiveness of these measures and initiatives in terms of achieving results for our employees in the reporting year.

page 157 et seqq.

ESRS 2 MDR-A S1-4.38 S1-4.40 S1-4.43

#### 1.6.5.4. S1-5 Targets related to manage material negative impacts, advancing positive impacts, and managing material risks and opportunities

For the reporting year, DMG MORI AG has not set itself any targets with regard to the impacts and opportunity mentioned in chapter Social Information under section <sup>1.6.5.1. Impact, risk and opportunity management</sup>. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set concrete targets in the next step or from the current financial year onwards.

page 157 et seqq.

ESRS 2 MDR-T S1-5.47

#### 1.6.5.5. S1-8 Collective bargaining coverage and social dialogue

In the reporting year, 67% of our employees were covered by collective agreements. In the European Economic Area (EEA) with at least 50 employees accounting for at least 10% of the total number of DMG MORI AG employees (only the case for Germany and Poland in the reporting year) and the percentage coverage per region outside the EEA is shown in **T.68.**

S1-8.60 S1-8 AR70

The total percentage of employees covered by employee representatives amounted to 68% in the reporting year. By employee representation, we generally mean works councils and any other type of social dialog between employees and employers in accordance with local circumstances. The percentage coverage per country in the EEA with at least 50 employees who account for at least 10% of the total number of employees at DMG MORI AG (only the case for Germany and Poland in the reporting year) is also shown in table **T.69.**

S1-8.63 S1-8 AR70

#### T.69 COVERAGE BY COLLECTIVE AGREEMENTS AND EMPLOYEE REPRESENTATION

| Coverage rate in % | Collective agreement coverage   |  | Social dialog   |
|--------------------|---|--|---|
|                    | Employees – EEA (for countries with >50 employees accounting for >10% of the total) | Employees – Non-EEA countries (broken down by region)  | Workplace representation (EEA only) (for countries with >50 employees representing >10% of the total) |
| 0 – 19             |   | Europe (non-EEA countries), Asia, Middle East & Africa |   |
| 20 – 39            |   |  |   |
| 40 – 59            |   |  | Poland  |
| 60 – 79            | Germany   |  |   |
| 80 – 100           | Poland  |  | Germany   |

There is no agreement with our employees regarding representation by a European Works Council, a Works Council of a Societas Europaea (SE) or a Works Council of a Societas Cooperativa Europaea (SCE). **S1-8 63**

The calculation method and the geographical breakdown of the aforementioned key performance indicators comply with the ESRS requirements. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key performance indicator and no significant assumptions were made during the survey. **ESRS 2 MDR-M**

#### 1.6.6. Employee satisfaction (entity-specific)

##### 1.6.6.1. Impact, risk and opportunity management

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with employee satisfaction in detail in chapter General Information under section **4. Impact, risk and opportunity management**. Table **T.70** shows the impacts, opportunities and risks identified in the materiality analysis.

page 116 et seqq.

#### T.70 MATERIAL IRO: EMPLOYEE SATISFACTION

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Unhappy employees are likely to be less motivated and engaged, leading to decreased productivity. This can result in lower output, higher costs and overall operational inefficiencies.  | R   |                              |                               |
| Dissatisfied employees are more likely to leave the company, leading to higher turnover rates. The costs associated with recruiting, hiring, and training new employees can be significant. Additionally, losing experienced personnel can have long-term consequences for the company's knowledge base and operational stability. | R   |                              |                               |

##### 1.6.6.2. S1-1 Policies related to the company's workforce

The Group-wide **DMG MORI Mission Statement** forms the basis for our corporate culture, our entrepreneurial actions and our Code of Conduct. These are of essential importance in order to minimize the risks mentioned and to anchor a basic level of satisfaction among employees in the company. Our corporate agreement "Employee Survey" stipulates that an employee satisfaction analysis is carried out regularly – for the first time in 2018 and most recently in 2022. The agreement can be viewed by all employees on the intranet. In 2022, employees at all German locations and the production plants in Poland and Italy were surveyed. The questions are designed to identify risks to employee motivation and satisfaction. The survey is conducted and evaluated by an external service provider, also to ensure the anonymity of the respondents. The results are discussed with

page 7

the working group “Employee survey” of the Group Works Council. In addition, the measures initiated and planned at Group and company level are also reflected upon there. Every manager is obliged to carry out a follow-up process (e. g. derivation of measures, discussion of results, documentation) with their team. Managers coordinate closely with their line manager and the respective managing director. Accordingly, the aim of the guideline is to create a framework to strengthen employee satisfaction in the long term. **ESRS 2 MDR-P**

### **1.6.6.3. S1-4 Taking actions on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to the company's workforce, and effectiveness of those actions**

The next employee satisfaction analysis is planned for 2026. Employees will be informed about the process, objectives, findings and measures on the intranet before and after the survey. The analysis will likely be carried out again by the service provider named in the corporate agreement, and a follow-up of the results will be initiated accordingly by the working group and the group works council. In the reporting year and in the current budget planning, no further operational measures or financial expenditure are planned to mitigate the risks mentioned in chapter Social Information under section **1.6.6.1. Impact, risk and opportunity management** and to achieve the targets set out in our guidelines, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A S1-4 40**

page 159 et seqq.

### **1.6.6.4. S1-5 Targets related to manage material negative impacts, advancing positive impacts, and managing material risks and opportunities**

For the reporting year, DMG MORI AG has not set itself any targets with regard to the risks mentioned in chapter on Social Information under section **1.6.6.1. Impact, risk and opportunity management**. The reason for this is that we initially focused on the introduction of quantitative processes and only plan to set concrete targets in the next step or from the current financial year onward. **ESRS 2 MDR-T S1-5 47**

page 159 et seqq.

## **2. ESRS S2: Workers in the Value Chain**

### **2.1. Disclosure requirements in connection with ESRS 2 SBM-2 – Stakeholder interests and views**

For DMG MORI AG, the workforce in the value chain also represents an important group of affected stakeholders. Our business model is dependent on a complex, multi-stage, upstream value chain that includes companies and workers in a wide variety of countries and sectors. However, we do not have direct contact with workers in the value chain at the level of strategy or business model. In preparing our materiality analysis, selected contacts from central purchasing served as credible representatives for the upstream value chain. Their rights and protection are also incorporated into our (purchasing) strategy via the formal processes of the “German Supply Chain Act”. We are committed to ensuring our human rights due diligence obligations with regard to workers in the value chain through various preventive and remedial measures. **ESRS 2 SBM-29**

### **2.2. Disclosure requirements in connection with ESRS 2 SBM-3 – Significant impacts, risks and opportunities and their interaction with strategy and business model**

The (potentially) negative impacts on workers in the value chain as listed hereinafter are directly related to the business model and strategy of DMG MORI AG. To manufacture our machines, we source various materials that come from a global and complex supply chain and are mined,

processed or transported by a wide variety of workers in a broad range of positions and circumstances. To counteract these potential negative impacts, we continuously and critically examine our (purchasing) strategy within the framework of the processes and guidelines described in this chapter. In the reporting year, there were no significant adjustments to the business model in the broader sense due to (potentially) negative impacts. [ESRS 2 SBM-3 10](#)

[page 116 et seqq.](#) All employees along the value chain who may be affected by material impacts from the strategy and business activities of DMG MORI AG were considered in the materiality analysis, as described in chapter General Information under section <sup>7</sup>**4.1. Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities**. For the reporting year, we have determined that primarily workers in our upstream value chain, i.e. our suppliers, may be affected by negative impacts. Along DMG MORI AG's value chain, there is no significant risk, based on our internal risk assessment, of child or forced labor due to the geographic location of our immediate suppliers. The materiality analysis for 2024 did not identify any material positive impacts for workers in the value chain. Significant potential negative impacts on workers in the value chain are related solely to potential individual incidents or specific business relationships. Details on how to address and prevent these potential impacts are outlined in the following sections. [ESRS 2 SBM-3 11](#)

In the materiality analysis, we looked at the impacts on all workers in the value chain equally. We did not find that workers with certain characteristics, in certain settings or doing certain jobs might be more at risk. [ESRS 2 SBM-3 12](#)

### 2.3. S2-2 Processes for engaging with value chain workers about impacts

During the materiality analysis, it was determined that workers in the upstream value chain would be included via employees in the central purchasing department, who were identified as credible representatives. The purchasing employees have assessed the impacts, opportunities and risks for workers in the value chain on their behalf. This method seemed appropriate to us in terms of effort and efficiency for the first reporting year. More effective methods would have involved a higher level of effort. We therefore intend to include proxies when we repeat the materiality analysis annually. [S2-2 22](#) [S2-2 23](#)

[page 153 et seqq.; 163 et seqq.](#) Our commitment to respecting human rights, as described above, also applies to our collaboration with workers along the value chain, as do the corporate guidelines on respecting human rights (<sup>7</sup>**1.6.3.2. S1-1 Policies related to the company's workforce**) and working conditions (<sup>7</sup>**2.5.1.2. S2-1 Policies related to value chain workers**). This in turn forms the basis for our "German Supply Chain Act" process, which only provides for the involvement of direct and indirect suppliers in the event of a human rights or environmental violation and other legally prescribed measures. [S2-2 22](#) [S2-2 23](#)

DMG MORI AG does not have an overarching process for actively involving workers in the value chain as defined by the ESRS to manage actual and potential impacts. Accordingly, no further information on the process can be provided. [S2-2 24](#)

### 2.4. S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Our general approach and procedures for taking or participating in remedial action are significantly influenced by the requirements of the "German Supply Chain Act". [S2-3 27](#) [S2-4 33](#)

DMG MORI AG has a step-by-step model for the implementation of remedial measures with direct suppliers by Central Purchasing:

- **Level 1:** If DMG MORI AG detects a human rights or environmental violation by a direct supplier, the supplier is requested to comply with the human rights and environmental obligations by setting a deadline.
- **Level 2:** If the direct supplier cannot end the violation in the foreseeable future, the supplier must immediately draw up and implement a concept for minimization (if necessary together with DMG MORI AG). The concept must include a concrete timetable and considerations as to when a termination of the business relationship should be discussed.
- **Level 3:** If it is foreseeable that the direct supplier will not comply with the requirements set out in the concept, the business relationship must be temporarily suspended in accordance with contractual agreements until the direct supplier has ended the human rights and environmental violation.

DMG MORI AG can also join forces with other companies in the industry, for example within the framework of industry initiatives and industry standards, to look for solutions within the industry for complex and difficult-to-remedy problems and thus increase the possibility of influencing the originator.

- **Level 4:** In cases where a very serious breach has occurred – and all attempts at risk mitigation in the previous levels have failed – the last resort is to terminate the business relationship with the direct supplier in consultation with the Chief Purchasing Officer. [S2-3 27](#) [S2-4 33](#)

Regarding indirect suppliers with whom DMG MORI AG has no direct contractual relationship, due diligence obligations must be implemented if we have actual indications – so-called substantiated knowledge – that a violation of a human rights-related or environmental obligation is possible. It is sufficient if the indications come within our sphere of influence so that they can be readily acknowledged. In addition to our own findings and reports via the complaint and whistleblower mechanisms, actual indications may be, for example, that a supplier belongs to an industry with particular human rights or environmental risks, or information from the competent authority. If DMG MORI AG has actual indications of a possible violation of a human rights or environmental obligation by an indirect supplier, the Human Rights Impact Assessment has to be conducted. Depending on the individual case, the following measures may also apply:

- Implementation of appropriate control measures: in particular, if our direct suppliers are contractually obliged to pass on our requirements from the Code of Conduct.
- Support in the prevention and avoidance of a risk: targeted and long-term support for certain indirect suppliers that are of strategic importance to the company; support for certain social projects in a region to strengthen certain rights.

- Implementation of industry-specific or cross-industry initiatives: Development of risk-preventive measures together with other companies in order to standardize specifications and increase the company’s own influence, particularly in the case of complex and non-transparent supplier networks. **S2-3 27 S2-4 33**

page 164 et seqq.

DMG MORI AG endeavors to find out more about the risk and its causes and, if necessary, to contact the indirect supplier (directly or via direct suppliers) to clarify our expectations. For example, we make our Code of Conduct available in local languages. The review of the effectiveness of the measures in terms of achieving the desired results for the workers in the value chain is carried out by the responsible purchasing department. Further details on the effectiveness review can be found in chapter Social Information under section **2.5.1.3. S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions.** **S2-2 27**

The **whistleblower system** is available to all workers in the value chain of DMG MORI AG as a central complaints mechanism, as disclosed in our information on G1-1. **S2-3 28**

**2.5. Material sustainability matters**

**2.5.1. Humane working conditions of workers in the value chain**

**2.5.1.1. Impact, risk and opportunity management**

page 116 et seqq.

We describe our process for identifying and assessing the impacts, risks and opportunities in connection with the working conditions of employees in the value chain in detail in chapter General Information under section **4. Impact, risk and opportunity management.** Table **T.72** shows the impacts, opportunities and risks identified in the materiality analysis.

**T.71 MATERIAL IRO: HUMANE WORKING CONDITIONS OF WORKERS IN THE VALUE CHAIN**

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Exploitative practices in the value chain can lead to labor disputes and increasing health issues of workers in the value chain.   | I   | P                            | N                             |
| Neglecting other work related rights of workers in DMG MORI AG’s value chain, contradicts fundamental principles of fairness and social responsibility. This may potentially lead to economic discrimination of vulnerable groups. | I   | P                            | N                             |

No material opportunities and risks for employees in the value chain were identified in the materiality analysis for the reporting year. **ESRS 2 SBM-3 13**

**2.5.1.2. S2-1 Policies related to value chain workers**

page 140 et seqq.

The “Guideline on Respect for Human Rights and Working Conditions” is decisive for mitigating potential impacts. The aim of this policy is to ensure our corporate due diligence obligations along the supply chain in an appropriate and continuous manner, to prevent or minimize human rights risks or to end the violation of environmental obligations as described in chapter Environmental Information under section **2.6.2.2. E1-2 Policies related to climate change mitigation and adaptation.** The policy applies to our own business processes as well as the entire supply chain and, in combination with the respective legal requirements, applies to every worker in our value chain. Further minimum disclosure requirements within the meaning of MDR-P for this policy are described in detail in chapter Social Information under section **1.6.2.2. S1-1 Policies related to the company’s workforce.** **ESRS 2 MDR-P**

page 151 et seqq.

page 153 et seqq. We are generally guided by internationally applicable and recognized standards and guidelines, as described in chapter Social Information under section **1.6.3.2. S1-1 Policies related to the company's workforce**. Accordingly, we have drawn up our "Declaration of Principles on Respect for Human Rights and the Environment" in accordance with Section 6 (2) of the "German Supply Chain Act", which is confirmed annually by the Executive Board of DMG MORI AG and also expressly addresses the issues of human trafficking, forced labor and includes child labor. Here, we also refer to our Code of Conduct, which is an integral and binding part of the business relationship with our direct suppliers and therefore a prerequisite for cooperation. We expect our direct suppliers to pass on the content and requirements along their supply chains. This also includes explicit reference to the core labor standards of the International Labor Organization (ILO), particularly regarding precarious employment, human trafficking, forced labor and child labor.

S2-117 S2-118 S2-119 S2-1AR15

page 164 et seqq. An overview of serious problems and incidents related to human rights within our upstream and downstream value chain, which may also result from non-compliance with the aforementioned guiding principles, can be found in chapter Social Information under section **2.5.1.3. S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions**.

S2-117 S2-118 S2-119 S2-1AR15

page 161 et seqq. We also use the measures listed hereinafter to ensure the active inclusion of workers in the value chain, so that we are informed immediately in the event of violations of our guidelines and can take action if necessary. Our specific remediation measures are set out in chapter Social Information under section **2.4. S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns**.

S2-117 S2-118 S2-119 S2-1AR15

### **2.5.1.3. S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions**

Our measures relating to workers in the value chain primarily turn around prevention measures at direct and indirect suppliers and are significantly influenced by the requirements of the "German Supply Chain Act". In the case of indirect suppliers, we limit ourselves to substantiated knowledge that a violation of a human rights-related or environmental obligation is possible. These are carried out on an ongoing basis and are independent of the respective financial year or budget planning. In accordance with Section 4 (1) of the "German Supply Chain Act", we have implemented a risk management system and integrated it into all relevant business processes. In this way, we ensure that significant negative impacts on workers in the value chain are avoided as a matter of principle through our own practices and that we do not contribute to them.

ESRS 2 MDR-A

DMG MORI AG has established various preventive measures such as supplier webinars, training courses and audits for direct suppliers. These measures are carried out as and when required. If our implemented prevention measures are not effective for suppliers with a special boycott status, this is based on a case-by-case decision at DMG MORI AG. The decisive factors here are both our ability to influence the supplier and our contribution to causation. Causation here means that we have directly caused a risk on our own or have causally contributed to the creation or intensification of a risk through our actions. The "larger" (employees / sales revenues) the company and the "more powerful" the market position of the supplier, the less it can be assumed that DMG MORI AG has an active influence and a contribution to causation. We assume

that such suppliers have established corporate processes that comply with human rights and environmental law. If the supplier has a "less powerful" market position, a sustainability audit is required. If a sustainability audit is not possible, the business relationship with non-strategically relevant suppliers will be terminated. **ESRS 2 MDR-A**

page 161 et seqq.

The preventive measures mentioned above are generally also intended to prevent or mitigate our potentially negative impacts on workers in the value chain from the materiality analysis. We describe the associated remediation measures in chapter Social Information under section **2.4. S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns**. The effectiveness of the measures in terms of achieving the desired results for workers in the value chain is reviewed by the responsible purchasing department. They are in direct contact with the respective suppliers and check at regular intervals whether negative impacts have been mitigated. If impacts prove to be unavoidable despite going through the entire "German Supply Chain Act" process, including risk analysis, preventive measures and remedial action, the Chief Compliance Officer and the Chief Purchasing Officer decide to terminate the business relationship. **S2-4 32 S2-4 33**

**S2-4 35 S2-3 27**

page 161 et seqq.

We are not aware of any serious problems or incidents relating to human rights within our value chain as at the end of the reporting year from the process described in chapter Social Information under section **2.3. S2-2 Processes for engaging with value chain workers about impacts**. By definition of the disclosure obligation in the ESRS, this also explicitly includes the downstream value chain. In the case of DMG MORI AG, however, this essentially consists solely of our customers and the users of the machines. We address this stakeholder group in detail in the disclosure requirements in connection with S4. To collect the key performance indicators, we use the risk analysis in accordance with the "German Supply Chain Act" and consider the supplier status contained therein as at the reporting date, and we also consider the complaints procedure and whistleblower system to ensure holistic coverage. For quality assurance purposes, the control process described under disclosure requirement GOV-5 was also applied to this key figure and no material assumptions were made during the survey. **S2-4 36 ESRS 2 MDR-M**

page 163 et seqq.

Apart from the preventive measures mentioned above, no further operational measures or financial expenditure are planned in the current budget planning to limit the negative impacts mentioned in chapter Social Information under section **2.5.1.1. Impact, risk and opportunity management**.

**S2-4 38 ESRS 2 MDR-A**

Nevertheless, we have various means at our disposal to manage our material impacts and achieve the targets set out in our guidelines. For example, our sustainability requirements have been uniformly integrated into the purchasing and supplier organization across the Group with the digital platforms "Integrity Next" and "SAP Ariba". Registration on our "SAP Ariba" purchasing platform is a prerequisite for participating in tenders. Potential and existing suppliers confirm that they comply with the basic ethical and fundamental requirements of DMG MORI AG, such as human rights and environmental protection as well as the rejection of forced and child labor. To record the sustainability performance of our suppliers as early as possible in the procurement process, we carry out an assessment via the "Integrity Next" platform. Digital questionnaires are used to obtain information about suppliers in order to identify potential risk factors, to check sustainability issues, quality, environmental standards and social requirements, and to ensure compliance with regulatory requirements. **S2-4 38**

In addition, the "RISKMETHODS" early warning system is used for further risk assessment. This allows timely information on risks relating to creditworthiness, delivery performance and sustainability, such as a violation of labor practices or human rights, to be incorporated into the holistic supplier assessment. **ES2-4 38**

#### **2.5.1.4. S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

page 163 et seqq.

For the reporting year, DMG MORI AG has not set itself any targets for the negative impacts mentioned in chapter Social Information under section <sup>2</sup>2.5.1.1. **Impact, risk and opportunity management.** The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set concrete targets in the next step or from the current financial year onwards. However, our basic principle is that all material risks will be eliminated following a detailed review and close exchange with our partners and the aforementioned remedial measures. The potential risks identified by the "Integrity Next" platform are usually primarily due to formal errors, such as failing to answer a question. **ESRS 2 MDR-T**

### **3. ESRS S4: Consumers and End-Users**

#### **3.1. Disclosure requirements in connection with ESRS 2 SBM-2 – Stakeholder interests and views**

The end users of our machines are also key stakeholders affected by our business activities and strategy. Our business model is dependent on customers and end users who choose our machines in their purchasing decisions. However, we are not in direct contact with end users at the level of strategy or business model. When preparing our materiality analysis, selected contacts from the Business Development department served as credible representatives for the downstream value chain consisting of sales to customers. Their interests and, above all, the protection of end users are an integral part of the product development process and are therefore directly incorporated into our strategy. By taking into account all relevant directives and standards for the industry and the sector, we are committed to ensuring product safety with regard to the end users of the machines. **ESRS 2 SBM-2 8**

#### **3.2. Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model**

In the course of implementing the CSRD, we have for the first time begun to work out the impacts, opportunities and risks of our business model and our strategy for the end users of our machines in terms of the ESRS. As described, our strategy is geared towards continuing to grow as a worldwide technology leader in our core business with machine tools and developing closely linked holistic solutions for our customers. The risk listed hereinafter with regard to the health protection of our end users is directly related to this strategy and the business model of DMG MORI AG. The operation of machine tools requires careful handling, otherwise accidents at work may occur. Due to the increasing complexity and functionality of the machines, health risks for the end user will also be of great importance in the future. **ESRS 2 SBM-3 9**

In principle, the operator of the machine is responsible for selecting the personnel on the machine. In practice, this includes both instructed assistants and specialized cutting machine operators. **ESRS 2 SBM-3 10a**

DMG MORI AG does not offer services that may have a negative impact on the right to privacy, the protection of personal data, the right to freedom of expression and non-discrimination, nor products that are harmful to humans or increase the risk of chronic disease. Furthermore, there is no increased risk of impact on health, privacy or through marketing and sales strategies.

ESRS 2 SBM-3 10a

However, our customers rely on accurate and accessible product-related information such as manuals and product labels to avoid potentially harmful use of the products. Accordingly, the scope of delivery of each machine includes both product manuals as well as warning and information signs. In addition, unavoidable residual risks are indicated on the user display. ESRS 2 SBM-3 10a

**3.3. S4-2 Processes for engaging with consumers and end-users about impacts**

When conducting the materiality analysis, it was determined that end users would be involved via employees in the Business Development department who were identified as credible representatives. These employees carried out the assessment of impacts, opportunities and risks for end users on our behalf. We considered this method to be appropriate in terms of effort and efficiency for the first reporting year. More effective methods would involve greater effort. We therefore also intend to include proxies in the annual repetition of the materiality analysis. Operational responsibility for conducting the materiality analysis and involving end users accordingly lies with the “Sustainability & Business Development” team. S4-220

DMG MORI AG does not have an overarching process for actively involving end users as defined by the ESRS to manage actual and potential impacts. Accordingly, no further information on the process can be provided. However, due to our approach to product development and the production of customized solutions, we are always in close contact with our customers to further reduce residual risks. S4-222

**3.4. S4-3 Processes to remediate negative impacts and channels for consumers and end-user**

In the reporting year, the materiality analysis did not identify any material negative impacts for end users, and accordingly there are no procedures for remediation or corrective action. Irrespective of this, end users can also use the <sup>2</sup> central complaints procedure to inform us of their needs or concerns. Our aftersales service is also an integral part of the contact with our customers. S4-327

**3.5. Material sustainability matters**

**3.5.1. Health and safety (consumers and end-users)**

**3.5.1.1. Impact, risk and opportunity management**

We describe our process for identifying and assessing the impacts, risks and opportunities relating to the health and safety of consumption and end users in detail in chapter General Information under section <sup>2</sup> **4. Impact, risk and opportunity management**. Table T.72 shows the impacts, opportunities and risks identified in the materiality analysis.

page 116 et seqq.

**T.72 MATERIAL IRO: HEALTH AND SAFETY (CONSUMERS AND END-USERS)**

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Failure to ensure the health and safety of consumers and end-users exposes a company to litigation risk, as negligence in these areas can lead to legal actions, fines, and reputational damage. | R   |                              |                               |

No material positive or negative impacts on the end user were identified in the materiality analysis for the reporting year. Similarly, no systemic impacts were identified from the sale or provision of our products. Only theoretical impacts from individual incidents that were classified as non-material are imaginable. [ESRS 2 SBM-3 10b](#) [ESRS 2 SBM-3 10c](#)

The health and safety risk listed here applies equally to all end users. [ESRS 2 SBM-3 10d](#) [ESRS 2 SBM-3 12](#)

In the materiality analysis, the selected proxies, who represent the role of end users, also considered impacts, opportunities and risks from the perspective of people with special characteristics, e.g. due to physical impairments. [ESRS 2 SBM-3 11](#)

### 3.5.1.2. S4-1 Policies related to consumers and end-users

Our machine tools meet high safety regulations. We implement all relevant laws as well as the guidelines and standards anchored therein. Important principles and guidelines at DMG MORI AG are the Product Safety Act and other EU directives relating to the product:

- Machinery Directive 2006/42/EC stipulates that the machine must not pose a hazard when used as intended, that residual hazards are identified and that the machine corresponds to the state of the art
- Low Voltage Directive 2014/35/EU regulates the voltage limits permitted for the safe operation of electrically operated devices
- Electromagnetic Compatibility Directive 2014/30/EU determines the electromagnetic compatibility of almost all electrical devices in the European domestic market

We fully implement the requirements arising from the above-mentioned guidelines. As part of risk assessments for the development of protection concepts, we describe possible hazards, as well as the severity of possible injuries in combination with the probability of occurrence. We then implement the protection concepts determined for our products and systematically check them before delivery. The ultimate responsibility for the proper implementation of the protection concepts lies with the Executive Board. [ESRS 2 MDR-P](#)

page 153 et seqq.

The principles of our Code of Conduct naturally also extend to our customers and, accordingly, to the end users of the machines. As part of the integrated “responsibility approach”, all elements of our compliance management system also apply to the area of human rights regarding end users of the machine. As already described in chapter Social Information under section **1.6.3.2. S1-1 Policies related to the company's workforce**, we are guided by internationally applicable and recognized standards and guidelines. We also ensure the active involvement of customers and end users through the measures listed hereinafter, so that we are informed immediately in the event of violations of our guidelines and can take remedial action if necessary. No such cases of non-compliance were brought to our attention in the reporting year. [S4-116](#) [S4-117](#)

### 3.5.1.3. S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Our measures in connection with the management of our material risk in relation to end users are primarily aimed at reducing potential residual risks when operating the machine. In addition to the ongoing revision of our risk assessments, our R&D experts work intensively with internal specialists who regularly undergo further training and are active in standards committees and trade associations. We also work actively in national and international standards working groups (ISO, IEC) to describe the current state of the art and to define and further develop it. The results of this are incorporated directly into the risk assessments and are thus continuously checked for effectiveness by the specialist department in day-to-day operations. In addition, the active involvement of customers and end users is ensured, as they can also participate in the relevant working groups. **ESRS 2 MDR-A S4-4 33**

page 167 et seqq.

In the reporting year and in the current budget planning, no further operational measures or financial resources are planned to limit the risk mentioned in chapter Social Information under section <sup>7</sup> 3.5.1.1. **Impact, risk and opportunity management** and the achievement of the targets set out in the guideline, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A**

Furthermore, we are not aware of any serious problems or incidents relating to human rights in connection with our end users in the reporting year, nor were there any reports via the <sup>7</sup> **complaints procedure**, which is also disclosed in the Sustainability Statement. **S4-4 35**

### 3.5.1.4. S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

page 167 et seqq.

For the reporting year, DMG MORI AG has not set any targets with regard to the risk mentioned in chapter Social Information under section <sup>7</sup> 3.5.1.1. **Impact, risk and opportunity management**. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set specific targets in the next step or from the current financial year onwards. However, our fundamental ambition is to always ensure the health and safety of end users by minimizing the risks described above. **ESRS 2 MDR-T**

## Governance Information

### 1. ESRS G1: Business Conduct

#### 1.1. Disclosure Requirement related to ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies

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The Executive Board and Supervisory Board of DMG MORI AG are responsible for compliance with the applicable guidelines and processes for compliance issues and for establishing a corporate culture based on the principles and values set out in the Code of Conduct. The members of the Executive Board assume responsibility for their Executive Board Departments in detail. An overview of the self-assessment of their skills and expertise can be found in table <sup>7</sup> T.21 in the Corporate Governance Report. The members of the Supervisory Board perform a large part of their supervisory activities by participating in various Supervisory Board committees. An overview of these committee activities of the Supervisory Board members can be found in table <sup>7</sup> T.22 in the

page 88

page 82 Remuneration Report. The self-assessment of the competencies of the members of the Supervisory Board can be found in table 7.20 in the Corporate Governance Report. The information in tables 7.22 and 7.20 is therefore an integral part of this Sustainability Report. **ESRS 2 GOV-15**

**1.2. Material sustainability matters**

**1.2.1. Protection of whistleblowers**

**1.2.1.1. Impact, risk and opportunity management**

page 116 et seqq. We describe our process for identifying and assessing impacts, risks and opportunities in detail in chapter General Information under section 4. **Impact, risk and opportunity management**. In connection with corporate governance, we have also included all our locations and activities in the assessment of materiality and taken them into account in the discussion of impacts, risks and opportunities. Table 7.73 shows the impacts, opportunities and risks identified in the materiality analysis. **ESRS 2 IRO-16**

**T.73 MATERIAL IRO: PROTECTION OF WHISTLEBLOWERS**

|   | Direction                                   | Occurrence                   | Value                         |
|---|---|------------------------------|-------------------------------|
|   | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Whistleblowing is one of the most effective ways to detect and prevent corruption and other malpractice. Strong protection of whistleblowers, hence, encourages people to report wrongdoing and increase the likelihood that wrongdoing is uncovered and penalised. | I   | A                            | P                             |

**1.2.1.2. G1-1 Business conduct policies and corporate culture**

At DMG MORI AG, the “Rules of Procedure for the Complaints Procedure” form the basis for the whistleblower system, which at the same time fulfills the requirements of Section 8 of the “German Supply Chain Act” and the applicable requirements of the Whistleblower Protection Act. The complaints procedure enables all internal and external stakeholders to report human rights or environmental risks and violations of human rights or environmental obligations, as well as any other complaints that may arise from the business activities of DMG MORI AG or its direct or indirect suppliers. The Chief Compliance Officer is responsible for compliance with the Code of Conduct. Employees are informed about the applicable rules and processes as standard during onboarding and are regularly informed about new standards through publications on the intranet. The effectiveness of the complaints procedure is reviewed once a year and on an ad hoc basis, for example in the event of significant changes or expansions in the risk situation. This can result, for example, from the introduction of new products or new business areas at DMG MORI AG itself or at direct suppliers. **ESRS 2 MDR-P G1-110c G1-110d**

The specific handling of the complaints procedure was divided into two parts in the reporting year due to a process change on 1 May 2024:

Until April 30, 2024, the complaints procedure was handled by an external lawyer of trust (ombudsman). The ombudsman acted as an independent and autonomous lawyer who was not subject to any instructions from DMG MORI AG regarding the content of the case. The lawyer of trust was impartial and bound to secrecy. If requested, he maintained the confidentiality of the identity of a whistleblower. **ESRS 2 MDR-P G1-110c G1-110d**

Accordingly, the complaints procedure until April 30, 2024 included the following specific processes:

The lawyer of trust received the complaint and confirmed receipt to the whistleblower. He then examined the facts of the case and, if necessary, held further discussions with the whistleblower. If there were sufficient indications of a breach of duty within the meaning of the "German Supply Chain Act", a violation of laws or internal rules, the lawyer of trust forwarded the complaint to the Chief Compliance Officer of DMG MORI AG for investigation in an admissible form. The lawyer of trust did not conduct an investigation himself in order not to jeopardize his neutrality. **ESRS 2 MDR-P**

**G1-110c G1-110d**

The Chief Compliance Officer investigated the report in accordance with all applicable laws and internal regulations. In doing so, the Chief Compliance Officer should have taken into account the concerns of all persons involved, treated them fairly and with respect, and informed them of the facts of the case and their corresponding rights to information and correction as soon as possible. The presumption of innocence and the right to be heard applied to all persons concerned. Delaying the provision of information until the investigation was completed was only permissible if the investigation of the report was likely to be significantly jeopardized by providing information at an early stage. **ESRS 2 MDR-P G1-110c G1-110d**

DMG MORI AG then carried out a legal assessment of the facts under investigation – if necessary, with the help of the trusted lawyer – and, if necessary, took appropriate measures to eliminate and prevent improper business practices. Examples of this are the improvement of internal control systems or civil law steps. Of course, sensible suggestions regarding work and business processes or organizational and conduct regulations were also taken up even if the reported facts did not constitute a violation. **ESRS 2 MDR-P G1-110c G1-110d**

The whistleblower was able to obtain information on the state of affairs from the trusted lawyer at any time and should have received feedback on the corresponding follow-up measures no later than three months after the report was received. In addition, he was informed of the outcome by the lawyer of trust at the latest after the process had been completed, to the extent permitted by law. **ESRS 2 MDR-P G1-110c G1-110d**

As of 1 May 2024, the global compliance helpline will be available 24/7 to all DMG MORI stakeholders via a web link to report violations of laws, our Code of Conduct or other DMG MORI policies and procedures. In addition, positive suggestions and issues can also be communicated via the global compliance helpline. The compliance helpline is a comprehensive and confidential reporting and helpline tool that allows reports to be made by phone or online and in different languages. If desired, reports can be submitted anonymously without disclosing one's identity. In addition to the compliance helpline, the Responsibility helpdesk is available as a central point of contact at [responsibility@dmgmori.com](mailto:responsibility@dmgmori.com). **ESRS 2 MDR-P G1-110c G1-110d**

As part of the change in procedure, the "Rules of Procedure for the Complaints Procedure" were amended accordingly. **ESRS 2 MDR-P G1-110c G1-110d**

Specifically, the complaints procedure has been structured as follows since 1 May 2024:

The Chief Compliance Officer first checks whether a breach of duty within the meaning of the LkSG, a violation of laws or internal rules has occurred. If there is sufficient evidence to suggest this, he should check the report quickly and as soon as possible, observing all applicable laws and internal regulations. In the investigation, he should take into account the concerns of all

persons involved, treat them fairly and respectfully, and inform them as soon as possible about the facts of the case and their corresponding rights to information and correction. **ESRS 2 MDR-P G1-110c**

**G1-110d**

DMG MORI then carries out a legal assessment of the facts under investigation and, if necessary, takes appropriate measures to eliminate and prevent improper business practices. Examples of this are the improvement of internal control systems or steps under civil law. Of course, sensible suggestions regarding work and business processes or organizational and conduct regulations are also taken up if the reported facts do not constitute a violation. **ESRS 2 MDR-P G1-110c G1-110d**

The whistleblower can obtain information about the status of the report at any time via the compliance helpline and should receive feedback on the follow-up measures within three months of the report being received. In addition, the whistleblower will be informed of the outcome by the Chief Compliance Officer at the latest after the process has been completed, to the extent permitted by law. **ESRS 2 MDR-P G1-110c G1-110d**

Whistleblowers are generally protected from discriminatory or disciplinary measures. Any retaliatory action against them will not be tolerated. In the event of indications of retaliation against whistleblowers, the confidential counsellor was to be consulted immediately until April 30, 2024. If the confidential counsellor assured a whistleblower of confidentiality, he was not permitted to disclose their name and identity to DMG MORI AG or third parties without their consent. In the event of a witness statement in a criminal case, civil or other proceedings, he was only allowed to disclose the name and identity of the whistleblower if he had received written permission to do so from both the whistleblower and DMG MORI AG. However, if a deliberate misuse of the complaints procedure had taken place, the whistleblower's wish to protect his identity was countered by the interest of the persons affected by the whistleblowing in the disclosure of the facts. The confidential counsellor therefore had to point out to the whistleblower in the first interview that in the event of deliberate misuse of the complaints procedure their identity may be disclosed to DMG MORI AG. Since 1 May 2024, this general information, and detailed explanations on the possibility of submitting reports anonymously have been available directly on the Compliance Helpline homepage. DMG MORI provides additional information on the process on the website and on the intranet. **ESRS 2 MDR-P G1-110c G1-110d**

#### 1.2.1.3. MDR – Actions

With the introduction of the global Compliance Helpline in the reporting year, DMG MORI AG has already successfully completed one of the most important measures for the protection of whistleblowers. At the same time, the new Compliance Helpline represents a uniform solution throughout the DMG MORI Group for the first time. This step reinforces our high standards as a "Global One Company" to ensure compliance throughout the Group with uniform processes and to follow up on every tip-off to improve further. No further operational measures or financial resources are planned in the current budget planning, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A**

#### 1.2.1.4. MDR – Targets

For the reporting year and in the current strategic planning, DMG MORI AG has not set itself any targets with regard to the positive impacts mentioned in chapter Governance Information under section 1.2.1.1. **Impact, risk and opportunity management**. The reason for this is that we do not consider measurable and results-oriented targets, for example with regard to the number of reports

page 170 et seqq.

received in the complaints procedure, to be appropriate or helpful. However, the Corporate Risk and Responsibility department has the clear objective of following up every report comprehensively and complying with the processes always described. In addition, we plan to increase communication of the processes and the associated intrinsic motivation to keep improving in the coming years to motivate potentially affected parties to submit reports. **ESRS 2 MDR-T**

**1.2.2. Management of relationships with suppliers incl. payment practices**

**1.2.2.1. Impact, risk and opportunity management**

page 116 et seqq.

We describe our process for identifying and assessing impacts, risks and opportunities in detail in chapter General Information under section <sup>7</sup>4. **Impact, risk and opportunity management**. In connection with corporate governance, we have also included all our locations and activities in the assessment of materiality and taken them into account in the discussion of impacts, risks and opportunities. Table **T.75** shows the impacts, opportunities and risks identified in the materiality analysis. **ESRS 2 IRO-16**

**T.74 MATERIAL IRO: MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS INCL. PAYMENT PRACTICES**

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Fostering a good and successful relationship with suppliers, will lead to economic success of both DMG MORI AG and its suppliers contributing, in turn, to economic growth and overall innovative potential. | I   | A                            | P                             |

**1.2.2.2. G1-1 Business conduct policies and corporate culture**

The decisive factor in ensuring our actual positive impact is the “Purchasing guideline”. The guideline regulates the competencies of the purchasing department, the persons responsible for purchasing, the relationships with the other departments of the company and the guidelines to be observed by each employee in every purchasing process. The guidelines are therefore used both as instructions and as a reference work for all employees. **ESRS 2 MDR-P**

The aim is to promote partnership-based cooperation through clear rules, to minimize organizational and legal uncertainties and gray areas, and to optimize our competitiveness at low cost by means of a rational and effective purchasing organization. The requirements for compliance, sustainability, transparency, traceability and effectiveness of the internal control system for accounting and risk management in the area of purchasing are to be met by implementing the regulations contained in the guideline. In this way, purchasing creates a stable business environment to ensure the long-term and sustainable success of DMG MORI AG. The scope of the guideline includes all business transactions related to the purchasing of goods and services within DMG MORI AG. It is prepared by the Central Purchasing Department of the DMG MORI Group, is to be implemented operationally by the local purchasing department and is approved and supported by the Executive Board. **ESRS 2 MDR-P**

### 1.2.2.3. MDR – Actions

Concrete measures regarding the relationship with our suppliers and to ensure our above-mentioned positive impact are directly linked to the decarbonization levers from our transition plan (Environmental Information <sup>↗</sup> **2.3. E1-1 Transition plan for climate change mitigation**). Greater transparency regarding the CO<sub>2</sub> emissions of the items procured for our machine tools also enables us to provide our suppliers with optimization suggestions and reduction targets. No further operational measures or financial expenditure are planned in the reporting year or in the current budget planning to ensure the positive impacts mentioned in chapter Governance Information under section <sup>↗</sup> **1.2.2.1. Impact, risk and opportunity management**, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A**

page 129 et seqq.

page 173 et seqq.

### 1.2.2.4. MDR – Targets

The overarching goal of our engagement with our suppliers is to reduce our CO<sub>2</sub> emissions in line with our Science Based Targets, as described in chapter Environmental Information under section <sup>↗</sup> **2.3. E1-1 Transition plan for climate change mitigation**. As a large proportion of the emissions recorded in our CO<sub>2</sub> balance sheet are attributable to upstream processes in our supply chains. If this is not the case, partner and supplier management play a decisive role. We describe in detail in chapter Environmental Information under section <sup>↗</sup> **2.3. E1-1 Transition plan for climate change mitigation** how we ensure the timely fulfillment of our Science Based Targets. **ESRS 2 MDR-T**

page 129 et seqq.

page 129 et seqq.

### 1.2.2.5. G1-2 Management of relationships with suppliers

Our purchasing guideline contains details on the "Invoice verification and payment settlement" process phase, which includes the recording of supplier invoices, their verification and release for payment, as well as the payment settlement itself. However, the prevention of late payment, particularly to small and medium-sized enterprises, is not explicitly regulated. **G1-214**

Before we work with a supplier, our basic requirements regarding human rights, social standards and legal requirements must be met. This is also set out in our purchasing guidelines, which, in addition to referring to our Code of Conduct, also explicitly mentions social and environmental criteria. For example, the Code of Conduct mentions topics such as climate, energy, occupational safety and the rejection of child and forced labor. In principle, our due diligence obligations comprise the following basic elements, which are based on and relate to each other: **G1-215**

- Declaration of principles on human rights
- Risk management and regular risk analyses
- Establishment of a complaints procedure
- Clearly defined responsibilities
- Established prevention measures in our own business area and with direct suppliers
- Remedial measures in the event of risks or incidents
- Documentation and reporting in accordance with the "German Supply Chain Act"

#### 1.2.2.6. G1-6 Payment practices

The average time (in days) it took us to settle an invoice from the start of the contractual or statutory payment period in the reporting year was approximately 29 days. Specifically, we use the invoice date and the accounting settlement date for the calculation. To determine this, we used a representative sample, which on the one hand should be meaningful, but on the other hand should ensure that a possible delay in payment to small and medium-sized enterprises becomes apparent. Accordingly, based on our internal prioritization of suppliers, we randomly selected those suppliers with whom we only conduct sporadic transactions and who are not part of a large global corporation. **ESRS 2 MDR-M G1-6 33a G1-6 33d**

Of the suppliers with whom DMG MORI AG maintained active relationships in the reporting year (i.e. external suppliers with at least one transaction in the reporting year), over 90% come from Europe. Due to the large differences in the structure of the business relationships and the products purchased, we have agreed various payment terms with our European suppliers. Around 96% of our total invoice volume in the reporting year was processed with European suppliers. Of these, 90 days net is the usual contractual term for around 18%. For around 13%, 30 days net is the contractual payment term. However, there are also various other contractual terms (e.g., 60 days net), which accounted for less than 10% of the European invoice volume in the reporting year. **G1-6 33b ESRS 2 MDR-M**

Our remaining suppliers come almost exclusively from Asia. The usual standard payment term here is 60 days net, accounting for around 65% of the total invoice volume in the reporting year. Similar to European suppliers, however, there are also various payment terms here, which can vary from order to order in the same reporting year, even for the same supplier.

Contractual partners of the suppliers are generally the following companies within the group of consolidated companies: DMG MORI Additive GmbH, DMG MORI Bergamo S.r.l., DMG MORI Bielefeld GmbH, DMG MORI Manufacturing Solutions Co., Ltd. (Pinghu), DMG MORI Pfronten GmbH, DMG MORI Seebach GmbH, DMG MORI Poland Sp. z o.o., DMG MORI Spare Parts GmbH, DMG MORI Tortona S.r.l. und DMG MORI Ultrasonic Lasertec GmbH.

As of the reporting date, DMG MORI AG had no pending legal proceedings for default of payment. Accordingly, none of the governing bodies of any of the companies in the group of consolidated companies are defendants in such proceedings. **ESRS 2 MDR-M G1-6 33c**

### 1.2.3. Corruption and bribery (prevention and detection)

#### 1.2.3.1. Impact, risk and opportunity management

We describe our procedure for identifying and assessing impacts, risks and opportunities in detail in chapter General Information under section <sup>7</sup> 4. **Impact, risk and opportunity management**. In connection with corporate governance, we have also included all our locations and activities in the assessment of materiality and taken them into account in the discussion of impacts, risks and opportunities. Table **T.76** shows the impacts, opportunities and risks identified in the materiality analysis. **ESRS 2 IRO-16**

page 116 et seqq.

**T.75 MATERIAL IRO: CORRUPTION AND BRIBERY (PREVENTION AND DETECTION)**

|  | Direction                                   | Occurrence                   | Value                         |
|--|---|------------------------------|-------------------------------|
|  | Impact (I);<br>Opportunity (O);<br>Risk (R) | Actual (A);<br>Potential (P) | Negative (N);<br>Positive (P) |
| Well-founded anti-corruption and anti-bribery prevention and detection systems ensure fair competition and can contribute to responsible business practices which contributes to economic growth and prosperity. | I   | P                            | P                             |

**1.2.3.2. G1-1 Business conduct policies and corporate culture**

The “Conduct on the market” guideline is intended to explain to the employees of the DMG MORI AG group the basic requirements of antitrust regulations, in particular European law, and to convey their significance for business conduct. It also includes general guidelines on business conduct and is therefore intended to protect against misconduct. Furthermore, the guideline serves to protect the DMG MORI AG group and its employees from prosecution by antitrust and investigative authorities. **ESRS 2 MDR-P**

To be able to counter our compliance risks appropriately in general, extensive compliance due diligence is also carried out within the DMG MORI AG group. A process for integrity checks has been implemented for potential dealers and/or order intermediaries. The process is based on a tiered approach, which ensures that the level of detail of the integrity check is determined depending on the respective risk level. This process is described in detail in the Group guideline on order brokers and dealers. The DMG MORI AG group must carry out a supplier evaluation for potential suppliers. This is based on uniform Group-wide evaluation criteria. In our purchasing guidelines, we also undertake to adhere to compliance standards. To ensure that business is only conducted with reliable parties when entering a joint venture or M&A activities, certain due diligence obligations must also be taken here. The necessary information is compiled based on a questionnaire. The investment management department is responsible for the process in consultation with an external law firm and relevant specialist departments. The involvement of the Chief Compliance Officer/Risk Manager ensures that compliance aspects and other risks are also considered appropriately. **61-110a**

At Group level, a central Chief Compliance Officer is responsible for the overarching coordination of the entire compliance management system – and the associated identification and investigation of concerns regarding unlawful conduct – who is appointed by the Executive Board and reports to the Executive Board. The Chief Compliance Officer heads the Compliance department, which is part of the Corporate Risk and Responsibility department. To ensure the implementation of the compliance management system, a central coordinator is appointed for each sub-division who is responsible for overarching coordination in their sub-division and all relevant internal stakeholders. A central coordinator can be responsible for several central sub-areas. In the event of concerns regarding illegal behavior, coordinators report to the central Chief Compliance Officer within the framework of the reporting structures of the compliance management system, who then conducts the investigations accordingly. **61-110a**

**1.2.3.3. MDR – Actions**

In the reporting year and in the current budget planning, no operational measures or financial resources are planned to ensure the positive impacts mentioned in chapter Governance Information under section <sup>1.2.3.1. Impact, risk and opportunity management</sup>, as we have initially focused on the introduction of quantitative processes. **ESRS 2 MDR-A**

page 175 et seqq.

In the current financial year, however, we are working on further standardization and integration of common definitions regarding corruption and bribery within the Group.

#### 1.2.3.4. MDR – Targets

page 175 et seqq.

For the reporting year, DMG MORI AG has not set any targets with regard to the positive impacts mentioned in chapter Governance Information under section <sup>1</sup>1.2.3.1. **Impact, risk and opportunity management**. The reason for this is that we have initially focused on the introduction of quantitative processes and only plan to set concrete targets in the next step or from the current financial year onwards. **ESRS 2 MDR-T**

page 177 et seqq.

In principle, however, all new employees hired in the reporting year should confirm the Code of Conduct and any training needs should also be covered with regard to corruption and bribery, as described in chapter Governance Information under section <sup>1</sup>1.2.3.5. **G1-3 Prevention and detection of corruption and bribery**.

#### 1.2.3.5. G1-3 Prevention and detection of corruption and bribery

DMG MORI AG has set out a clear definition in its “Corporate Responsibility” handbook. Corruption is defined in terms of the compliance management system as:

1. any conduct that is punishable under Sections 298, 299, 331-338 of the German Criminal Code (StGB) or under the criminal laws of other countries in which the DMG MORI AG operates directly or indirectly.
2. willful damage to the company, for example through theft (Section 242 StGB, unlawful taking of another person’s movable property with the intention of appropriation), fraud (Section 263 StGB, procurement of an unlawful (Section 266 StGB, abuse of a duty to manage assets to the detriment of the person whose assets are to be managed) as well as comparable acts which are punishable under the corresponding provisions of other countries in which DMG MORI AG directly or indirectly are punishable by law. **G1-110b**

**G1-110e G1-318**

To prevent corruption and bribery, we focus primarily on creating constant awareness and regular training. The training concept is described in detail hereinafter. All guidelines and regulations relating to corruption and bribery are always available to all employees in the Group on the intranet. In addition, we send regular e-mails and articles on the intranet to remind employees of relevant processes or current topics. **G1-110b G1-110e G1-318**

page 170 et seqq.

Since 1 May 2024, the central compliance helpline, which replaced the previously appointed lawyer of trust and ombudsman, has been the main point of contact for detecting corruption. As with all compliance procedures, firmly defined, standardized processes also apply to the prevention, detection and cessation of corruption and bribery, as described in chapter Governance Information under section <sup>1</sup>1.2.1.2. **G1-1 Business conduct policies and corporate culture**. These ensure, among other things, the anonymity of the whistleblower in the event of a reported incident – regardless of whether via the Compliance Helpline or the lawyer of trust – as well as the appropriate information and clarification of the responsible specialist departments and national companies. **G1-110b G1-110e G1-318**

Depending on the type and severity of the violation and the degree of responsibility, DMG MORI AG will consider any assistance in the investigation and impose appropriate sanctions. This is always based on the applicable laws. [G1-110b](#) [G1-110e](#) [G1-318](#)

In the event of a report, an investigation committee is set up. To ensure the greatest possible objectivity, care is taken when selecting the persons to ensure that they are independent, not connected to the management chain involved and that there are no potential conflicts of interest. The Corporate Risk and Responsibility department informs the Executive Board and the Finance and Audit Committee of the Supervisory Board of the status or results of the investigations at its regular meetings. Information is provided immediately in the event of particularly serious suspicions or breaches. The departments involved provide support in the preparation of the reports. [G1-110b](#) [G1-110e](#) [G1-318](#)

To effectively promote the anchoring of compliance in connection with anti-corruption and anti-bribery in the company, a training concept based on the principles of conduct and internal regulations is implemented at DMG MORI AG. The “Corporate Risk and Responsibility” department reviews this training concept annually to ensure that it is up to date. [G1-321a](#) [G1-321c](#)

The training concept consists of two pillars:

1. Managing directors and other high-risk functions receive training on the compliance management system at DMG MORI AG at least every five years. The training covers the sub-areas of anti-corruption, antitrust law, export control, anti-money laundering and tax compliance. The training takes place regularly once a year, in person.

In the area of anti-corruption, both the managing directors and the department heads of the following departments are identified as being particularly at risk (so-called “functions-at-risk”): [G1-110h](#)

- Purchasing
- Finance
- Controlling
- Distribution

An evaluation of this first pillar of the training concept for the reporting year is presented in table [T.77](#). [G1-321b](#)

**T.76 PERFORMANCE INDICATORS FOR THE TRAINING CONCEPT FOR MANAGING DIRECTORS  
AND OTHER RISK-BEARING FUNCTIONS**

|   |             |
|---|-------------|
| Total number of employees in functions-at-risk                              | 127         |
| Number of employees in functions-at-risk with access to training programmes | 127         |
| Number of employees in functions-at-risk that completed training programmes | 109         |
| <b>Percentage of functions at risk covered by such training programs</b>    | <b>86 %</b> |

2. Every three years, depending on the employee's last degree, all employees complete an e-learning course on the Code of Conduct and all the basics relating to compliance guidelines and corporate responsibility and sustainability at DMG MORI AG. This includes the sub-areas of anti-corruption, antitrust law, export control, anti-money laundering, tax compliance, social responsibility, discrimination, climate and environment, employees, diversity, cooperation with business partners and violations of the Code of Conduct.

## Additional Information related to ESRS 1.114

### Additional information in accordance with ESRS 1.114 in connection with the requirements of the non-financial group statement prepared in accordance with §§ 315b to 315c HGB

The aspects described in Section 289c (2) HGB are integrated into our Sustainability Statement as follows:

#### T.77

| Reference in the German Commercial Code | Description of the aspect in the German Commercial Code (HGB) | Integration in Sustainability Statement  | Further explanatory notes  |
|---|---|--|--|
| § 289c para. 2 no. 1                    | Environmental concerns  | Disclosure requirements E1 to E5   | In the reporting year, only the topic of climate protection, including, for example, greenhouse gas emissions and the use of (non-)renewable energies, was identified as material. |
| § 289c para 2 no. 2                     | Employee matters  | Disclosure requirement S1  | The topics and sub-topics identified as material in the materiality analysis in accordance with the ESRS are disclosed accordingly.  |
| § 289c para 2 no. 3                     | Social concerns   | Disclosure requirement S3  | In the reporting year, no material impacts, risks or opportunities were identified for this aspect.  |
| § 289c para 2 no. 4                     | Respect for human rights                                      | Various disclosures on working conditions in the company's own business area (disclosure requirement S1) and the value chain (disclosure requirements S2 and S4) with explicit reference to human rights | The ESRS require us to ensure that human rights violations are avoided. We disclose this for the reporting year.   |
| § 289c para 2 no. 5                     | Combating corruption and bribery                              | Disclosure requirements G1-3   | Our existing tools for combating corruption and bribery are included in the disclosure requirements.   |

Accordingly, we have also disclosed all the information necessary for an understanding of the business performance, the business results, the position of DMG MORI AG and the impacts of our activities. For a description of the concepts we pursue and their results (see Section 289c (3) no. 1 and Section 289c (3) no. 2), we refer to the disclosures marked ESRS with MDR-P and MDR-A. We address the due diligence processes we apply (see § 289c (3) no. 1) in the context of disclosure requirement GOV-4. We identified the material risks and serious negative impacts associated with our own business activities, business relationships and products (see Section 289c (3) Nos. 3 and 4) in accordance with the requirements of the ESRS for the first time in the reporting year. This distinguishes the present Sustainability Statement from our previous non-financial reporting. In terms of the double materiality analysis according to ESRS, we have nevertheless considered the above aspects holistically from both an “outside-in” and an “inside-out” perspective. For further details, please refer to disclosure requirements SBM-3 and IRO-1. For disclosures in connection with non-financial performance indicators that are relevant for DMG MORI AG in the financial year (see Section 289c (3) No. 5), please refer to the disclosures marked MDR-M in accordance with ESRS. We have listed references to amounts reported in the (financial) Consolidated Financial Statements and additional explanations (see Section 289c (3) no. 6) in the places provided for by the ESRS.

03

DMG MORI AG Annual Report 2024

# CONSOLIDATED FINANCIAL STATEMENTS

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To our Shareholders  
Business Report  
Consolidated Financial Statements  
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# CONSOLIDATED INCOME STATEMENT

for the period 1 January to 31 December 2024

T.78

| in € K  | Note | 2024           | 2023 <sup>1)</sup> |
|---|------|----------------|--------------------|
| Sales revenues  | 7    | 2,228,340      | 2,498,566          |
| Changes in finished goods and work in progress  |      | -27,523        | 75,835             |
| Own work capitalised  | 8    | 7,445          | 13,242             |
| Other operating income  | 9    | 71,603         | 63,007             |
| Cost of materials   | 10   | 1,042,082      | 1,362,539          |
| Personnel costs   | 11   | 614,806        | 631,607            |
| Depreciation, amortization and impairment losses  | 12   | 80,557         | 74,398             |
| Other operating expenses  | 13   | 296,993        | 353,196            |
| <b>Operating result</b>   |      | <b>245,427</b> | <b>228,910</b>     |
| Financial income  | 14   | 24,533         | 25,479             |
| Financial expenses  | 15   | 17,748         | 17,127             |
| <b>Financial result</b>   |      | <b>6,785</b>   | <b>8,352</b>       |
| Impairment losses on shares of at equity accounted investments                              | 22   | 0              | -1,081             |
| Share of profits and losses of at equity accounted investments                              | 16   | 2,446          | 1,410              |
| <b>Earnings before taxes</b>  |      | <b>254,658</b> | <b>237,591</b>     |
| Income taxes  | 17   | 75,250         | 65,617             |
| <b>Earnings after taxes from continuing operations</b>                                      |      | <b>179,408</b> | <b>171,974</b>     |
| Earnings after taxes from discontinued operations   | 5    | -91,916        | -8,754             |
| <b>Annual profit</b>  |      | <b>87,492</b>  | <b>163,220</b>     |
| <b>Attribution of the annual profit</b>   |      |                |                    |
| Of which attributed to the shareholders of DMG MORI AKTIENGESELLSCHAFT                      |      | 78,514         | 153,405            |
| Of which attributed to non-controlling interests  | 18   | 8,978          | 9,815              |
| <b>Annual profit of which attributed to the shareholders of DMG MORI AKTIENGESELLSCHAFT</b> |      |                |                    |
| from continuing operations  |      | 170,430        | 162,159            |
| from discontinued operations  |      | -91,916        | -8,754             |
| <b>Earnings per share from continuing operations in € (undiluted and diluted)</b>           | 19   | <b>2.16</b>    | <b>2.06</b>        |
| <b>Earnings per share from discontinued operations in € (undiluted and diluted)</b>         | 19   | <b>-1.17</b>   | <b>-0.11</b>       |
| <b>Earnings per share in € (undiluted and diluted)</b>                                      | 19   | <b>0.99</b>    | <b>1.95</b>        |

1) The previous year's figures have been adjusted to reflect the presentation of a discontinued operation.

# CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the period 1 January to 31 December 2024

T.79

| in € K  | Note   | 2024           | 2023           |
|---|--------|----------------|----------------|
| <b>Annual profit</b>  |        | <b>87,492</b>  | <b>163,220</b> |
| <b>Other comprehensive income</b>   |        |                |                |
| Remeasurement of benefit-oriented pension plans   | 32     | 2,055          | -3,517         |
| FVOCI – Equity instruments – net change of fair value   | 41     | -1,955         | -32,896        |
| Income taxes  | 17, 30 | -793           | 1,503          |
| <b>Sum of items never reclassified to income statement</b>  |        | <b>-693</b>    | <b>-34,910</b> |
| Differences from currency translation   |        | 5,142          | -15,564        |
| Net investments   | 31     | -793           | 6,853          |
| Differences from currency translation and net investments from discontinued operations reclassified to profit or loss |        | 26,001         | 0              |
| Changes in market value of hedging instruments  | 39     | 1,165          | -296           |
| Market value of hedging instruments - reclassification to the income statement  | 39     | -781           | -210           |
| Income taxes  | 30     | 3,398          | -2,263         |
| <b>Sum of items which are reclassified to the income statement</b>  |        | <b>34,132</b>  | <b>-11,480</b> |
| <b>Other comprehensive income after taxes</b>   |        | <b>33,439</b>  | <b>-46,390</b> |
| <b>Total comprehensive income</b>   |        | <b>120,931</b> | <b>116,830</b> |
| Of which attributed to the shareholders of DMG MORI AKTIENGESELLSCHAFT  |        | 110,961        | 108,336        |
| Of which attributed to non-controlling interests  |        | 9,970          | 8,494          |

# CONSOLIDATED CASH FLOW STATEMENT

for the period 1 January to 31 December 2024

T.80

| in € K  | Note      | 2024           | 2023 <sup>1)</sup> |
|---|-----------|----------------|--------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITY</b>  |           |                |                    |
| Earnings before taxes (EBT)   |           | 254,658        | 237,591            |
| Depreciation, amortization and impairment losses  | 20, 21    | 80,557         | 74,398             |
| Monetary loss from the application of IAS 29  | 6         | -2,665         | 2,040              |
| Financial result  | 14, 15    | -6,785         | -8,487             |
| Other income and expenses not affecting payments  |           | 253            | -3,249             |
| Change in provisions  | 32, 33    | -88,433        | -14,879            |
| Result from the disposal of fixed assets  |           | -961           | -1,895             |
| Income tax refunds  |           | 601            | 764                |
| Income taxes paid   |           | -56,009        | -46,279            |
| Interest received   |           | 23,831         | 19,900             |
| Interest paid   |           | -9,067         | -7,715             |
| Dividends received  | 22        | 2,342          | 568                |
| Changes in asset and liabilities items  |           |                |                    |
| Inventories   | 25        | 66,935         | -104,602           |
| Trade debtors   | 24, 26    | -13,877        | 40,994             |
| Other assets not from investments or financing activity   |           | 20,693         | 51,668             |
| Trade creditors   | 35, 36    | 11,915         | 18,598             |
| Other liabilities not from investments or financing activity  |           | -112,014       | -68,937            |
|   | 42        | 171,974        | 190,478            |
| thereof from discontinued operations  |           | -55            | -1,151             |
| <b>CASH FLOW FROM INVESTMENT ACTIVITY</b>   |           |                |                    |
| Amounts received from the disposal of tangible assets and intangible assets   |           | 3,989          | 2,694              |
| Amounts paid out for investments in tangible assets   |           | -37,147        | -70,613            |
| Amounts paid out for investments in intangible assets   |           | -21,870        | -29,018            |
| Cash flow from the loss of control over subsidiaries  | 42        | -2,414         | 0                  |
| Amounts paid out for investments in financial assets  | 42        | -2,396         | -3,538             |
| Repayments for loans  | 42, 47    | 150,025        | 100,300            |
| Amounts paid out for loans  | 42, 47    | -60,000        | -61,622            |
| Cash outflows and inflows as part of cash pooling receivables   | 42, 47    | -49,667        | 0                  |
| Amounts received from disposal in financial assets  | 42        | 0              | 78                 |
|   |           | -19,480        | -61,719            |
| thereof from discontinued operations  |           | -2,414         | -31                |
| <b>CASH FLOW FROM FINANCING ACTIVITY</b>  |           |                |                    |
| Payments / Cash for repayment / borrowing of financial debt   | 34        | -8,838         | 24,180             |
| Cash inflows and outflows as part of cash pooling liabilities   | 42, 47    | 4,667          | 0                  |
| Dividends paid to non-controlling interests of subsidiaries   | 42        | -8,598         | 0                  |
| Payments from changes in ownership shares in subsidiaries   | 42        | 0              | -292               |
| Profit transfer to DMG MORI Europe Holding GmbH   | 47        | -147,472       | -146,509           |
| Payments for the repayment of lease liabilities   | 42        | -16,083        | -15,660            |
|   | 42        | -176,324       | -138,281           |
| thereof from discontinued operations  |           | 0              | 0                  |
| <b>INFLATION ADJUSTMENT OF THE CASH FLOW FROM OPERATING ACTIVITY, FROM INVESTMENT ACTIVITY AND FROM FINANCING ACTIVITY (IAS 29)</b> |           |                |                    |
| Changes affecting payments  | 6         | -24,745        | -16,078            |
| Effects of exchange rate changes on financial securities  |           | -1,356         | -7,166             |
| Effects of inflation on financial securities (IAS 29)   | 6         | 3,580          | 4,516              |
| Cash and cash equivalents as at 1 January   | 28        | 158,685        | 177,413            |
| <b>Cash and cash equivalents as at 31 December</b>  | <b>28</b> | <b>136,164</b> | <b>158,685</b>     |

1) The previous year's figures have been adjusted to reflect the presentation of a discontinued operation.

# CONSOLIDATED BALANCE SHEET

as at 31 December 2024

T.81

| in € K   | Note | 31 Dec. 2024     | 31 Dec. 2023     |
|--|------|------------------|------------------|
| <b>ASSETS</b>                                  |      |                  |                  |
| <b>LONG-TERM ASSETS</b>                        |      |                  |                  |
| Goodwill                                       | 20   | 136,400          | 136,407          |
| Other intangible assets                        | 20   | 116,702          | 110,842          |
| Tangible assets                                | 21   | 484,322          | 509,922          |
| Equity accounted investments                   | 22   | 50,096           | 44,395           |
| Other equity investments                       | 23   | 75,127           | 80,316           |
| Trade receivables from third parties           | 24   | 150              | 800              |
| Receivables from other related companies       | 24   | 6                | 0                |
| Other financial assets                         | 24   | 13,874           | 10,563           |
| Other assets                                   | 24   | 864              | 1,840            |
| Deferred tax assets                            | 30   | 24,272           | 31,650           |
|  |      | <b>901,813</b>   | <b>926,735</b>   |
| <b>SHORT-TERM ASSETS</b>                       |      |                  |                  |
| Inventories                                    | 25   | 714,117          | 782,023          |
| Trade receivables from third parties           | 26   | 105,409          | 119,591          |
| Receivables from at equity accounted companies | 26   | 3,825            | 7,581            |
| Receivables from other related companies       | 26   | 568,167          | 624,474          |
| Receivables from other equity investments      | 26   | 255              | 133              |
| Receivables from down payment invoices         | 7    | 6,080            | 14,123           |
| Other financial assets                         | 27   | 24,377           | 38,789           |
| Other assets                                   | 27   | 70,534           | 86,924           |
| Income tax receivables                         |      | 9,561            | 3,600            |
| Cash and cash equivalents                      | 28   | 136,164          | 158,685          |
| Long-term assets held for sale                 | 29   | 3,957            | 5,091            |
|  |      | <b>1,642,446</b> | <b>1,841,014</b> |
| <b>Balance Sheet Total</b>                     |      | <b>2,544,259</b> | <b>2,767,749</b> |

## T.81

| in € K   | Note | 31 Dec. 2024     | 31 Dec. 2023     |
|--|------|------------------|------------------|
| <b>EQUITY AND LIABILITIES</b>                                      |      |                  |                  |
| <b>EQUITY</b>  |      |                  |                  |
| Subscribed capital   | 31   | 204,927          | 204,927          |
| Capital reserve  | 31   | 498,485          | 498,485          |
| Retained earnings and other reserves                               | 31   | 716,091          | 658,545          |
| <b>Total equity of shareholders of DMG MORI AKTIENGESELLSCHAFT</b> |      | <b>1,419,503</b> | <b>1,361,957</b> |
| Non-controlling equity interests                                   | 31   | 30,193           | 20,223           |
| <b>Total equity</b>  |      | <b>1,449,696</b> | <b>1,382,180</b> |
| <b>LONG-TERM DEBTS</b>   |      |                  |                  |
| Provisions for pensions  | 32   | 25,901           | 27,836           |
| Other long-term provisions   | 33   | 30,011           | 36,460           |
| Financial debts  | 34   | 10,666           | 22,305           |
| Lease liabilities  | 37   | 28,619           | 32,011           |
| Trade payables to third parties                                    | 35   | 35               | 0                |
| Liabilities to other related companies                             | 35   | 45               | 0                |
| Contract liabilities from performance obligations                  | 7    | 3,486            | 3,122            |
| Other liabilities  | 35   | 9,791            | 8,128            |
| Deferred tax liabilities   | 30   | 21,394           | 8,550            |
|  |      | <b>129,948</b>   | <b>138,412</b>   |
| <b>SHORT-TERM DEBTS</b>  |      |                  |                  |
| Other provisions   | 33   | 185,647          | 267,794          |
| Financial debts  | 34   | 10,320           | 6,709            |
| Lease liabilities  | 37   | 17,405           | 11,167           |
| Trade payables to third parties                                    | 36   | 164,240          | 185,700          |
| Liabilities to at equity accounted companies                       | 36   | 2,745            | 3,430            |
| Liabilities to other related companies                             | 36   | 165,470          | 268,093          |
| Liabilities to other equity investments                            | 36   | 32,604           | 18               |
| Tax liabilities  |      | 9,148            | 22,746           |
| Contract liabilities from payments received on account             | 7    | 265,926          | 355,386          |
| Contract liabilities from performance obligations                  | 7    | 41,723           | 37,973           |
| Contract liabilities from down payment invoices                    | 7    | 6,080            | 14,123           |
| Other financial liabilities  | 36   | 19,704           | 31,935           |
| Other liabilities  | 36   | 43,603           | 42,083           |
|  |      | <b>964,615</b>   | <b>1,247,157</b> |
| <b>Balance Sheet Total</b>   |      | <b>2,544,259</b> | <b>2,767,749</b> |

# DEVELOPMENT OF GROUP EQUITY

for the period 1 January 2023 to 31 December 2024

T.82

| in € K  | Retained earnings and other reserves |                 |                  |                                      |   |                | Total equity of shareholders of DMG MORI AKTIENGESELLSCHAFT | Non-controlling equity interests | Total |
|---|--------------------------------------|-----------------|------------------|--------------------------------------|---|----------------|---|----------------------------------|-------|
|   | Subscribed capital                   | Capital reserve | Revenue reserves | Difference from currency translation | Market valuation of financial derivatives |                |   |                                  |       |
| As at 1 Jan. 2024   | 204,927                              | 498,485         | 707,403          | -48,515                              | -343                                      | 1,361,957      | 20,223  | 1,382,180                        |       |
| <b>Total comprehensive income</b>   |                                      |                 |                  |                                      |   |                |   |                                  |       |
| Annual Profit   |                                      |                 | 78,514           |                                      |   | 78,514         | 8,978   | 87,492                           |       |
| <b>Other comprehensive income</b>   |                                      |                 |                  |                                      |   |                |   |                                  |       |
| Differences from currency translation   |                                      |                 |                  | 41,937                               |   | 41,937         | 992   | 42,929                           |       |
| Net investments (after taxes)   |                                      |                 |                  | -9,067                               |   | -9,067         |   | -9,067                           |       |
| FVOCI – Equity instruments – net change of fair value (after taxes)           |                                      |                 | -2,088           |                                      |   | -2,088         |   | -2,088                           |       |
| Changes in market values of hedging instruments (after taxes)                 |                                      |                 |                  |                                      | 270                                       | 270            |   | 270                              |       |
| Remeasurement of benefit-oriented pension plans (after taxes)                 |                                      |                 | 1,395            |                                      |   | 1,395          |   | 1,395                            |       |
| <b>Other comprehensive income after taxes</b>                                 | <b>0</b>                             | <b>0</b>        | <b>-693</b>      | <b>32,870</b>                        | <b>270</b>                                | <b>32,447</b>  | <b>992</b>  | <b>33,439</b>                    |       |
| <b>Total comprehensive income</b>   | <b>0</b>                             | <b>0</b>        | <b>77,821</b>    | <b>32,870</b>                        | <b>270</b>                                | <b>110,961</b> | <b>9,970</b>  | <b>120,931</b>                   |       |
| <b>Transactions with owners</b>   |                                      |                 |                  |                                      |   |                |   |                                  |       |
| Total capital contribution / withdrawals to owners                            |                                      |                 |                  |                                      |   |                |   | 0                                |       |
| Purchase / Sale of non-controlling interests without / with change of control |                                      |                 |                  |                                      |   |                |   | 0                                |       |
| Profit transfer to DMG MORI Europe Holding GmbH for 2024                      |                                      |                 | -53,415          |                                      |   | -53,415        |   | -53,415                          |       |
| <b>Sum of transactions with owners</b>  | <b>0</b>                             | <b>0</b>        | <b>-53,415</b>   | <b>0</b>                             | <b>0</b>                                  | <b>-53,415</b> | <b>0</b>  | <b>-53,415</b>                   |       |
| As at 31 Dec. 2024  | 204,927                              | 498,485         | 731,809          | -15,645                              | -73                                       | 1,419,503      | 30,193  | 1,449,696                        |       |

See accompanying explanations regarding equity and non-controlling equity interests in the Consolidated Financial Statements in the Note 31.

T.82

| in € K  | Retained earnings and other reserves |                 |                  |                                      |   |   |                                  | Total     |
|---|--------------------------------------|-----------------|------------------|--------------------------------------|---|---|----------------------------------|-----------|
|   | Subscribed capital                   | Capital reserve | Revenue reserves | Difference from currency translation | Market valuation of financial derivatives | Total equity of shareholders of DMG MORI AKTIENGESELLSCHAFT | Non-controlling equity interests |           |
| As at 1 Jan. 2023   | 204,927                              | 498,485         | 736,972          | -38,711                              | 12  | 1,401,685   | 20,811                           | 1,422,496 |
| <b>Total comprehensive income</b>   |                                      |                 |                  |                                      |   |   |                                  |           |
| Annual Profit   |                                      |                 | 153,405          |                                      |   | 153,405   | 9,815                            | 163,220   |
| <b>Other comprehensive income</b>   |                                      |                 |                  |                                      |   |   |                                  |           |
| Differences from currency translation                                     |                                      |                 |                  | -14,243                              |   | -14,243   | -1,321                           | -15,564   |
| Net investments (after taxes)   |                                      |                 |                  | 4,439                                |   | 4,439   |                                  | 4,439     |
| FVOCI – Equity instruments – net change of fair value (after taxes)       |                                      |                 | -32,403          |                                      |   | -32,403   |                                  | -32,403   |
| Changes in market values of hedging instruments (after taxes)             |                                      |                 |                  |                                      | -355                                      | -355  |                                  | -355      |
| Remeasurement of benefit-oriented pension plans (after taxes)             |                                      |                 | -2,507           |                                      |   | -2,507  |                                  | -2,507    |
| <b>Other comprehensive income after taxes</b>                             | 0                                    | 0               | -34,910          | -9,804                               | -355                                      | -45,069   | -1,321                           | -46,390   |
| <b>Total comprehensive income</b>   | 0                                    | 0               | 118,495          | -9,804                               | -355                                      | 108,336   | 8,494                            | 116,830   |
| <b>Transactions with owners</b>   |                                      |                 |                  |                                      |   |   |                                  |           |
| Total capital contribution/with-drawals to owners                         |                                      |                 |                  |                                      |   |   | -9,382                           | -9,382    |
| Purchase/Sale of non-controlling interests without/with change of control |                                      |                 | -592             |                                      |   | -592  | 300                              | -292      |
| Profit transfer to DMG MORI Europe Holding GmbH for 2023                  |                                      |                 | -147,472         |                                      |   | -147,472  |                                  | -147,472  |
| <b>Sum of transactions with owners</b>                                    | 0                                    | 0               | -148,064         | 0                                    | 0   | -148,064  | -9,082                           | -157,146  |
| As at 31 Dec. 2023  | 204,927                              | 498,485         | 707,403          | -48,515                              | -343                                      | 1,361,957   | 20,223                           | 1,382,180 |

See accompanying explanations regarding equity and non-controlling equity interests in the Consolidated Financial Statements in the Notes 31.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF DMG MORI AKTIENGESELLSCHAFT FOR THE FINANCIAL YEAR 2024

## Accounting principles applied in the Consolidated Financial Statement

### 1. Application of regulations

The Notes to the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT for the financial year from 1 January 2024 to 31 December 2024 were prepared at the end of the reporting period with mandatory use of the International Financial Reporting Standards (IFRS) as adopted by the European Union and their interpretation by the International Accounting Standards Board (IASB), London, Great Britain, as applicable on the reporting date. The Notes to the Consolidated Financial Statements include further explanations pursuant to Section 315e of the German Commercial Code (HGB).

The following disclosures include statements and comments that, pursuant to the IFRS, must be included in the notes to the Consolidated Financial Statements along with the consolidated income statement, the consolidated statement of comprehensive income for the reporting period, the consolidated balance sheet, the development of the group's equity and the consolidated cash flow statement.

To allow for a better presentation, individual items have been combined in the balance sheet and the income statement; these are shown separately in the notes to the Consolidated Financial Statements with further disclosures.

The Consolidated Financial Statements are drawn up in euros. The reporting currency is the euro. Unless otherwise specified, all amounts are shown in thousand euro (€K). All amounts have been rounded in accordance with standard commercial practice. For computational reasons, rounding differences may occur in the tables.

DMG MORI AKTIENGESELLSCHAFT with its registered office in Bielefeld, Gildemeisterstrasse 60, is listed at the Bielefeld District Court (Germany), section B, under the number 7144 and is the parent company of the DMG MORI AG group and is a listed company under German law. As a leading manufacturer of cutting machine tools worldwide, the DMG MORI AG group offers innovative machine technologies, expert services, and needs-based software products. The Consolidated Financial Statements and the Group Management Report of DMG MORI AKTIENGESELLSCHAFT for the reporting period as of 31 December 2024 will be available through the electronic Federal Gazette (Bundesanzeiger), the Commercial Register as well as from our website [en.dmgmori-ag.com](https://en.dmgmori-ag.com). DMG MORI COMPANY LIMITED, Nara (Japan) is the ultimate parent company of the DMG MORI AG group. DMG MORI Europe Holding GmbH is the direct parent company of DMG MORI AKTIENGESELLSCHAFT. The Consolidated Financial Statements of

DMG MORI AKTIENGESELLSCHAFT are included in the Consolidated Financial Statements of DMG MORI COMPANY LIMITED, Nara (Japan). These Consolidated Financial Statements can be found online at [www.dmgmori.co.jp](http://www.dmgmori.co.jp).

DMG MORI Europe Holding GmbH, a wholly-owned subsidiary of DMG MORI COMPANY LIMITED, has a domination and profit transfer agreement with DMG MORI AKTIENGESELLSCHAFT pursuant to Section 291 et seqq. of the German Stock Corporation Act (AktG), which entered into force following entry into the commercial register on 24 August 2016. A tax allocation agreement was concluded between DMG MORI Europe Holding GmbH and DMG MORI AKTIENGESELLSCHAFT with effect from 1 January 2017.

The Executive Board of DMG MORI AKTIENGESELLSCHAFT released the Consolidated Financial Statements and the Group Management Report for publication on 18 March 2025.

## **2. Consolidation principles**

The recognition of acquired subsidiaries applies the acquisition method, provided the group has obtained a controlling interest. Transactions under joint control are also accounted for as purchases.

The consideration transferred for the acquisition of such interests corresponds to the fair value of the exchanged assets and the liabilities incurred or assumed at the date of the acquisition. Furthermore, they include the fair value of any assets or liabilities recognized arising from a contingent consideration agreement. Subsequent adjustments to the fair value of the contingent consideration are recognized through profit or loss. Costs related to the acquisition are recognized as an expense at the time of their accrual. At the time of their initial consolidation, assets, liabilities and contingent liabilities that can be identified in the context of a merger will be measured at their fair values at the time of acquisition.

Contingent consideration obligations are measured at fair value at the acquisition date.

Subsidiaries are companies controlled by the group. The group controls a company, if it is subject to fluctuating rates of return from its involvement with the company or holds a right to such rates of return and is able to influence them utilizing its control over the company.

If the group loses control over a subsidiary, it derecognizes the subsidiary's assets and liabilities and all related non-controlling interest and other components of equity. Any profit or loss generated is recognized through profit or loss.

The group decides on an individual basis with respect to the question if the non-controlling interests in the company acquired are to be recognized at their fair value or in the pro-rata amount of the net assets.

Goodwill is recognized at the value that arises from the surplus of the acquisition costs, from the amount of the non-controlling interests in the company acquired as well as from the fair value of any previously held equity interests as of the acquisition date above the equity interest of the

group in the net assets above fair value. Should the acquisition costs be less than the acquired subsidiary's net asset value measured at fair value, the difference shall be re-evaluated and subsequently recognized in the income statement.

IFRS 3 "Business Combinations" and IAS 36 "Impairment of Assets" eliminate the schedule amortization of goodwill and instead prescribe goodwill to be written-off only in the event of an impairment. Any equity interest in the subsidiaries, that the parent company is not entitled to, are recognized as non-controlling interests as part of equity.

Mutual receivables and liabilities between the companies included in the Consolidated Financial Statements are offset against each other. Interim results from intragroup deliveries and services are eliminated; deferred tax assets and deferred tax liabilities from consolidation transactions affecting net income are recognized in the income statement. Intragroup sales revenues and other intragroup income is offset against the corresponding expenses not affecting income.

Other companies related to the DMG MORI AG group are the ultimate parent company DMG MORI COMPANY LIMITED, Nara (Japan) and its subsidiaries and major holdings outside the DMG MORI AG group. If not shown separately, any information on other related parties refers to this group of companies and also includes DMG MORI COMPANY LIMITED.

The applied consolidation methods remained unchanged from the previous year.

### 3. Recognition and measurement methods

All annual financial statements of the companies that were included in the Consolidated Financial Statements have the same balance sheet dates as the Consolidated Financial Statements and are prepared in accordance with the uniform group accounting and valuation principles. For this purpose, those financial statements that were prepared in accordance with local regulations were adjusted to the uniform group accounting and valuation principles of DMG MORI AKTIENGESELLSCHAFT. The Consolidated Financial Statements have been prepared on the basis of the historical cost of acquisition and production, with the exception that certain financial instruments have been accounted for at market value and pension obligations have been accounted for using the projected unit credit method.

The applied accounting and valuation principles methods are the same as those applied in the previous year.

#### **Changes in accounting and valuation methods due to new standards**

The DMG MORI AG group applied the following new and revised IFRS and IFRIC standards as of 1 January 2024, which were relevant to the Consolidated Financial Statements as shown in table T.83.

**T.83**

|                                |   |
|--------------------------------|---|
| Amendments to IAS 1            | Classification of liabilities as current or non-current, including the postponement of the mandatory initial application date published in July 2020.<br>Long-term liabilities with covenants |
| Amendments to IFRS 16          | Lease liability in a sale and leaseback transaction   |
| Amendments to IAS 7 and IFRS 7 | Reverse factoring arrangements  |

The effects of these new standards on the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT are explained below.

#### **Amendments to IAS 1 – Classification of debt as short or long-term**

The narrow-scope amendment to IAS 1 clarifies that debt is either classified as short or long-term, depending on the rights that the entity has on the reporting date.

The amendment requires debt to be classified as long-term if, at the end of the reporting period, the entity has a substantive right to defer settlement of the liability for at least 12 months after the reporting date.

In assessing whether a (substantive) right exists, no consideration should be given to whether the entity will exercise its right. Thus, the management's expectations do not affect classification. The Board removed the previous requirement for a right to be unconditional. In the case of the right to defer settlement, which is subject to the entity complying with specified conditions, after the amendments, the emphasis will be on whether the entity complies with these conditions at the reporting date.

In October 2022, further amendments were made to IAS 1, which clarify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. However, the amendments require an entity to disclose information about these covenants in the notes to the financial statements that enables users of the financial statements to understand the risk of whether long-term debt with covenants could become repayable within twelve months.

As a result of other amendments to IAS 1, the IASB has deferred the mandatory effective date for all IAS 1 amendments.

The amendments are to be applied for reporting periods beginning on or after 1 January 2024. Earlier application of the amendments is permitted.

These amendments have had no material effects on the Consolidated Financial Statements of the DMG MORI AG group.

#### **Amendments to IFRS 16 – Lease liability in a sale and leaseback transaction**

This amendment applies to the accounting treatment of lease liabilities from sale and leaseback transactions and stipulates that a seller-lessee must subsequently measure lease liabilities arising from a sale in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new paragraphs use examples to illustrate different possible approaches etc. particularly for variable lease payments.

The amendments are to be applied for financial years beginning on or after 1 January 2024. Earlier application of the amendments is permitted.

These amendments have had no material effects on the Consolidated Financial Statements of the DMG MORI AG group.

### Amendments to IAS 7 and IFRS 7 – Reverse Factoring Arrangements

The IASB has published amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”, which mainly relate to additional mandatory disclosures in the notes regarding reverse factoring arrangements. The additional disclosures in the notes are designed to enhance the transparency of reverse factoring arrangements and their effects on liabilities, cash flows and exposure to liquidity risk in entities’ financial statements. The required disclosures mainly relate to:

- The terms and conditions of an arrangement (e. g. extended payment terms and collateral or guarantees issued),
- the carrying amount of financial liabilities that are part of the reverse factoring agreement, the associated line item where these liabilities are presented and the amount of financial liabilities for which suppliers have already received payment from the bank/ factor,
- the range of payment due dates of financial liabilities that are part of the reverse factoring agreement and comparable payment due dates of financial liabilities that are not part of a reverse factoring agreement, and
- information on the effects on liquidity risk.

These amendments should be applied for financial years beginning on or after 1 January 2024.

These amendments have had no material effects on the Consolidated Financial Statements of the DMG MORI AG group. However, the initial application of the standard has resulted in additional notes, which can be found in <sup>2</sup> **Note 36**.

page 263 et seqq.

#### ***a) These have already received EU endorsement***

T.84

Amendments to IAS 21

Lack of Exchangeability

### Amendments to IAS 21 – Lack of Exchangeability

These amendments add requirements to IAS 21 that are to be applied if a currency is not exchangeable into another currency. As IAS 21 previously contained virtually no provisions on this topic, the amendments now published are intended to help entities assess the exchangeability between two currencies (step 1) and to define the spot exchange rate to be used when there is a lack of exchangeability (step 2), as well as to introduce new disclosures in the notes that should enable investors to understand how the currency not being exchangeable into the other currency affects the entity’s net assets, financial position and results of operations. These amendments should be applied for financial years beginning on or after 1 January 2025.

The DMG MORI AG group is currently not expecting any material effects for the Consolidated Financial Statements.

**b) U Endorsements are still pending**

Furthermore, the following standards and interpretations were issued by IASB and not yet recognized by the European Union, as shown in table T.85.

**T.85**

|                                       |   |
|---------------------------------------|---|
| Amendments to IFRS 9 and IFRS 7       | Classification and Measurement of Financial Instruments |
| Amendments to IFRS 18                 | Presentation and disclosure in financial statements     |
| Amendments to IFRS 19                 | Subsidiaries without public accountability: disclosures |
| Amendments to IFRS 9 and IFRS 7       | Natural gas supply contracts                            |
| Annual Improvements to IFRS Standards | Volume 11   |

**Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments**

The amendments to IFRS 9 “Financial Instruments” and IFRS 7 “Financial Instruments: Disclosures (Amendments to the Classification and Measurement of Financial Instruments)” contain rules for the classification, measurement and disclosure of financial assets and financial liabilities. With these amendments, the IASB clarifies, among other things, that the write-offs of financial liabilities are generally carried out on the settlement date; whereby an earlier write-off is possible if certain conditions are met for financial liabilities that are settled through electronic payment systems. In addition, the application guidelines for the SPPI criterion have been expanded. The additions in connection with cash flows that may change due to uncertain events are of particular importance. A new test has been introduced to assess whether the SPPI criterion is met in such cases. In addition, new qualitative and quantitative disclosure requirements are to be introduced for instruments with contractual terms that could change cash flows in response to events not directly related to changes in “basic lending risks and costs”. Furthermore, extended disclosure requirements are planned for equity instruments that are measured at fair value through other comprehensive income (FVOCI) in order to improve transparency for investors.

The amendments are mandatory for financial years beginning on or after 1 January 2026.

The DMG MORI AG group currently assumes that there will be no material effects on the consolidated financial statements.

**Amendments to IFRS 18 – Presentation and disclosure in financial statements**

IFRS 18 “Presentation and Disclosure in Financial Statements” replaces IAS 1 “Presentation of Financial Statements”, with many of the provisions of IAS 1 being retained. The primary objective is to improve the assessment of the company’s performance by increasing comparability in the presentation. To this end, the income statement specifies which expenses and income are to be allocated to the newly defined operating, investing and financing activities. Disclosure options are therefore no longer applicable. Mandatory interim figures must be presented after the first two areas.

Another objective of IFRS 18 is to provide useful company-specific information. To this end, requirements are set out as to whether and how notes on management-defined performance measures (MPMs) are to be made. In addition, new rules are set out for the aggregation and disaggregation of notes.

The new standard is to be applied for financial years beginning on or after 1 January 2027. Earlier application is permitted.

The DMG MORI AG group has not yet dealt with the requirements of IFRS 18 in detail. It is therefore not yet possible to make any concrete statements regarding the effects of the new standard on the future consolidated financial statements of DMG MORI AG.

#### **Amendments to IFRS 19 – Subsidiaries without public accountability: disclosures**

In May 2024, the IASB published the new accounting standard IFRS 19 for subsidiaries. IFRS 19 “Subsidiaries without public accountability: disclosures” allows certain subsidiaries to apply the IFRS accounting standards with reduced notes.

Qualifying subsidiaries are companies that are not subject to public accountability at the end of the reporting period and whose immediate or ultimate parent produces and publishes consolidated financial statements in accordance with IFRS accounting standards. In particular, a subsidiary is not subject to public accountability if the subsidiary has not listed any equity or debt instruments on a public market.

IFRS 19 is mandatory for financial years beginning on or after 1 January 2027. Earlier application is permitted.

The DMG MORI AG group currently assumes that there will be no material effects on the consolidated financial statements.

#### **Amendments to IFRS 9 and IFRS 7 – Natural gas supply contracts**

Contracts for natural gas supply help entities to access electricity generated from sources such as wind or solar power. These are often structured as power purchase agreements (PPAs). The amount of electricity purchased under these contracts can fluctuate due to unforeseen events such as weather conditions. The application of the current accounting standards could lead to effects on earnings that do not necessarily adequately reflect the influence of these contracts on the performance of the reporting company. In order to enable a better presentation of these contracts in the financial statements of the companies, the IASB has introduced simplifications for recognition and additional notes.

The new standard is to be applied for financial years – subject to endorsement by the EU – beginning on or after 1 January 2027. Earlier application is permitted.

The DMG MORI AG group currently assumes that there will be no material effects on the consolidated financial statements.

#### **Annual Improvements to IFRS Standards – Volume 11**

In July 2020, the IASB published the omnibus amendment standard (Annual Improvements to IFRS Accounting Standards – Volume 11) as part of the annual improvements project. It contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

The annual improvements to the IAS are limited to amendments that either clarify the wording of a standard or make relatively minor corrections to the requirements of the standards.

The amendments are mandatory for financial years beginning on or after 1 January 2026.

The DMG MORI AG group currently assumes that these amendments will have no material effects on the Consolidated Financial Statements.

### Impact of climate-related aspects on the Consolidated Financial Statements

The assumptions about future trends within the 5-year forecast period from 2025 to 2029 also take into account climate-related risks and effects. Our machine production focuses on reducing carbon emissions both during production and when these machines are used by our customers by making them more sustainable, with higher energy and resource efficiency. Sustainable investments in a stand-alone power supply and sustainable building efficiency as well as in the way products are manufactured will reduce climate-related risks in the future. The EBIT margin is affected by increasing the use of renewable energies and reducing carbon emissions at our sites. Climate-related investments are still included in planned capital expenditure.

An ongoing review of climate-related aspects, including legislation, did not reveal any material impact on the Consolidated Financial Statements in financial year 2024. DMG MORI AKTIENGESSELLSCHAFT regularly analyzes potential environmental risks and opportunities and their possible impact on accounting and valuation principles. In financial year 2024, DMG MORI AG group did not identify any such material impact or climate-related risks regarding the fair value of assets and liabilities or when testing assets for impairment. If material climate-related effects occur, these are assessed and adequately recognized in the Consolidated Financial Statements, and any discretionary decisions and accounting and valuation principles are adjusted. Further information can be found in the management report in the chapter <sup>7</sup> **Sustainability Report** for financial year 2024.

page 103 et seqq.

### Impact of the geopolitical situation on the consolidated financial statements

The global machine tools market once again faced major challenges in 2024. The war in Ukraine, geopolitical uncertainties, escalating trade conflicts and the associated restraint in the economy slowed demand for capital goods over the course of the year. Other exogenous factors such as volatile raw material and energy costs, fluctuating economies and uncertainties in the sales markets also contributed to this.

Despite the ongoing challenges facing markets and business conditions, the DMG MORI AG group's performance remained stable and it looks back on an eventful financial year 2024. Sales revenue and order intake were declining, while consolidated earnings improved compared to the previous year. For further details on developments, please see the section on <sup>7</sup> **Results of operations, financial position and net assets** in the group management report.

page 49 et seqq.

The preparation of financial statements in conformity with IFRS requires management to make assumptions and estimates that affect reported amounts and related disclosures. Estimates and assumptions are subject to regular review and may need to be adjusted.

Although these assumptions and estimates are made to the best of management's knowledge based on current events and measures, the actual results may differ from these estimates. This applies above all in view of the geopolitical risks that will exist in the 2024 financial year. The world economy was – and still is – in a difficult situation with far-reaching changes. The war in Ukraine and the Middle East, geopolitical uncertainties, intensifying trade conflicts and the associated economic restraint are affecting demand for capital goods.

An escalation of these conflicts would further increase the risk of a worldwide economic downturn, which, in conjunction with persistently high inflation rates and interest rates, could lead to a significant economic decline. Furthermore, tariff disputes and trade restrictions, for example between the US and China, could additionally impair global trade and thus global economic growth.

Due to the dynamic nature of developments related to geopolitical risks, we cannot rule out that actual results may differ significantly from the estimates and assumptions made in these Consolidated Financial Statements, or that the estimates and assumptions may need to be adjusted in future periods, which could have a material impact on the DMG MORI AG group's net assets, financial position and results of operations.

As a result of the ongoing war in Ukraine, the recoverability of assets of our Russian subsidiaries was and is regularly and continuously reviewed and an impairment loss of € 3.6 million was recognized (previous year: € 10.3 million). For the effects of the decree published by the Russian Federation on 19 February 2024 with regard to our investment in Ulyanovsk Machine Tools ooo, Ulyanovsk, please refer to the section <sup>^</sup> **Discontinued operations**. For further information, please see <sup>^</sup> **Note 21**.

page 219 et seq.

page 236 et seqq.

### **Valuation and accounting principles**

page 197 et seq.

page 199 et seq.

The effects on the different valuation and accounting principles for the DMG MORI AG Consolidated Financial Statements are described in the section „<sup>^</sup> **Use of discretionary decisions and estimates**“ and the section „<sup>^</sup> **Accounting and valuation methods**“. Where necessary or foreseeable, the assumptions for discretionary decisions and estimates take into account the effects of the war in Ukraine. These estimates are subject to uncertainties.

### **Use of discretionary decisions and estimates**

The preparation of the Consolidated Financial Statements in accordance with IFRS necessitates discretionary decisions, estimates and assumptions concerning the application of accounting methods and the reported amounts of assets, debts, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of estimates are recorded prospectively.

When using the recognition and measurement methods, the Executive Board is required to make the following discretionary decisions and estimates, which significantly influence the amounts in the financial statements.

### Impairment of goodwill

The group reviews goodwill at least once a year for impairment on 31 December and whenever there is an indication to do so. This requires the creation of cash-generating units and an allocation of goodwill to the cash-generating units as well as the higher of the two values of fair value less purchase costs and the value in use of the cash-generating units, to which the goodwill is allocated. To assess the value in use, the company management must assess the foreseeable future cash flow of the cash generating unit and, moreover, select an appropriate discount rate in order to determine the cash value of this cash flow. As of 31 December 2024, the carrying amount of goodwill totaled € 136,400 K (previous year: € 136,407 K). This change from the previous year is due to currency effects. Further information can be found in <sup>↗</sup> Note 20.

page 234 et seqq.

### Provisions for pension

The amount of the provisions and the expenses from benefit-based pension plans are determined on the basis of actuarial calculations. The actuarial calculations take place on the basis of assumptions with respect to discount interest rates, future wage and salary increases, the mortality rate and future pension increases. Corresponding to the long-term focus of these plans, such assessments are subject to significant uncertainties. As of 31 December 2024, provisions for pensions amounted to € 25,901 K (previous year: € 27,836 K). Further information can be found in <sup>↗</sup> Note 32.

page 254 et seqq.

### Intangible assets arising from development

Intangible assets arising from development are capitalized according to the recognition and measurement methods presented in <sup>↗</sup> Note 3. To determine the amounts to be capitalized, the company management must make assumptions as to the amount of expected future cash flow from intangible assets, the interest rates to be applied, and the period of accrual of expected future cash flow that the intangible assets generate. As of 31 December 2024, on a best estimate basis, the carrying amount of intangible assets arising from development amounted to € 15,145 K (previous year: € 14,804 K).

page 191 et seqq.

### Inventories

Inventories are capitalized according to the recognition and measurement methods presented in <sup>↗</sup> Note 3.

page 191 et seqq.

When measuring and recognizing inventories, assumptions about the net realizable value are required. In order to calculate the net realizable value, the Executive Board has to make assumptions about the amount of this value that are mainly based on assumptions about the recoverable selling prices of the machine tools and services on the market.

Write-downs of inventories to net realizable value amounted to € 24,709 K (previous year: € 33,280 K). In assessing expected net realizable values, past experience and current market trends were taken into account.

### Other

Discretionary decisions and estimations are also required for leases (<sup>↗</sup> Note 37), revenue from contracts with customers (<sup>↗</sup> Note 7), allowances for doubtful debts (<sup>↗</sup> Note 26), as well as for contingent liabilities (<sup>↗</sup> Note 38), and other provisions (<sup>↗</sup> Note 33). Moreover, they are required for determining the fair value of long-term fixed assets (<sup>↗</sup> Note 21) and intangible assets (<sup>↗</sup> Note 20) as well as for the assessment of deferred taxes on tax losses carried forward (<sup>↗</sup> Note 30).

page 265 et seqq.;

223 et seqq.; 245 et seq.

268; 259 et seqq.

236 et seqq.; 234 et seqq.

248 et seqq.

page 182; 185 et seq.

The main assumptions on which the respective estimates are based are commented upon for the individual items in the <sup>7</sup> **Income Statement** and <sup>7</sup> **Balance Sheet**.

page 219 et seq.

In individual cases the actual values may differ from the assumptions and estimates made, requiring a significant adjustment in the carrying amount of the assets or liabilities concerned. Pursuant to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", changes will be taken into account at the time of their discovery and recognized in the income statement. Due to the disposal of a discontinued operation, the presentation of the previous year's figures in the income statement and cash Flow Statement has been adjusted to ensure comparability. In addition, the previous year's figures were also adjusted in the tables in the notes affected by this adjustment. Further previous year's values did not need to be adjusted. Further information can be found in <sup>7</sup> **Note 5**.

## Recognition and measurement methods

The application of specific IFRS is included in the explanatory notes on individual statement of financial position items. In principle, the following recognition and measurement methods have been applied:

### Impairment test

In reporting year 2024, impairment testing was conducted for goodwill, and in relation to intangible assets that are not yet available for use at the end of the financial year. Based on these tests, no impairment losses were recognized for goodwill and the intangible assets that are not yet available for use.

Current corporate planning, which already reflects adjustments to business expectations in relation to the Ukraine war, material availability, supply shortages, inflation and interest rates as well as volatile raw material and transport costs was used to determine the value in use as of 31 December 2024.

page 234 et seqq.

For a detailed description of this approach and the underlying assumptions, please see the explanations in <sup>7</sup> **Note 20**.

### Intangible and tangible assets

As shown in table T.86, there are no intangible assets with an indefinite useful life, except for the goodwill.

#### T.86 USEFUL ECONOMIC LIFE OF ASSETS

| Years   |          |
|---|----------|
| Software and other intangible assets          | 1 to 7   |
| Assets arising from development               | 2 to 10  |
| Office and factory buildings                  | 10 to 50 |
| Technical equipment and machinery             | 2 to 30  |
| Other equipment, factory and office equipment | 1 to 23  |

Development costs that are directly attributable to the development of identifiable individual machine tools, services or software solutions, which lie within the group's power of disposition, are capitalized pursuant to IAS 38 "Intangible Assets" if it is probable that the use of the asset is associated with a future economic benefit, the completion is technically feasible, and the cost of the asset can be reliably measured. They were accounted for at acquisition or production costs plus borrowing costs, as long as they are qualified assets, reduced by regular depreciation on a straight-line basis corresponding to their useful life and cumulative impairments. Production costs include all costs that can be directly and indirectly attributed to the development process and necessary portions of development-related overheads. Capitalized development costs are depreciated on a straight-line basis from the start of production over the expected product life cycle. Any resulting expenses are recognized under depreciation. Research costs are recognized as expense in the period in which they accrue.

Pursuant to IFRS 3 "Business Combinations", scheduled depreciation is not applied to goodwill, but is tested for impairment annually and whenever there is any indication to test for impairment. If an impairment requirement is determined, goodwill is depreciated.

The intangible and tangible assets were evaluated at acquisition or production costs, reduced by scheduled depreciation and and cumulative impairments. Borrowing costs are recognized as part of the acquisition or production costs, if the requirements of IAS 23 are fulfilled ("Borrowing costs"). Depreciation was carried out using the straight-line method in accordance with useful life. A re-evaluation of tangible assets pursuant to IAS 16 "Property, Plant and Equipment" was not carried out. No property was held as a financial investment pursuant to IAS 40 "Investment Property".

The production costs of internally generated equipment include all costs that can be directly attributed to the manufacturing process and the necessary portions of production-related overheads. This includes production-related depreciation, prorated administration costs and prorated costs of social contributions. Borrowing costs are recognized as part of the acquisition or production costs if the requirements of IAS 23 are fulfilled. Costs of repair are immediately recognized as expense.

## Leases

### Leases where the DMG MORI AG group is the lessee

At inception of the contract, the DMG MORI AG group assesses whether the contract constitutes or contains a lease. This is the case, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract contains the right to control the use of an identified asset, the DMG MORI AG group defines a lease pursuant to IFRS 16.

The DMG MORI AG group has, for all leases, recognized rights to use leased assets and liabilities for the payment obligations entered into on the balance sheet.

Payment obligations entered into for short-term leases and leases of low value are recognized as an expense in profit or loss on a straight-line basis. As short-term leases apply to leases with a term of up to 12 months without purchase option. Leases of low value are characterized by a payment obligation which is less than or equal to € 5 K.

The right-of-use asset is initially measured at cost, consisting of the amount equal to the lease liability at its initial recognition, adjusted for payments made on or before the commencement date of the lease, less any lease incentives received plus amounts for any initial direct costs and the estimated costs incurred in dismantling or removing the underlying asset or restoring the underlying asset or the site on which it is located.

The initial recognition of lease liabilities is determined as the present value of outstanding lease payments. In this context, the lease payments to be made are generally separated in leasing and non-leasing components, whereby the lease payments to be made regarding the leasing component are taken into account when determining the present value. These are discounted using the interest rate implicit in the lease or, if this cannot be readily determined, the incremental borrowing rate. In order to determine its incremental borrowing rate, the DMG MORI AG group obtains interest rates from various financial sources and makes specific adjustments to take into account the terms and conditions of the lease.

The lease payments included in the measurement of the lease liability comprise:

- fixed payments, including de facto fixed payments,
- variable lease payments that depend on an index or (interest) rate, initially measured using the index or (interest) rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee, and
- the exercise price of a purchase option, if the group is reasonably certain to exercise that option, lease payments for an extension option, if the group is reasonably certain to exercise that option, and penalties for early termination of the lease, unless the group is reasonably certain not to exercise an early termination option for such a lease.

Subsequently, the right-of-use asset is depreciated on a straight-line basis from the lease commencement date to the end of the lease term, unless ownership of the underlying asset is transferred to the DMG MORI AG group at the end of the lease term, or if the cost of the right-of-use asset reflects that the DMG MORI AG group will exercise a purchase option. In this case, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined in accordance with the requirements for property, plant and equipment. Where required, the right-of-use asset is also continually adjusted for impairment losses and for any remeasurements of the lease liability.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured, if changes in future lease payments result from changes in the index or (interest) rate, if there are changes in the DMG MORI AG group's assessment of amounts expected to be payable under a residual value guarantee, if there are changes in the DMG MORI AG group's assessment of whether a purchase, extension or termination option will be exercised or if there

are changes in a de facto fixed lease payment. Adjustments are made to the carrying amount of the right-of-use asset to reflect remeasurement of the lease liability. In the case of such a remeasurement, the interest rate corresponding to the above mentioned statements is used and a corresponding adjustment is made to the book value of the right-of-use asset.

### **Sale and Leaseback**

With regard to a sale and leaseback transaction, an entity first needs to assess if the transfer of an asset should be recognized as a sale based on the criteria in IFRS 15. If this is the case, the DMG MORI AG group measures the right-of-use asset arising from the leaseback as the proportion of the previous carrying amount that relates to the right of use retained. Thus, gains or losses are only recognized if they relate to the rights transferred.

### **Leases where the DMG MORI AG group is the lessor**

If the group acts as a lessor, it classifies each lease as a finance or operating lease at inception of the contract.

In order to classify each lease, the DMG MORI AG group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is an operating lease. Within the scope of this assessment, the DMG MORI AG group takes into account certain indicators, such as whether the lease covers a major part of the economic life of the asset.

The DMG MORI AG group records the head lease and sub-lease separately on the balance sheet, if it acts as an intermediate lessor. The sublease is classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. If the head lease is a short-term lease to which the group applies the exception described above, it classifies the sub-lease as an operating lease.

Lease payments from operating leases are recognized by the DMG MORI AG group as income on a straight-line basis over the term of the lease.

### **Impairment**

Pursuant IAS 36 "Impairment of Assets", the assets of the DMG MORI AG group, with the exception of assets as defined by IAS 36.2, are tested for signs of impairment at each balance sheet date. Where such indicators exist, the recoverable amount of the assets is calculated and, if necessary, the assets are written down. An impairment test for individual assets is only possible if recoverable amounts can be allocated to the individual asset. If this is not possible, the recoverable amount of the cash-generating unit pertaining to the asset must be determined (asset's cash-generating unit).

Pursuant to IAS 36 "Impairment of Assets", goodwill has to be tested for impairment at least once a year and whenever criteria are met for an impairment test. DMG MORI AKTIENGESELLSCHAFT had conducted the impairment test as of 31 December 2024. In the impairment test, the carrying amount of a cash-generating unit is compared with the recoverable amount. The recoverable amount of the cash-generating unit is the higher of the asset's fair value less costs to sell and its value in use.

**Shares in companies accounted for using the equity method**

The group's interests, which are accounted for using the equity method, include shares in associated companies.

Associates are entities over which the group can exercise significant influence but cannot exercise any control. Significant influence is basically assumed to be if the DMG MORI AG group has a share of at least 20% to 50% of the voting rights either directly or indirectly. Interests in associates are accounted for using the equity method of accounting and at purchase cost upon acquisition. The group's interest in associated companies includes the goodwill which arose from the acquisition.

The interest of the group in the profit and loss of associates is recognized from the acquisition date in the income statement. Changes to reserves are to be recognized proportionately in revenue reserves. Accumulated changes after acquisition are offset against the book value of the investment. If the share in losses of the group in an associate corresponds to the group's interest in the associate, including other unsecured receivables, or exceeds the interest, the group does not recognize any other losses unless it has entered into obligations on behalf of the associate or has made payments on behalf of the associate.

At every balance sheet date, the group reviews whether there is reason to believe that impairment loss has to be taken into account when accounting for the investment in associates. In these cases, the difference between the carrying amount and the recoverable amount is determined to be an impairment and recognized in the income statement item "Impairment of shares in equity accounted companies".

Unrealized profits from transactions between group companies and associated companies are eliminated in accordance with the group's interest in the associated company. Unrealized losses are likewise eliminated, unless the transaction provides evidence of an impairment of the asset transferred. The accounting and valuation methods of associates were – insofar as necessary – changed in order to ensure uniform accounting throughout the group.

Joint ventures are likewise accounted for at equity pursuant to IFRS 11.24. Unrealized interim gains or losses from transactions with joint ventures are eliminated proportionately within the scope of consolidation insofar as the underlying assets are significant.

**Equity investments**

Equity investments recognize interests in enterprises, over which DMG MORI AKTIENGESELLSCHAFT does not exercise any significant influence.

Equity investments are accounted for at fair value and designated as at FVOCI. At initial recognition, the DMG MORI AG group exercised the option under IFRS 9.4.1.4 to recognize subsequent changes in the fair value of equity investments in other comprehensive income, as these equity investments are held for strategic purposes.

Equity instruments not held for trading are measured at fair value. At initial recognition, the entity may elect to present any subsequent changes in the investment's fair value in other comprehensive income. This election is made for each investment on an instrument-by-instrument basis.

### Inventories

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Measuring of inventories was carried out at the acquisition or production costs or the lower net selling price. Pursuant to IAS 2 "Inventories", elements of the production costs include production material, manufacturing labor, prorated materials and production overheads. Expenses for administration and expenses arising in the social contribution area are included insofar as these are allocated to production. The proportion of overheads is evaluated on the basis of ordinary employment. Borrowing costs are recognized as part of the acquisition or production costs, if the requirements of IAS 23 are met (<sup>†</sup> **Borrowing costs**). When determining the net selling price, inventory risks arising from the period of storage and reduced usability were recognized through appropriate reductions in values. If the causes that led to a reduction in value no longer exist, a reversal will be made.

Lower values at the balance sheet date, arising from a reduction in prices on the sales market, were recognized. Inventories were measured primarily using the average cost method.

### Financial Instruments

A financial instrument is an agreement, which also gives rise to a financial asset for one company and a financial liability or equity instrument for another company. Financial assets include in particular cash and cash equivalents, and trade debtors and other originated loans and receivables as well as original and derivative financial instruments held for trading. Financial liabilities generally substantiate claims for repayment in cash or other financial liabilities. This includes, in particular, promissory note bonds and other securitized liabilities, liabilities to banks, trade creditors, liabilities from financial leasing arrangements and other original and derivative financial instruments.

Financial liabilities are initially recognized at fair value less transaction costs incurred. Subsequently, the loans are measured at amortized cost. Differences between the amounts received (less transaction costs) and the repayment amount are recognized in the income statement over the term of the loans using the effective interest method.

### Initial recognition and measurement

Trade debtors are recognized as of the date they originate. All other financial assets and liabilities are initially recognized on their trade date, if the DMG MORI AG group becomes a contracting party as stipulated by the financial instrument's contractual provisions.

Within the scope of factoring agreements, selected trade debtors are sold on a revolving basis to banks. Factoring is a standard financial instrument in the industry and an additional component of the financing mix. As of 31 December 2024, factoring agreements were concluded with a total volume of € 140.0 million (previous year: € 165.0 million). As of the balance sheet date, receivables with a volume of € 123.3 million (previous year: € 104.8 million).

The risks relating to the risk assessment of the receivables sold are the credit risk and, insignificantly, the risk of late payment (late payment risk). The credit risk is fully transferred to the buyer of the receivables in exchange for payment of a fixed purchase price. The DMG MORI AG group continues to bear the full amount of the late payment risk, which is recognized in the amount of the continuing involvement. As of 31 December 2024, a continuing involvement of € 2.0 million (previous year: € 2.2 million) was recognized in trade debtors and other financial liabilities.

Trade debtors sold under these arrangements are excluded from accounts at the time of sale insofar as the risks and rewards have been substantially transferred to the buyer and the transmission of the cash flows related to those receivables is assured.

A financial asset (except for a trade debtor without a significant financing component) or financial liability is initially measured at fair value (FV). Transaction costs that are directly attributable to acquisition or issue of the asset are recognized for any item that is not measured at fair value through profit or loss (FVTPL). Trade debtors without a significant financing component are initially measured at their transaction price (this usually corresponds to acquisition cost).

### **Classification and subsequent measurement**

At initial recognition, a financial asset is classified and measured as follows:

- At amortized cost
- Debt instruments that are measured at fair value with value changes recognized in other income (FVOCI debt instruments)
- Equity instruments that are measured at fair value with value changes recognized in other income (FVOCI equity instruments)
- At fair value with value changes recognized in profit or loss (FVTPL)

Financial assets are not reclassified after initial recognition, unless the DMG MORI AG group changes its business model for managing financial assets. In such a case, all financial assets affected are reclassified on the first day of the reporting period after the change in business model.

A financial asset is measured at amortized cost, if both of the following conditions are met and the asset has not been designated as measured at FVTPL:

- It is held within a business model, whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A debt instrument is designated as measured at FVOCI, if both of the following conditions are met and it has not been classified as FVTPL:

- It is held within a business model, whose objective is to hold financial assets in order to collect contractual cash flows and sell financial assets and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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Any financial assets that are not measured at amortized cost or FVOCI, are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets (see <sup>7</sup> **Note 38**). At initial recognition, the entity can irrevocably elect to designate financial assets, that otherwise meet the criteria for measurement at amortized cost or FVOCI, as measured at FVTPL, if doing so eliminates or significantly reduces accounting mismatches that would otherwise arise.

### **Business Model Test**

DMG MORI AG group assesses the objectives of the business model within which the financial asset is held at a portfolio level, as this best reflects the way in which business is managed and information passed on to management. The information the group needs to consider includes:

- The guidelines and targets for the portfolio and implementation of these guidelines in practice. This includes, whether the management's strategy is focused on collecting contractual interest income, maintaining a particular interest rate profile, matching the duration of a financial asset to the duration of its liability or to its expected cash outflows or realizing cash flows through the sale of assets.
- How portfolio performance is assessed and reported to group management.
- The risks that affect the performance of the business model (and the financial assets held in this business model) and how these risks are managed.
- How managers are compensated – for example, whether compensation is based on the fair value of the assets being managed or the contractual cash flows that are collected – and
- the frequency, volume and timing of sales of financial assets in prior periods and expectations about future sales activities.

Financial asset transfers to an independent third party through transfers that do not result in derecognition continue to be accounted for by the group and are therefore not treated as sales.

Financial assets held or managed for trading and their performance assessed on a fair value basis, are measured at FVTPL.

### **SPPI (Solely Payments of Principal and Interest) test**

For the purpose of this test, the "principal amount" is defined as the fair value of the financial asset at initial recognition. "Interest" is defined as being compensation for the time value of money and default risk associated with the outstanding principal amount over a specific period, as well as being compensation for other basic credit risks, costs (e.g., liquidity risk and administrative costs) and a profit margin.

When testing whether the contractual cash flows are solely payments of principal and interest on the principal amount, the group considers the instrument's contractual terms. This includes testing whether the financial asset contains contractual terms, which could change the timing or amount of contractual cash flows, so that they no longer continue to meet these criteria. During its assessment, the group considers:

- Specific events that would change the amount or timing of the cash flows
- Circumstances that would adjust the interest rate, including variable interest rates
- Prepayment or renewal options and
- Circumstances that limit the group's claim to the cash flows from a specified asset (e. g. no right of rescission).

A prepayment option matches the criterion of solely payments of principal and interest, if the prepayment amount substantially represents unpaid amounts of principal and interest on the outstanding principal amount. This may also contain reasonable additional compensation for the early termination of the contract.

Moreover, a term for a financial asset that permits or requires prepayment of an amount, which substantially represents the contractual par amount plus accrued (but unpaid) contractual interest, is considered to match the SPPI criterion, if the fair value of the prepayment feature is insignificant at initial recognition.

### Subsequent measurement

**Financial assets at FVTPL (Fair Value through profit and loss):** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. For derivatives designated as hedging instruments, please see <sup>↗</sup> Note 39.

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**Financial Assets at Amortized Cost:** These assets are subsequently measured at amortized cost using the effective interest method. Impairment losses are deducted from amortized cost. Interest income, exchange rate gains and losses and impairments are recognized in profit or loss. A gain or loss is recognized in profit or loss when an asset is derecognized.

**Debt investments at FVOCI (Fair value through other comprehensive income):** These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairments are recognized in profit or loss. Other net gains or losses are recognized in other comprehensive income. On derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to profit or loss.

**Equity investments at FVOCI (Fair value through other comprehensive income):** These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss, unless they clearly represent recovery of a part of the investment costs. Other net gains and losses are recognized in other comprehensive income and thus, never reclassified to profit or loss.

In financial year 2024 and in the previous year, financial asset conditions were not re-negotiated.

### Impairment

IFRS 9 is based on the “expected credit loss model”.

The valuation based on the expected credit loss model over the entire contractual term must be applied if the credit risk of a financial asset has increased significantly between the initial journal entry and the balance sheet date; in all other scenarios, the valuation concept using 12-month credit defaults must be used. However, the full lifetime expected credit loss method must always be used to measure trade debtors and contract assets without significant financing components. There is also an option to use this method for trade debtors and contract assets with a significant financing component. DMG MORI AG group has decided to use the full lifetime expected credit loss method for all trade debtors and contract assets (“simplified approach”).

The impairment model must be used for financial assets measured at amortized cost or FVOCI – with the exception of equity securities held as financial assets – and for contract assets.

Impairments in the form of individual value adjustments make adequate allowance for the expected non-payment risks. Specific credit losses lead to de-recognition of the respective receivables. Within the scope of individual value adjustments, receivables, for which there is a potential devaluation requirement, will be tested for impairment and, if necessary, adjusted. The calculation of specific allowances for doubtful receivables is largely based on estimates and measurements of individual receivables, which not only take account of the creditworthiness and default of the respective customer, but also of current economic trends and historical default experience. Impairments of trade debtors are carried out in some cases using value adjustment accounts. The decision to account for non-payment risks using a value adjustment account or by directly reducing the receivables will depend on the reliability of the risk assessment.

This requires considerable discretionary decisions when assessing the impact of changes in economic factors on expected credit losses. The credit losses recognized for trade debtors are calculated based on experience with actual credit losses over the past three years. Credit risks within each group are segmented by common default risk characteristics. For the companies these are, for example, the credit risk assessment, such as on the basis of past due and the geographical location. The default rates used for DMG MORI AG group, depending on the maturity (not overdue and overdue) and geographic distribution of trade debtors, are between 0.02% and 3.93%.

Using the general approach, the allowance for other receivables was calculated based on ratings and probabilities of default for a six-month period and reflects the short maturities.

Cash and cash equivalents are deposited at banks or financial institutions rated A-1 to A-2 by the S&P rating agency. The allowance for cash and cash equivalents was calculated based on 12-month expected losses and reflects the short maturities.

### Derivative financial instruments

The hedging of risk items from currency fluctuations is carried out through the use of derivative financial instruments such as forward exchange transactions. The hedging covers financial risks of scheduled underlying transactions and, in the case of currency risks, also risks from pending supply and service transactions.

All derivative financial instruments are recognized at fair value at their initial measurement. The subsequent measurement is also carried out at fair value. If there is no quoted price on an active market, then the fair value of derivatives corresponds to the cash value of estimated future cash flows.

Changes in the value of financial instruments, which are not intended as hedging instruments within hedge accounting, are immediately recognized in the income statement. Provided a hedging instrument meets the requirements for hedge accounting, depending on the hedge type – it is measured as follows:

**Fair value hedge**

Changes in the fair value of hedging instruments that hedge risk arising from changes in the fair value of recognized assets or liabilities are recognized together with the change in fair value of the hedged underlying transaction in the income statement. Fair value hedges were not made in the reporting year.

**Cash flow hedge**

Changes in the fair value of hedging instruments that have been concluded to hedge cash flow fluctuations, are recognized directly in other comprehensive income for the effective portion of the hedging instrument, taking into account deferred tax effects. The ineffective portion of the change in fair value resulting from overhedging is recognized in the income statement. Amounts accumulated in equity are accounted for in the statement of comprehensive income as soon as the hedged underlying transaction affects the income.

Forward exchange transactions are used to hedge future cash flows from expected incoming payments on the basis of present order intake. Incoming payments are expected within a period of up to one year. Derivative financial instruments are neither held nor issued for speculative purposes. However, derivatives are allocated to financial instruments held for trading and measured at fair value through profit or loss, if the pre-conditions for a cash flow hedge are not fulfilled.

**Long-term assets held for sale and discontinued operations**

Pursuant to IFRS 5, assets or groups of assets and liabilities held for sale must be classified as held for sale if their carrying amounts are recovered primarily through a sale transaction rather than through continued usage. These assets are measured at the lower of their carrying amount and fair value less costs of sale and recognized separately in the balance sheet under short-term assets or liabilities.

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations that is part of a single coordinated plan to dispose of such a line of business or area of operations or is a subsidiary acquired exclusively with a view to resale. The results from discontinued operations are listed individually in the income statement.

Discontinued operations are not included in earnings after taxes from continuing operations and are shown in the consolidated income statement in a separate item as earnings after taxes from discontinued operations. When an operation is classified as a discontinued operation, the consolidated income statement and the consolidated cash flow statement of the comparative year are restated as if the operation had been so classified from the beginning of the comparative year.

### Cash and cash equivalents

Besides actual cash funds, i. e., cheques, cash in hand and money on account at banks, cash and cash equivalents also include short-term financial investments that can be converted to cash amounts at any time and are only subject to immaterial fluctuations in value. Cash and cash equivalents are measured at amortized cost.

### Income taxes

DMG MORI Europe Holding GmbH, a wholly-owned subsidiary of DMG MORI COMPANY LIMITED, has a domination and profit transfer agreement with DMG MORI AKTIENGESELLSCHAFT pursuant to Section 291 et seqq. of the German Stock Corporation Act (AktG), which entered into force following entry into the commercial register on 24 August 2016.

Through the resulting entry of DMG MORI AKTIENGESELLSCHAFT and that of the domestic companies previously belonging to the DMG MORI AKTIENGESELLSCHAFT tax group into the income tax group of DMG MORI Europe Holding GmbH, the income tax liability of DMG MORI AKTIENGESELLSCHAFT expired as of 31 December 2016. Any earnings from the domestic tax group are now legally subject to taxation at DMG MORI Europe Holding GmbH which is not included in the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT. With effect from 1 January 2017, a tax allocation agreement was entered into between DMG MORI Europe Holding GmbH and DMG MORI AKTIENGESELLSCHAFT with the objective of fair and reasonable tax allocation.

IAS 12 requirements do not contain any explicit rules on recognizing tax expense attributable to taxable entities within the DMG MORI AG group. Deferred taxes have been recognized in the Consolidated Financial Statements based on an economic perspective. As a tax allocation agreement exists with effect from 1 January 2017, the "stand-alone taxpayer approach" was used to determine deferred taxes. This approach assumes that the tax allocation is determined on the basis of the taxable income of the controlled company, DMG MORI AKTIENGESELLSCHAFT, irrespective of the actual tax payable by the parent company, DMG MORI Europe Holding GmbH.

Thus, during preparation of the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT, all tax expenditures by domestic taxable entities within the group were accounted for in the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT, irrespective of the actual tax liability. Thus, all the tax consequences of these entities were accounted for in the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT. They include the recognition of actual taxes, tax risks and possibly tax arrears or refunds for previous periods and their effects on deferred tax items.

Income taxes include actual and deferred taxes, which are accounted for in the Consolidated Income Statement, unless they are for items immediately recognized in equity. In this case, the corresponding taxes are also recognized in equity and not in profit or loss. Actual income taxes are the expected tax liability or receivable on the taxable income or loss for the financial year, based on tax rates enacted at the balance sheet date, and any adjustments to tax liabilities for previous years. The amount of the expected tax liability or tax receivable reflects the best estimate, taking into account any tax uncertainties. The tax uncertainties mainly result from intragroup transfers and the tax deductibility of expenses. Actual tax liabilities also include all tax liabilities arising from the declaration of dividends. Actual tax assets and liabilities are only offset under certain conditions.

Pursuant IAS 12 “Income Taxes”, deferred taxes are assessed using the “liability method”. For this purpose, deferred tax assets and liabilities were generally recognized for all temporary accounting and valuation differences between the IFRS statement of financial position valuations for group purposes and the tax valuations (temporary differences), and with respect to consolidation procedures recognized in profit or loss. Deferred tax assets for future tax reduction claims arising from tax-loss carry forwards were also reported in the balance sheet. However, deferred tax assets for all deductible temporary differences and for tax-loss carry forwards were only recognized to the extent that it is probable that future taxable income will be available against which the temporary differences or unused tax losses can be offset. The deferred taxes were calculated on the basis of income tax rates that, pursuant to IAS 12, “Income Taxes”, apply on the evaluation date or have been enacted in the individual countries in accordance with the legal status on that date. Deferred tax assets and liabilities were only offset, if allowed by law. Deferred tax assets and liabilities were not discounted in accordance with the provisions contained in IAS 12 “Income Taxes”.

The OECD’s global minimum tax rules i.e. “Pillar Two” model rules, were transposed into German law (Minimum Tax Act - MinStG) on 28 December 2023 and are applicable from 1 January 2024. The DMG MORI AG group falls within the scope of these rules.

The minimum tax will be levied at the level of DMG MORI COMPANY LIMITED, Nara (Japan) as the parent company of the DMG MORI AG group and the ultimate parent entity. Within the scope of the minimum tax rules, DMG MORI Europe Holding GmbH, Bielefeld, as the parent company (Group carrier in the sense of Section 3 MinStG ) of the DMG MORI AG group, is to be designated as a “partially owned parent entity”. The DMG MORI AG group is included in the financial statements of DMG MORI COMPANY LIMITED, Nara (Japan) and is therefore assessed together with the other companies of the entire DMG MORI group for the calculation of the group’s minimum tax. Pursuant to Section 3 (6) MinStG, the DMG MORI AG group is required to pay its share of the minimum tax to DMG MORI Europe Holding GmbH, Bielefeld.

The global minimum tax rules stipulate that the difference between the effective tax rate under GloBE rules and the 15% minimum tax rate - based on the adjusted minimum taxable profit - is paid as minimum tax by the ultimate parent entity (DMG MORI COMPANY LIMITED, Nara (Japan)) for each country. In a transitional period for the financial years 2024 to 2026, the exact calculation of the minimum tax may be waived through the use of “safe harbor” rules, which are linked to certain criteria being met, as the minimum tax is set to zero in these cases.

### **Provisions and liabilities**

Provision for benefit-oriented pensions is determined according to the projected unit credit method pursuant IAS 19 (rev. 2011) “Employee Benefits”. Under this method, not only those pensions and pension rights known or accrued at the balance sheet date are recognized, but also expected future increases in pension payments and salaries by estimating the relevant factors impacting such payments. Calculation is based on actuarial reports of independent experts taking into account demographic and financial calculation principles. The provisions for benefit-based pension plans recognized on the balance sheet correspond to the cash value of the defined benefit obligation (DBO) at the balance sheet date, less the fair value of pension plan assets.

Actuarial profits and losses, which are based on experience-based adjustments and changes of actuarial assumptions, are recognized in the period they occurred in other comprehensive income and accumulated in equity. Retroactive service cost is immediately recognized in profit or loss.

The DMG MORI AG group contributes to contribution-oriented pension plans, either due to statutory or contractual obligations or voluntary contributions to public or private pension plans. The DMG MORI AG group has no further payment obligations beyond the payment of these contributions. The contributions are recognized under personnel costs as they are due. Paid prepayments of contributions are recognized as assets, for which exists a right to repayment or reduction of future payments.

Pursuant to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", other provisions were only made in the case of an existing present obligation to third parties arising from an event in the past, the use of which is probable and if the anticipated amount of the required provision can be reliably estimated. In this case, the probability of occurrence must exceed 50%. In each case the most probable provision amount was recognized. The calculation is carried out using the best estimate of the amount required to settle the obligation at the balance sheet date. The provision amount also included future cost increases. Provisions with a remaining term of more than one year were discounted before taxes, at a rate which reflects the specific risks of the obligation.

A one-year performance period is used to calculate the provision for the "short-term incentive" (STI) as a variable compensation component for Executive Board members.

The short-term incentive (STI) is intended to motivate Executive Board members to achieve challenging and demanding financial, operational and strategic targets in the financial year. These targets reflect the corporate strategy of DMG MORI AG group and aim at increasing the earnings and market position of the company. In particular, the one-year variable remuneration is linked to target achievement of key Group performance indicators in the respective financial year based on the order intake and EBIT. An individual target amount is set for each member of the Executive Board. The target amount represents the initial value for determining performance-related payment after the end of the assessment period. A payment claim only arises at the end of the one-year assessment period and depends on if and how the targets have been achieved. The STI system is based on two target dimensions, which are assigned different weightings and can be adjusted through so called sustainability factors ("modifiers"). This considers both the market position (measured by the performance indicator "order intake"), as well as the earnings position (measured by the performance indicator "EBIT"). These company-specific targets are modified by a sustainability factor ("modifier"), which moves within a range of 80% to 120%. The sustainability factor is intended to reward the Executive Board's actions and successes that have contributed towards ensuring the company's long-term success. The target achievement levels for the STI 2024 are based on the following key figures and factors for 2024 and are determined using the same criteria for all Executive Board members.

Order intake has a weighting of 1/3, and EBIT 2/3. Both financial indicators must reach a floor, in order to qualify for a bonus. This is a target achievement of 50%. Reaching the target amount corresponds to a target achievement of 100% (EBIT: € 208.2 million, Order Intake: € 2,535 million). The component does not increase any further once a cap has been reached. This is a target achievement of 200%.

The remuneration resulting from the achievement of targets is adjusted by three sustainability factors ("modifiers"), which are defined as part of the incentive (80% - 120%). These targets, on which the sustainability factor is based, include investments in property, plant and equipment, investments in the GLOBE project (SAP implementation) and the development of internal market shares and positions (order intake ratio for the DMG MORI AKTIENGESELLSCHAFT group and DMG MORI COMPANY LIMITED). All sustainability factors can reach a level of 80% - 120%. The factors, investments in property, plant and equipment and investments in the GLOBE project are each weighted at 25%. The factor, development of internal market shares and positions is weighted at 50%.

A three-year performance period is used to calculate the provision for the "long-term incentive" (LTI) as a variable compensation component for Executive Board members. Benefits from the LTI program are paid in cash on the basis of a indicator-based remuneration determined over a "performance period" of three years. These benefits are paid in annual tranches. The LTI is based on two financial targets as well as measurable sustainability targets that are expressed in the form of a "modifier". The financial performance criteria represent important core management ratios of DMG MORI AKTIENGESELLSCHAFT, such as earnings after tax (EAT) and service performance. The modifier, which ranges from 80% to 120%, also reflects sustainability targets. An individual target amount is set for each member of the Executive Board. The target amount represents the initial value for determining performance-related payment after the end of the assessment period. A payment claim only arises at the end of the three-year assessment period and depends on if and how the target values have been achieved. The target achievement levels are based on the following key performance indicators and factors and are determined using the same criteria for all Executive Board members. EAT has a weighting of 2/3. This means that the LTI includes one of the key financial figures of DMG MORI AG. The EAT component of the LTI must reach a floor, in order to qualify for a bonus. This is a target achievement of 50%. Reaching the target amount corresponds to a target achievement of 100% (€ 175.1 million). The consideration of a bonus ends once a cap has been reached. This is a target achievement of 200%. Service performance over a period of three years is weighted at 1/3. The service performance is the average number of service calls per machine under warranty over the last 12 months. The service performance component of the LTI must fall below a floor, in order to qualify for a bonus. This is a target achievement of 80%. Reaching the target corresponds to a target achievement of 100% (1.65). It does not increase further after reaching the minimum value. This is a target achievement of 200%. The remuneration resulting from the achievement of targets is adjusted by two sustainability factors ("modifiers"), which are defined in the incentive (80% - 120%). These sustainability targets include the reduction of carbon dioxide emissions (carbon dioxide emissions as defined by Science-based Targets) and the development of the PPR indicator (Calculation for each year included: number of "Product Problem Reports" in the last twelve months with status completed and final adjusted divided by the number of "Product Problem Reports" issued in the last twelve months). A "Product Problem Reports" describes a customer complaint. Both sustainability factors can reach a level of 80% - 120% and are weighted at 50% each.

STI and LTI payments are each limited to a total of 200 % of the target amount. The maximum total remuneration of an Executive Board member is determined annually by the Supervisory Board on the basis of their target total remuneration and is the maximum amount of total remuneration for the respective bonus payment year, taking into account their fixed remuneration, short-term variable remuneration (STI), long-term variable remuneration and retirement provisions. The maximum total remuneration for financial year 2024, including a pension, is € 2,600 K for the Chairman of the Executive Board, Alfred Geißler and € 1,450 K for the Executive Board member, Michael Horn. The maximum total remuneration limit in 2024 was exceeded for Michael Horn as a result of their agreed severance payments. Mr. Horn received severance payments of € 3,300 K. With effect from 31 March 2024, Mr. Michael Horn left the company. All contractual payments for the future, including STI and LTI tranches, are covered by the agreed severance payments. Advance payments already made (LTI tranche 2022-2024: € 429 K) cannot be reclaimed.

Hirotake Kobayashi was appointed as a member of the Executive Board for the period from 1 January 2024 to 31 December 2026. Due to his employment relationship with DMG MORI COMPANY LIMITED, DMG MORI AG has not concluded an Executive Board employment contract with him. Hirotake Kobayashi does not receive any direct or indirect remuneration from DMG MORI AG and therefore does not fall under the DMG MORI AG remuneration system.

The target achievement for short-term variable remuneration (STI) is 195 % for the key figure EBIT and 74 % for the key figure order intake. The target achievement for the sustainability factor relating to the budget for investments in property, plant and equipment was 110 %, for the Globe project 100 % and for the relative market shares AG/CO 108 %, resulting in a weighted modifier of 106 %. The target achievement for short-term variable remuneration (STI) for 2024 was 165 %. The STI payment was limited to a total of 200 % of the target amount (cap).

There will be no cash outflows from the LTI tranche 2022-2024, which was allocated on 31 December 2024 and will generally be paid out in 2025. Termination agreements were concluded with all originally entitled members of the Management Board and lump-sum severance payments were made, which also included a settlement of the LTI tranche 2022-2024. No reclaimable advance payments were made in 2024 for the LTI tranche 2023-2025.

Any expense or revenue resulting from this is recognized as employee expense and is spread over the term of the program and recognized as provisions. The existing LTI tranches 2022-2024 and 2023-2025 were based on the variable parameters described above. These obligations are valued at the amount of the estimated expenses due.

#### **Supplier financing agreements (reverse factoring agreements)**

Supplier financing agreements (reverse factoring agreements) are a (supplier) financing instrument offered by one or more financial service providers. They are essentially initiated to optimize payment terms with suppliers and enable their immediate payment. The financial services provider offers to pay the amounts that a company owes to its suppliers, while the company agrees to pay according to the terms of the agreements at the same time or at a later time. The option to take advantage of early payment dates compared to the invoice due date not only improves the liquidity of the supplier, but also strengthens the business relationships between DMG MORI and its suppliers.

Selected suppliers of the DMG MORI AG group pre-finance trade debtors of individual subsidiaries on the basis of a reverse factoring agreement concluded with individual subsidiaries and factoring companies. This measure generally enables the subsidiaries to obtain longer payment terms to improve the liquidity of the group. The DMG MORI AG group reports the amounts owed in the balance sheet under other financial liabilities. Moreover, the IFRSs do not contain any specific requirements for the classification of cash flows from supplier financing agreements. In our opinion, the classification of the cash outflow is primarily determined by the activity type. Furthermore, in determining the appropriate classification, an entity should use its judgment to assess whether a single cash outflow or multiple cash outflows are generated for the entity. DMG MORI AG group reports a single cash outflow for payments to factoring companies as it does not consider the factoring company's payment to a supplier to be a cash transaction for the entity. The group classifies its cash outflows for payments to the factoring company under operating activities, as the essential character of these payments is viewed as being related to the purchase of goods. As of 31 December 2024, a total of € 7,163 K in trade debtors (previous year: € 9,351 K) had been purchased through the respective factoring company. Further information can be found in <sup>7</sup> Note 36.

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### Government grants

Government grants are recognized at fair value, if it can be assumed with reasonable certainty that the grant will be made, and the group fulfills the necessary conditions to receive the grant. Government grants for costs are recognized in the period in which the related costs, which the grants are intended to compensate, were incurred. Government grants for investments are recognized as deferred income within other liabilities. They are amortized on a straight-line basis over the expected useful life of the related assets in the income statement under other operating income.

Research grants from public authorities in Germany totaling € 53 K (previous year: € 98 K) were recognized as deferred income and € 1,599 K (previous year: € 1,000 K) recognized in other operating income.

Grants from the Thuringian Ministry of Economics and Infrastructure from funds from the Joint Task "Improving Regional Economic Structures" (GA) and the European Regional Development Fund (ERDF new) 2000 to 2006 amounting to € 1,631 K (previous year: € 1,775 K) were recognized as deferred income. This item is reversed in line with the depreciation of the assets. In 2024, there was a reversal in the amount of € 144 K (previous year: € 145 K).

Regional grants of € 7,780 K (previous year: € 6,214 K) were received for the company's new production plant in China. These grants are recognized as deferred income under other liabilities and reversed over the expected useful life of the relevant assets. In 2024, there was a reversal of € 567 K (previous year: € 284 K).

### Borrowing costs

According to IAS 23.5, borrowing costs must be capitalized if a so-called qualified asset exists, i. e., one that is connected to an acquisition, construction or production process over a substantial period of time. At the DMG MORI AG group, a period of more than twelve months is considered a substantial period of time. In financial year 2024, borrowing costs eligible for capitalization that arose from the development assets amounted to € 47 K (previous year: € 52 K) and borrowing costs eligible for capitalization for property, plant and equipment that can be directly allocated to

the acquisition, construction or production of a qualifying asset amounted to € 0 K (previous year: € 679 K). A borrowing cost rate of 4.7 % (previous year: 4.3 %) was used. Other borrowing costs were therefore directly recognized as expense in the period.

#### **Revenues from contracts with customers**

Under IFRS 15, sales revenue is recognized when control of the goods is transferred to the customer. Under IFRS 15, the entity must also identify its performance obligations. The following applies: A contract or the total of the aggregate contracts may include multiple performance obligations, each of them subject to individual rules in relation to the time of realization. The DMG MORI AG group is of the view that several performance obligations (sale of machine tools, transport, machine commissioning and training) are attributable to contracts from the sale of machine tools and that these obligations have their own rules regarding the realization principle. This results in revenue from the sale of machine tools being allocated to individual performance obligations. Based on the group's assessment, the fair values and standalone selling prices of separate performance obligations from the sale of goods are largely similar. The allocation of the individual performance obligations is based on the standalone selling prices. The revenues for these performance obligations and related costs are recognized on completion of the service, that means as soon as the customer gains control of the goods.

Sales revenues from the sale of machine tools in the DMG MORI AG group normally include ancillary services. The payment terms normally include an advance payment after receipt of the order confirmation, a payment after delivery of the machine and a final payment after the machine has been commissioned.

Revenue for services that do not arise as part of the sale of machines, such as service contracts, maintenance, repair and training services, are recognized when the services have been provided. According to IFRS 15, the total fee for service contracts is divided between all services based on their standalone selling price. The standalone selling prices are determined based on the prices at which the group offers the services in separate transactions. Based on the group's assessment, the fair values and standalone selling prices of the services are largely comparable. The allocation of the individual performance obligations in service contracts is based on the standalone selling prices.

DMG MORI AG group uses the practical expedient in IFRS 15.63 and does not adjust the amount of the promised consideration by the effects of a significant financing component, if, at contract inception, it expects the period between the transfer of a promised good or service to the customer and the payment of this good or service by the customer to be one year or less. As a rule, therefore, contracts with customers do not include a financing component.

Under IFRS 15.94, DMG MORI AG group recognizes, at contract inception, incremental costs of obtaining a contract as an expense, if the amortization period that DMG MORI AG group would otherwise have recognized is one year or less.

Charges for deliveries and services billed to the customer and reduced by any sales deductions, contract penalties and discounts are shown in the sales revenues.

#### 4. Consolidation group

At the balance sheet date, the DMG MORI AG group, including DMG MORI AKTIENGESELLSCHAFT comprised 72 companies (previous year: 76). As shown in table T.87, in addition to DMG MORI AKTIENGESELLSCHAFT, 61 subsidiaries (previous year: 66) were included in the Consolidated Financial Statements as part of the full consolidation process. Ten (previous year: nine) companies accounted for using the equity method were included in the Consolidated Financial Statements. DMG MORI AKTIENGESELLSCHAFT is directly or indirectly entitled to a majority of voting rights of the fully consolidated companies.

**T.87 NUMBER OF FULLY CONSOLIDATED COMPANIES**

|               | 31 Dec. 2024 | 31 Dec. 2023 |
|---------------|--------------|--------------|
| National      | 19           | 25           |
| International | 43           | 42           |
|               | 62           | 67           |

All fully consolidated companies and all companies accounted for using the equity method included in the Consolidated Financial Statements – except for PRAGATI AUTOMATION Pvt. Ltd., Bangalore (India), DMG MORI India Private Ltd., Bangalore (India), and INTECH DMLS Pvt. Ltd., Bangalore (India), which due to local legal requirements have a reporting date of 31 March – have the same reporting date as DMG MORI AKTIENGESELLSCHAFT .

Compared to the end of the financial year 2023,

- DMG MORI Maroc Sàrl, Rabat, Morocco,
- DMG MORI South Africa (Pty) Ltd., Gauteng, South Africa,

have been added to the consolidation group.

In February 2024, the DMG MORI AG group lost the ability to control and influence Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), because the Russian Federation brought our equity investment in Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), under state control by means of a decree published on 19 February 2024. Since then, the company has been included in the consolidated financial statements as an equity investment. Further information can be found in

page 219 et seq. <sup>¶</sup> Note 5.

In March 2024, ISTOS GmbH, Bielefeld, was merged with DMG MORI Digital GmbH, Bielefeld.

DMG MORI Maroc Sàrl, Rabat (Morocco), was founded in May 2024. DMG MORI Sales and Service Holding GmbH, Bielefeld, holds a 100 % interest. The company is included in the consolidated financial statements as a fully consolidated company.

In July 2024, DMG MORI Bielefeld Hilden GmbH, Hilden, DMG MORI Berlin Hamburg GmbH, Bielefeld, DMG MORI Frankfurt GmbH, Bad Homburg, DMG MORI Stuttgart GmbH, Leonberg, and DMG MORI München GmbH, Munich, were merged with DMG MORI Deutschland Vertrieb und Service GmbH, Leonberg, (previously: DMG MORI Deutschland GmbH), with retroactive effect as of 1 January 2024.

In October 2024, DMG MORI European Factories and IT GmbH, Bielefeld (previously: GILDE-MEISTER Beteiligungen GmbH), increased its share in up2parts GmbH, Weiden, from 17.85% to 22.71% as part of a financing round. From this date, up2parts GmbH, Weiden, was classified as an at equity accounted company under IAS 28 and included in the Consolidated Financial Statement as a company accounted for using the equity method and no longer as an equity investment.

DMG MORI South Africa (Pty) Ltd., Gauteng (South Africa), was founded in December 2024. DMG MORI Sales and Service Holding GmbH, Bielefeld, holds a 100% interest. The company is included in the consolidated financial statements as a fully consolidated company.

No subsidiaries were sold in the 2024 reporting year.

The companies listed below were classified as associated companies under IAS 28. From the date of their acquisition, the shares were included in the Consolidated Financial Statements as “at equity”:

- PRAGATI AUTOMATION Pvt. Ltd., Bangalore (India),
- DMG MORI India Private Ltd., Bangalore (India),
- INTECH DMLS PRIVATE LIMITED, Bangalore (India),
- DMG MORI Finance GmbH, Wernau,
- Vershina Operation, LLC., Narimanov (Russia),
- DMG MORI HEITEC Digital Kft., Budapest (Hungary),
- RUN-TEC GmbH, Niedenstein,
- CCP Services GmbH, Mülheim an der Ruhr,
- up2parts GmbH, Weiden,
- German-Egyptian Company for Manufacturing Solutions (GEMAS), Cairo (Egypt).

In financial year 2024, the group of consolidated companies changed from the previous year as explained above. Comparability with the Consolidated Financial Statements of 31 December 2023 is not materially impaired with regard to the group's net assets, financial position and results of operations.

page 298 et seqq. A complete overview of all companies in the DMG MORI AG group is shown in table <sup>†</sup> T.187.

## 5. Discontinued operation

By decree published on 19 February 2024, the Russian Federation has brought our shareholding in Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), under state control. The DMG MORI AG group has thus lost the possibility of control and influence over the company in Ulyanovsk. The loss of control over Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), has resulted in the deconsolidation of this company from the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT. Subsequently, the decision was taken to discontinue the “ECOLINE” product line. In our opinion, this means that a separate, significant line of business as defined by IFRS 5 has been disposed of, so that the loss on disposal is reported as “earnings after taxes from discontinued operations” in accordance with IFRS 5. Financial information on the discontinued operation is provided below. The information presented on the results of operations in table T.88 relates to the reporting year 2024 and the previous year 2023.

T.88

| in € K   | 2024           | 2023          |
|--|----------------|---------------|
| Sales revenues   | 0              | 0             |
| Income   | 2              | 55            |
| Expenses   | 167            | 8,957         |
| Loss from deconsolidation                                | 91,768         | 0             |
| <b>Operating result</b>                                  | <b>-91,933</b> | <b>-8,902</b> |
| <b>Financial result</b>                                  | <b>17</b>      | <b>135</b>    |
| <b>Earnings before taxes</b>                             | <b>-91,916</b> | <b>-8,767</b> |
| Income taxes   | 0              | 13            |
| <b>Earnings after taxes from discontinued operations</b> | <b>-91,916</b> | <b>-8,754</b> |

The earnings after taxes from discontinued operations for the financial year 2024 in the amount of € -91,916 K (previous year: € -8,754 K) are to be fully attributed to the shareholders of DMG MORI AG. The annual profit from discontinued operations attributable to shareholders of DMG MORI Aktiengesellschaft amounts to € 25,804 K, the annual profit from continuing operations attributable to shareholders of DMG MORI Aktiengesellschaft amounts to € 85,157 K (previous year: € 108,336 K).

Due to the disposal of the division, assets amounting to € 67,465 K and debts amounting to € 1,698 K were written off. The assets included € 2,414 K in cash and cash equivalents and € 43,025 K in receivables from companies of the DMG MORI AG group. Previously recognized differences from currency translation in the amount of € 37,397 K and net investments in the amount of € 11,396 K were reclassified to the income statement. No proportionate goodwill was disposed of.

The amount of the disposed assets and debts can be seen in the following table T.89:

**T.89**

| in € K                            | Ulyanovsk Machine Tools 000 |
|-----------------------------------|-----------------------------|
| Tangible assets                   | 20,662                      |
| Inventories                       | 14                          |
| Trade receivables                 | 43,025                      |
| Other assets                      | 1,350                       |
| Cash and cash equivalents         | 2,414                       |
| <b>Disposed assets</b>            | <b>67,465</b>               |
| Provisions                        | 476                         |
| Trade payables                    | 1,126                       |
| Other liabilities                 | 96                          |
| <b>Disposed debts</b>             | <b>1,698</b>                |
| <b>Disposed net assets</b>        | <b>65,767</b>               |
| Consideration received            | 0                           |
| Fair value of remaining interests | 0                           |
| Other comprehensive income        | -26,001                     |
| <b>Loss from deconsolidation</b>  | <b>-91,768</b>              |

As part of an existing investment guarantee by the Federal Republic of Germany for this direct investment abroad, we are currently pursuing compensation for the loss of investment that has occurred. An application for compensation in the amount of € 101.9 million has been submitted. A claim for this has not yet been recognized, as there is insufficient experience with regard to similar claims and the DMG MORI AG group does not yet assume with the necessary certainty that compensation will be paid. Nevertheless, the Executive Board of DMG MORI AG is of the opinion that the receipt of a compensation payment is probable, so that a contingent claim exists as of 31 December 2024. Due to the lack of experience, it is currently not possible to estimate the possible amount of compensation.

## **6. Foreign currency translation**

The exchange rates of the major currencies developed as shown below in tables **T.90/T.91**.

**T.90 CURRENCIES**

|                   | ISO-Code | Exchange rate<br>on reporting<br>date = € 1 | Average<br>exchange<br>rate = € 1 |
|-------------------|----------|---|-----------------------------------|
|                   |          | 31 Dec. 2024                                | 2024                              |
| Canadian dollars  | CAD      | 1.48925                                     | 1.47910                           |
| Swiss franc       | CHF      | 0.93845                                     | 0.95008                           |
| Chinese renminbi  | CNY      | 7.55840                                     | 7.77209                           |
| Czech crowns      | CZK      | 25.17500                                    | 25.12015                          |
| British pound     | GBP      | 0.82680                                     | 0.84641                           |
| Indian rupees     | INR      | 88.65300                                    | 90.56034                          |
| Japanese yen      | JPY      | 162.73920                                   | 163.19646                         |
| Polish zloty      | PLN      | 4.27725                                     | 4.30570                           |
| Russian rubles    | RUB      | 113.64615                                   | 101.05938                         |
| Singapore dollars | SGD      | 1.41265                                     | 1.44502                           |
| Turkish lira      | TRY      | 36.61580                                    | 35.47828                          |
| US dollars        | USD      | 1.03550                                     | 1.08170                           |

**T.91 CURRENCIES**

|                   | ISO-Code | Exchange rate<br>on reporting<br>date = € 1 | Average<br>exchange<br>rate = € 1 |
|-------------------|----------|---|-----------------------------------|
|                   |          | 31 Dec. 2023                                | 2023                              |
| Canadian dollars  | CAD      | 1.45660                                     | 1.45800                           |
| Swiss franc       | CHF      | 0.92970                                     | 0.97140                           |
| Chinese renminbi  | CNY      | 7.83440                                     | 7.66201                           |
| Czech crowns      | CZK      | 24.68850                                    | 23.99042                          |
| British pound     | GBP      | 0.86655                                     | 0.86931                           |
| Indian rupees     | INR      | 91.92205                                    | 89.35773                          |
| Japanese yen      | JPY      | 155.73355                                   | 152.14123                         |
| Polish zloty      | PLN      | 4.34375                                     | 4.53688                           |
| Russian rubles    | RUB      | 98.75575                                    | 91.94092                          |
| Singapore dollars | SGD      | 1.45715                                     | 1.45084                           |
| Turkish lira      | TRY      | 32.62475                                    | 25.76312                          |
| US dollars        | USD      | 1.10465                                     | 1.08160                           |

The currency translation of all Annual Financial Statements of the international group companies that were prepared in foreign currencies was carried out in accordance with the functional currency principle pursuant to IAS 21 "The Effects of Change in Foreign Exchange Rates". Since all subsidiaries operate their business independently in financial, economic and organizational respects, their respective currencies represent the respective local currency. Assets and debts of foreign subsidiaries were translated in Euro at the average rate of exchange as of the balance sheet date, and revenue and expenses pursuant to IAS 21.40 at the transaction exchange rate – as far as reasonably approximated by average annual rates. The foreign exchange differences arising from items being translated at different rates in the balance sheet and income statement were recognized directly in equity.

The foreign exchange differences from receivable or payable monetary items from/to foreign business operations, whose fulfilment is neither planned nor probable and thus are part of the net investment in these foreign business operations, are not recognized as net income for the period. The foreign exchange differences are initially recognized in other comprehensive income and transferred to equity in the income statement upon their sale.

In the individual financial statements monetary items (cash, receivables and liabilities) in a foreign currency were valued at the exchange rate at the reporting date. Non-monetary items in foreign currencies were assessed at historical values. The differences arising from the currency translation of monetary items were shown in the income statement. Goodwill resulting from the acquisition of international companies was recognized as assets of the foreign business operations and was translated at the exchange rates at the time of the transactions.

The annual financial statements of subsidiaries in hyperinflationary economies are translated in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies".

In financial year 2022, Turkey was classified as a hyperinflationary economy for the first time. As a result, DMG MORI ISTANBUL MAKINE TICARET VE SERVIS LIMITED SIRKETI, based in Istanbul (Turkey), has since been recognized in accordance with IAS 29. Due to hyperinflation, the activities in Turkey were no longer accounted for on the basis of historical acquisition and production costs but adjusted for the effects of inflation. Expense and income items reflecting any changes in purchasing power, including annual net income, were also adjusted for inflation. The carrying amounts of the company's non-monetary balance sheet items and expense and income items were adjusted to reflect the changes in prices that occurred during this financial year prior to translation into euros based on the Consumer Price Index Turkey (CPI Turkey) used to measure purchasing power. The CPI for Turkey was 1,859 points as of 31 December 2023 and in the reporting year increased by 44 % to 2,685 points as of 31 December 2024.

The adjustment of the carrying amounts on the date of initial application in the amount of € 679 K was recognized in equity. Profits from the current hyperinflation of non-monetary assets and liabilities, equity, and items in the income statement were recognized in other financial income/expense in the amount of € 2,665 K (previous year losses: € -2,040 K).

In the consolidated cash flow statement, this value is corrected under the item "Monetary loss from the application of IAS 29", as it is not cash-effective.

The effect of inflation on cash and cash equivalents in Turkey as at 1. January 2024 amounted to € 3,580 K (previous year: € 4,516 K) and is reported in the consolidated cash flow statement under "Effects of inflation on financial securities (IAS 29)".

The other effects from the inflation adjustment in the amount of € -915 K (previous year: € -6,556 K) are presented in the consolidated cash flow statement under "Inflation adjustment of the cash flow from operating activity, from investing activity and from financing activity (IAS 29)".

## Notes to Individual Items in the Income Statement

### 7. Sales revenues

Broken down by sales territory, i. e. by the customer's place of business, the distribution of sales revenues is shown below in table T.92.

T.92

| in € K                 | 2024             | 2023             |
|------------------------|------------------|------------------|
| Germany                | 909,977          | 900,978          |
| EU (excluding Germany) | 717,949          | 832,792          |
| USA                    | 23,763           | 23,035           |
| Asia                   | 393,965          | 553,329          |
| Other countries        | 182,686          | 188,432          |
|                        | <b>2,228,340</b> | <b>2,498,566</b> |

page 287 et seqq.; 59 et seqq.

A breakdown and explanation of the sales revenues from the sale of goods and provision of services are provided in segment reporting in <sup>2</sup> Note 43 and in chapter <sup>2</sup> Segment Report of the Group Management Report.

The tables T.93/T.94 show a reconciliation of sales revenue for 2024/2023 by sales territory, as well as key product and service lines as per reporting segment.

T.93

| in € K   | 2024             |                     |                    |                  |
|--|------------------|---------------------|--------------------|------------------|
|  | Machine Tools    | Industrial Services | Corporate Services | Group            |
| <b>Sales Area</b>                              |                  |                     |                    |                  |
| Germany  | 572,892          | 336,819             | 0                  | 909,711          |
| EU (excluding Germany)                         | 272,414          | 445,536             | 0                  | 717,950          |
| USA  | 5,568            | 18,195              | 0                  | 23,763           |
| Asia   | 318,249          | 75,716              | 0                  | 393,965          |
| Other countries                                | 73,951           | 108,735             | 0                  | 182,686          |
|  | <b>1,243,074</b> | <b>985,001</b>      | <b>0</b>           | <b>2,228,075</b> |
| <b>Key product / services lines</b>            |                  |                     |                    |                  |
| Machine Tool sales                             | 1,243,074        | 0                   | 0                  | 1,243,074        |
| Trading volume with DMG MORI CO. Ltd. products | 0                | 282,885             | 0                  | 282,885          |
| Core service business                          | 0                | 702,067             | 0                  | 702,067          |
| Other  | 0                | 49                  | 0                  | 49               |
|  | <b>1,243,074</b> | <b>985,001</b>      | <b>0</b>           | <b>2,228,075</b> |
| <b>Revenue from contracts with customers</b>   | <b>1,243,074</b> | <b>985,001</b>      | <b>0</b>           | <b>2,228,075</b> |
| <b>Other sales revenue</b>                     | <b>0</b>         | <b>0</b>            | <b>265</b>         | <b>265</b>       |
| <b>External sales revenue</b>                  | <b>1,243,074</b> | <b>985,001</b>      | <b>265</b>         | <b>2,228,340</b> |

## T.94

|  |                  |                     |                    | 2023             |
|--|------------------|---------------------|--------------------|------------------|
| in € K   | Machine Tools    | Industrial Services | Corporate Services | Group            |
| <b>Sales Area</b>                              |                  |                     |                    |                  |
| Germany  | 545,332          | 355,399             | 0                  | 900,731          |
| EU (excluding Germany)                         | 353,335          | 479,457             | 0                  | 832,792          |
| USA  | 6,260            | 16,775              | 0                  | 23,035           |
| Asia   | 362,040          | 191,289             | 0                  | 553,329          |
| Other countries                                | 106,744          | 81,688              | 0                  | 188,432          |
|  | <b>1,373,711</b> | <b>1,124,608</b>    | <b>0</b>           | <b>2,498,319</b> |
| <b>Key product / services lines</b>            |                  |                     |                    |                  |
| Machine Tool sales                             | 1,373,711        | 0                   | 0                  | 1,373,711        |
| Trading volume with DMG MORI CO. Ltd. products | 0                | 399,596             | 0                  | 399,596          |
| Core service business                          | 0                | 724,771             | 0                  | 724,771          |
| Other  | 0                | 241                 | 0                  | 241              |
|  | <b>1,373,711</b> | <b>1,124,608</b>    | <b>0</b>           | <b>2,498,319</b> |
| <b>Revenue from contracts with customers</b>   | <b>1,373,711</b> | <b>1,124,608</b>    | <b>0</b>           | <b>2,498,319</b> |
| <b>Other sales revenue</b>                     | <b>0</b>         | <b>0</b>            | <b>247</b>         | <b>247</b>       |
| <b>External sales revenue</b>                  | <b>1,373,711</b> | <b>1,124,608</b>    | <b>247</b>         | <b>2,498,566</b> |

Our core service business mainly comprises LifeCycle Services for our machines (spare parts, maintenance, repairs and training etc.).

### Contract balances

The table T.95 provides information on contract balances from contracts with customers.

## T.95

| in € K   | Note   | Carrying amount as of 31 December 2024 | Carrying amount as of 31 December 2023 |
|--|--------|--|--|
| Trade receivables from third parties                   | 24, 26 | 105,559                                | 120,391                                |
| Receivables from at equity accounted companies         | 26     | 3,825                                  | 7,581                                  |
| Receivables from other related companies               | 26     | 568,173                                | 624,474                                |
| Receivables from other equity investments              | 26     | 255                                    | 133                                    |
| Receivables from down payment invoices                 |        | 6,080                                  | 14,123                                 |
|  |        | <b>683,892</b>                         | <b>766,702</b>                         |
| Contract liabilities from payments received on account |        | 265,926                                | 355,386                                |
| Contract liabilities from performance obligations      |        | 45,209                                 | 41,095                                 |
| Contract liabilities from down payment invoices        |        | 6,080                                  | 14,123                                 |
|  |        | <b>317,215</b>                         | <b>410,604</b>                         |

Contract liabilities from payment received on account mainly include advance payment receipts from customers for machines. Contract liabilities from performance obligations mainly include commissioning services, training and maintenance services, deliveries of tool packages, software licenses and services for extended warranties that have already been invoiced but not yet rendered.

Contract liabilities from down payment invoices are mainly due but unpaid advance invoices for which an unconditional right to the payment exists. There are no contract assets.

Contract liabilities under IFRS 15 fell from € 410,604 K in 2023 to € 317,215 K in 2024. This is mainly due to a drop in order intake in the reporting year. Advance payment receipts developed in the same way.

The amount included at the beginning of the period in contract liabilities from payments received on account, contract liabilities from performance obligations and contract liabilities from down payment invoices totaling € 410,604 K (previous year: € 495,557 K) was recognized in sales revenue in financial year 2024 in an amount of € 407,482 K (previous year: € 489,305 K).

The DMG MORI AG group expects services in the amount of € 313,729 K (previous year: € 407,482 K), which were allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the reporting period, to result in revenue in financial year 2025. The group applies the practical expedient in IFRS 15.121 and thus has not presented these services separately.

The DMG MORI AG group expects contract liabilities from performance obligations amounting to € 3,486 K (previous year: € 3,122 K) to generate sales revenue from 2026 to 2029.

## **8. Own work capitalised**

The capitalized own work primarily results from the developed intangible assets for machine tools projects pursuant IAS 38 "Intangible assets". Capitalized production costs include all costs that are directly and indirectly attributable to the development process and necessary parts of development-related overheads as well as borrowing costs.

## **9. Other operating income**

A breakdown of other operating income is shown in table T.96:

**T.96**

| in € K  | 2024   | 2023   |
|---|--------|--------|
| Gains on currency and exchange rates            | 24,424 | 24,356 |
| Refund of expenses and on-debiting              | 15,185 | 14,220 |
| Bonuses and allowances                          | 6,401  | 2,246  |
| Reduction in impairment losses                  | 3,397  | 4,037  |
| Compensation for damages                        | 3,265  | 1,320  |
| Profit on asset disposals                       | 1,535  | 2,530  |
| Receipt of payments for written off receivables | 276    | 576    |
| Release of provisions                           | 92     | 378    |
| Reversals of impairment                         | 0      | 358    |
| Others  | 17,028 | 12,986 |
|   | 71,603 | 63,007 |

Other income includes income from the subleasing of rights of use in the amount of € 155 K (previous year: € 363 K) and income from the Alpenhotel Krone GmbH & Co. KG, Pfronten, in the amount of € 1,144 K (previous year: € 1,107 K), as well as income from employee vehicle use and from financial subsidies.

**10. Cost of materials**

The expense item in the income statement includes the cost of materials as shown in table T.97.

**T.97**

| in € K  | 2024      | 2023      |
|---|-----------|-----------|
| Cost of raw materials, consumables and goods for resale | 877,726   | 1,167,988 |
| Cost of purchased services                              | 164,356   | 194,551   |
|   | 1,042,082 | 1,362,539 |

The purchased services relate predominantly to expenses for external production.

**11. Personnel costs**

In financial year 2024, total executive remuneration from direct and indirect remuneration excluding advance payments amounted to € 5,662 K (previous year: € 33,560 K). The fixed, non-performance-related remuneration (basic remuneration and fringe benefits, as well as severance payments) of Executive Board members accounted for a total of € 4,373 K (previous year: € 29,781 K), the short-term incentive (STI) for € 989 K (previous year: € 2,323 K) and defined contribution pension plans for € 300 K (previous year: € 1,025 K). Michael Horn left the company with effect from 31 March 2024. In deviation from the compensation system, Michael Horn received a severance payment of € 3,300 K. All contractual payments for the future, including STI and LTI tranches, are covered by the agreed severance payment. No repayment claims can be made for advance payments already made (LTI tranche 2022–2024: € 429 K).

The target achievement for the short-term variable remuneration (STI) was 195 % for the performance indicator EBIT, and 74 % for order intake. The target achievement for the sustainability factor for the budget for investments in property, plant and equipment amounted to 110 %, for the GLOBE project to 100 % and for the relative market shares AG/CO to 108 %, resulting in a weighted modifier of 106 %. The target achievement for short-term variable remuneration (STI) for 2024 is 165 % in total. The payout from the STI is limited to a total of 200 % of the target amount (cap).

There will be no cash outflows from the LTI tranche 2022-2024, which was allocated on 31 December 2024 and will generally be paid out in 2025. Termination agreements were concluded with all originally entitled members of the Management Board and lump-sum severance payments were made, which also included a settlement for the LTI tranche 2022-2024. No reclaimable advance payments were made in 2024 for the LTI tranche 2023-2025.

Former members of the Executive Board and their surviving dependents received € 1,487 K (previous year: € 1,486 K). Provisions for direct pension obligations were formed for former members of the Executive Board and their surviving dependents in the amount of € 16,491 K (previous year: € 18,316 K).

The structure of the remuneration system for the Executive Board and the Supervisory Board is explained in the remuneration report in the Group Management Report. An individual and detailed presentation of Executive Board remuneration in the financial year is set out in the **Remuneration Report** in the Group Management Report.

page 87 et seqq.

No loans were granted to board members. Similarly, no contingent liabilities were incurred on behalf of these individuals. Moreover, the companies of the DMG MORI AG group did not pay any remuneration to board members for services personally rendered, in particular for consulting and intermediary services.

In financial year 2024, pension plan expenses in the group, including employer's contributions to statutory pension insurance, amounted to € 31,616 K (previous year: € 29,459 K). This includes employers' contributions to statutory pension insurance amounting to € 29,582 K (previous year: € 28,130 K).

In comparison with the previous year, the number of employees changed as shown below in tables T.98.

T.98

|                 | Average number |              | At the balance sheet date |              |
|-----------------|----------------|--------------|---------------------------|--------------|
|                 | 2024           | 2023         | 31 Dec. 2024              | 31 Dec. 2023 |
| Wage earners    | 2,102          | 1,931        | 2,091                     | 1,987        |
| Salary earners  | 5,137          | 4,994        | 5,142                     | 5,234        |
| <b>Subtotal</b> | <b>7,239</b>   | <b>6,925</b> | <b>7,233</b>              | <b>7,221</b> |
| Trainees        | 235            | 238          | 265                       | 294          |
| <b>Total</b>    | <b>7,474</b>   | <b>7,163</b> | <b>7,498</b>              | <b>7,515</b> |

The expense item on the income statement includes personnel expenses as shown in table T.99.

#### T.99

| in € K   | 2024           | 2023           |
|--|----------------|----------------|
| Wages and salaries   | 516,506        | 537,864        |
| Social security contributions, pensions and other benefits | 98,300         | 93,743         |
|  | <b>614,806</b> | <b>631,607</b> |

## 12. Depreciation, amortization and impairment losses

A breakdown of this item into intangible assets and property, plant and equipment can be found in the tables <sup>^</sup>T.107 and <sup>^</sup>T.108 and <sup>^</sup>Note 20 and <sup>^</sup>Note 21.

page 235; page 237;  
234 et seqq.; 236 et seqq.

Depreciation and amortization include impairments of right-of-use assets in an amount of € 16,149 K (previous year: € 15,921 K) under IFRS 16 – Leases. The following table T.100 shows a detailed breakdown:

#### T.100 AMORTIZATION OF RIGHT-OF-USE ASSETS

| in € K  | 2024          | 2023          |
|---|---------------|---------------|
| Land and buildings                            | 4,419         | 4,336         |
| Technical equipment and machinery             | 458           | 1,355         |
| Other equipment, factory and office equipment | 11,272        | 10,230        |
|   | <b>16,149</b> | <b>15,921</b> |

Depreciation/amortization and impairment include impairments of € 5,906 K (previous year: € 5,782 K). Further information can be found in <sup>^</sup>Note 21.

page 236 et seqq.

## 13. Other operating expenses

Due to the business development and the decline in sales revenue in the reporting year, expenses that depend on sales revenue and on the type, amount and regions in which sales revenue arises decreased compared to the previous year. This applies in particular to freight out, transport and energy costs and packaging, as well as sales commissions. Expenses for corporate communication, trade fairs and other advertising expenses also decreased compared to the previous year, as shown in Table T.101, due to the fact that EMO Hanover, the largest trade fair for machine tools worldwide, took place in the financial year 2023.

**T.101**

| in € K  | 2024           | 2023           |
|---|----------------|----------------|
| Freight out, packaging  | 54,085         | 58,797         |
| Sales commissions   | 37,071         | 44,994         |
| Travelling and entertainment expenses                               | 36,648         | 35,747         |
| Corporate communication, trade fairs and other advertising expenses | 30,248         | 39,627         |
| Other external services   | 27,543         | 28,671         |
| Exchange rate and currency losses                                   | 18,383         | 27,714         |
| Rental and leases   | 16,650         | 14,389         |
| Expenses for temporary employment and contractor                    | 12,185         | 12,802         |
| Other personnel costs   | 11,771         | 12,606         |
| Cost of preparation of accounts, legal and consultancy fees         | 10,374         | 10,163         |
| Insurance   | 7,066          | 7,119          |
| Stationery, post and telecommunication expenses                     | 6,793          | 6,967          |
| Other taxes   | 4,977          | 4,246          |
| Licences and trademarks   | 3,402          | 2,560          |
| Impairment on receivables   | 2,898          | 17,185         |
| Monetary transactions and capital procurement                       | 871            | 1,027          |
| Losses from the disposal of fixed assets                            | 574            | 637            |
| Investor and Public Relations                                       | 338            | 439            |
| Others  | 15,116         | 27,506         |
|   | <b>296,993</b> | <b>353,196</b> |

In the previous year, the item “impairment on receivables” included write-offs of trade receivables from third parties at a group company in the amount of € 12.8 million.

Expenses for rentals and leases include € 3,567 K (previous year: € 3,135 K) in expenses for short-term leases, € 2,092 K (previous year: € 1,438 K) in expenses for leases on a low-value asset, excluding short-term leases on low-value assets, and € 1,938 K in expenses for variable lease payments (previous year: € 1,342 K).

Moreover, this line shows expenses from service components that were mainly agreed within the scope of car and building leasing contracts. This resulted in expenses of € 9,053 K in the reporting year (previous year: € 8,474 K).

The remuneration granted to the Supervisory Board for financial year 2024 amounts to € 996 K (previous year: € 1,010 K); this was recognized under other external services. An individual and detailed presentation of Supervisory Board remuneration in the financial year is set out in the

page 87 et seqq.

<sup>2</sup> Remuneration Report in the Group Management Report.

## 14. Financial income

A breakdown of financial income is shown in the following table T.102:

**T.102**

| in € K          | 2024          | 2023          |
|-----------------|---------------|---------------|
| Interest income | 21,174        | 23,410        |
| Other income    | 3,359         | 2,069         |
|                 | <b>24,533</b> | <b>25,479</b> |

These also include interest income amounting to € 17,628 K (previous year: € 19,303 K) from the loan of the DMG MORI AG group to DMG MORI Europe Holding GmbH, Bielefeld.

Other income of € 3,359 K (previous year: € 2,069 K) includes income from the application of IAS 29 in the amount of € 2,665 K (previous year: other financial expenses of € 2,040 K).

**15. Financial expenses**

A breakdown of financial expenses is shown in the following table T.103:

**T.103**

| in € K                                   | 2024          | 2023          |
|--|---------------|---------------|
| Interest expenses                        | 12,437        | 10,281        |
| Interest expense from pension provisions | 603           | 800           |
| Other financial expenses                 | 4,708         | 6,046         |
|  | <b>17,748</b> | <b>17,127</b> |

Interest expenses of € 12,437 K (previous year: € 10,281 K) are mainly related to interest expenses for financial liabilities and group factoring. This also includes interest from leases under IFRS 16 in an amount of € 1,141 K (previous year: € 917 K) and interest expenses of € 971 K (previous year: € 879 K) charged by DMG MORI Europe Holding GmbH in the financial year.

Other financial expenses of € 4,708 K (previous year: € 6,046 K) include expenses from transaction costs of € 249 K (previous year: € 193 K) resulting from the scheduled amortization of transaction costs for the syndicated credit line, as well as € 145 K (previous year: € 148 K) from the compounding of other long-term provisions and impairments in the amount of € 3,000 K (previous year: € 2,928 K) on loans to third parties.

**16. Share of profits and losses from equity accounted companies**

Profits from equity accounted companies total € 2,446 K (previous year: € 1,410 K). These include pro rata profits from the interest in PRAGATI AUTOMATION Pvt. Ltd., DMG MORI HEITEC Digital Kft., Verzhina Operation, LLC., DMG MORI India Private Ltd., DMG MORI Finance GmbH and RUN-TEC GmbH totaling € 2,726 K. The pro rata result of up2parts GmbH reduced the share of profits and losses of at equity accounted investments by a total of € 280 K.

## 17. Income taxes

The breakdown of this item includes actual and deferred tax expenses and income and expenses from the tax allocation as shown below in table T.104:

T.104

| in € K                                      | 2024          | 2023          |
|---|---------------|---------------|
| <b>Actual taxes</b>                         | <b>51,640</b> | <b>64,744</b> |
| Tax expenses for the current financial year | 50,602        | 66,416        |
| Tax income for previous periods             | -689          | -3,223        |
| Tax expenses for previous periods           | 1,727         | 1,551         |
| <b>Deferred taxes</b>                       | <b>23,610</b> | <b>873</b>    |
| Losses carried forward                      | 259           | 978           |
| Tax credits                                 | 752           | 2,557         |
| Temporary differences                       | 22,599        | -2,662        |
|   | <b>75,250</b> | <b>65,617</b> |

The item actual taxes recognizes corporate income and trade tax (including solidarity surcharge) in the case of domestic companies and comparable income taxes in the case of foreign companies. The assessment was performed in accordance with the tax regulation applicable to the individual companies.

Tax expenses for the current financial year include actual taxes levied in an amount of € 27,738 K (previous year: € 31,982 K) due to the fiscal unity of DMG MORI Europe Holding GmbH, Bielefeld. An amount of € 689 K (previous year: € 3,223 K) resulted from actual tax income for previous years. This item also includes € 1,727 K in actual tax expenses (previous year: € 1,551 K) for previous years.

The deferred taxes are assessed on the basis of the tax rates applicable or expected in the individual countries based on their current statutory regulations. In financial year 2023, the corporate income tax rate in Germany was 15.0% (previous year: 15.0%) plus the solidarity surcharge, which was 5.5% (previous year: 5.5%). This results in an effective corporate income tax rate of 15.8% (previous year: 15.8%). Taking account of the trade tax of 14.0% (previous year: 14.0%) the total tax rate was 29.8% (previous year: 29.8%). The result is the tax rate applicable for the valuation of deferred taxes for domestic companies. The main tax rates applicable in foreign countries are between 16% and 30% (previous year: 16% and 30%).

The net amount of income tax on other comprehensive income is € -2,605 K (previous year: € 760 K) and relate to changes in the fair value of derivative financial instruments, equity investments, net investments and the re-measurement of defined benefit pension plans included in other comprehensive income.

The difference between actual and expected income tax expenditure is due to the factors shown in table T.105.

## T.105

| in € K   | 2024          | 2023          |
|--|---------------|---------------|
| Earnings before taxes                                  | 254,658       | 237,591       |
| DMG MORI AKTIENGESELLSCHAFT income tax rate in percent | 29.8          | 29.8          |
| Expected tax income/expense                            | 75,888        | 70,802        |
| <b>Tax consequences of the following effects</b>       |               |               |
| Adjustment due to different tax rate                   | -8,405        | -9,015        |
| Tax reduction due to the revenues exempt from taxation | -1,613        | -1,376        |
| Tax loss carried forward                               | 1,580         | 150           |
| Temporary differences                                  | 842           | 3,767         |
| Tax increase due to non-deductible expenses            | 6,666         | 7,130         |
| Tax income or expenditure for prior years              | 1,038         | -1,672        |
| Tax credits  | -710          | -3,903        |
| Other adjustments                                      | -36           | -266          |
| <b>Income taxes</b>                                    | <b>75,250</b> | <b>65,617</b> |

The reported income tax expense for financial year 2024 of € 75,250 K (previous year: € 65,617 K) is € 638 K (previous year: € 5,185 K) less than the expected income tax expense of € 75,888 K (previous year: € 70,802 K), which would theoretically result from applying the domestic tax rate of 29.8 % for financial year 2024 (previous year: 29.8 %) at group level.

The change in tax loss carried forwards mainly relates to the non-recognition of deferred tax assets for current losses in an amount of € 1,688 K (previous year: € 1,550 K). On the other side, previously unrecognized deferred taxes on loss carryforwards in the amount of € 108 K (previous year: € 1,400 K) were able to be utilized or capitalized.

In the financial year, the recognition of previously unrecognized deductible temporary differences amounted to € 0 K (previous year: € 1,799 K).

In the financial year, no deferred tax assets were recognized on temporary differences in the amount of € 842 K (previous year: € 1,968 K). These items mainly relate to Chinese companies. Based on future business activities, tax planning and tax structuring options, we currently do not expect there to be enough positive taxable income in the future to realize the capitalized tax asset.

page 248 et seqq. Further information can be found in <sup>a</sup> Note 30.

## 18. Annual profit attributed to non-controlling interests

Non-controlling interests account for a pro rata annual profit of € 8,978 K (previous year: € 9,815 K). The item includes the pro rata share of profit from non-controlling interests in DMG MORI China Co., Ltd., Shanghai (China) (previously: DMG MORI Machine Tools Trading Co., Ltd.).

## 19. Earnings per share

In accordance with IAS 33 “Earnings per Share”, the undiluted earnings per share (“basic earnings per share”) are determined by dividing the consolidated profit – excluding profit shares of other owners – by the average weighted number of ordinary shares outstanding.

Earnings after taxes from continuing operations in the amount of € 179,408 K were reduced by the earnings of non-controlling interests in the amount of € 8,978 K. The earnings per share from continuing operations (undiluted) amounted to € 2.16 in the reporting year (previous year: € 2.06). Earnings per share from discontinued operations (undiluted) amounted to € -1.17 in the reporting year (previous year: € -0.11). As in the previous year, there were no dilutive effects.

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|   | 2024        | 2023        |
|---|-------------|-------------|
| Annual profit of which attributed to the shareholders of DMG MORI AG from continuing operations   | € 170,430 K | € 162,159 K |
| Average weighted number of shares (pieces)  | 78,817,994  | 78,817,994  |
| Earnings per share from continuing operations   | 2.16 €      | 2.06 €      |
| Annual profit of which attributed to the shareholders of DMG MORI AG from discontinued operations | € -91,916 K | € -8,754 K  |
| Earnings per share from discontinued operations   | -1.17 €     | -0.11 €     |

## Notes to individual Balance Sheet Items

### 20. Intangible assets

The movement and a breakdown of items in the group's intangible assets are shown in tables T.107.

The goodwill amounts to € 136,400 K (previous year: € 136,407 K). The changes result from the conversion of goodwill denominated in foreign currency into the group's currency Euro.

The DMG MORI AG group tests for impairment of goodwill on an annual basis. For the reporting period 2024, the recoverable amount of the cash-generating units was determined based on value-in-use calculations, which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the relevant bodies and covering a period of 5 years. Cash flows beyond the five-year period are extrapolated using an estimated growth rate. The assumptions underlying the key planning parameters reflect past experience and future expectations. The calculation of the present value of estimated future cash flows is mainly based on assumptions regarding future sales prices or volumes, EBIT margins, expenses and capital expenditures. The projected development of sales revenue is largely determined on the basis of the expected order intake for machine tools and services (see <sup>7</sup> **Forecast Report** in Group Management Report). The assumptions regarding the future development of order intake and sales revenue for the 5-year forecast period 2025 to 2029 are based on the management's expectations of market trends. These are based on forecasts from the economic research institute, Oxford Economics, for world machine tool market trends. For 2025, sales revenue around € 2,250 million are expected. In subsequent periods, there are plans for growth based on management's expectations of market trends and external forecasts. Revenues of around € 2,900 million are expected for the final year of the forecast period 2029. The development of planned contribution margins is based on past experience, as well as expected efficiency improvements and price trends. The expenses are planned according to the expected increase in costs. An EBIT margin of around 7% was planned for 2025. In subsequent years, slightly higher EBIT margins are projected for each year. An EBIT margin of around 10% is expected for the longterm forecast period 2029.

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Annual capital expenditures are based on past experience and planned expansion investments, which, in calculating value in use, are assumed to neither lead to an increase in sales nor to a reduction in costs. Capital expenditures average around 3% of sales revenue in the planning periods.

A sustainable growth rate of 1.0% was projected for the period following the forecast period, which is in line with general expectations of future business development.

## T.107 INTANGIBLE ASSETS

| in € K   | Goodwill       | Assets arising from development | Industrial property and similar rights | Intangible assets under development | Total          |
|--|----------------|---------------------------------|--|-------------------------------------|----------------|
| <b>Acquisition and production costs 2024</b>                 |                |                                 |  |                                     |                |
| As at 1 January 2024   | 136,407        | 137,506                         | 170,041                                | 51,695                              | 495,649        |
| Difference from currency translation                         | -7             | 27                              | 73                                     | 2                                   | 95             |
| Other changes  | 0              | 0                               | 4,077                                  | 0                                   | 4,077          |
| Change in the group of consolidated companies                | 0              | 0                               | -150                                   | 0                                   | -150           |
| Additions  | 0              | 5,339                           | 2,802                                  | 13,728                              | 21,869         |
| Disposals  | 0              | -329                            | -771                                   | -3                                  | -1,103         |
| Book transfers   | 0              | -954                            | 32,257                                 | -31,188                             | 115            |
| <b>As at 31 December 2024</b>                                | <b>136,400</b> | <b>141,589</b>                  | <b>208,329</b>                         | <b>34,234</b>                       | <b>520,552</b> |
| <b>Depreciation, amortization and impairment losses 2024</b> |                |                                 |  |                                     |                |
| As at 1 January 2024   | 0              | 122,702                         | 125,091                                | 607                                 | 248,400        |
| Difference from currency translation                         | 0              | 2                               | -13                                    | 0                                   | -11            |
| Other changes  | 0              | 0                               | 0                                      | 0                                   | 0              |
| Change in the group of consolidated companies                | 0              | 0                               | -150                                   | 0                                   | -150           |
| Additions  | 0              | 3,802                           | 15,496                                 | 0                                   | 19,298         |
| Disposals  | 0              | -62                             | -25                                    | 0                                   | -87            |
| Book transfers   | 0              | 0                               | 0                                      | 0                                   | 0              |
| <b>As at 31 December 2024</b>                                | <b>0</b>       | <b>126,444</b>                  | <b>140,399</b>                         | <b>607</b>                          | <b>267,450</b> |
| <b>Net carrying amount at 31 December 2024</b>               | <b>136,400</b> | <b>15,145</b>                   | <b>67,930</b>                          | <b>33,627</b>                       | <b>253,102</b> |
| <b>Acquisition and production costs 2023</b>                 |                |                                 |  |                                     |                |
| As at 1 January 2023   | 136,416        | 133,294                         | 158,385                                | 39,366                              | 467,461        |
| Difference from currency translation                         | -9             | 30                              | 20                                     | -45                                 | -4             |
| Other changes  | 0              | 0                               | 170                                    | 0                                   | 170            |
| Change in the group of consolidated companies                | 0              | 0                               | 0                                      | 0                                   | 0              |
| Additions  | 0              | 5,351                           | 847                                    | 22,820                              | 29,018         |
| Disposals  | 0              | -1,118                          | -101                                   | 0                                   | -1,219         |
| Book transfers   | 0              | -51                             | 10,720                                 | -10,446                             | 223            |
| <b>As at 31 December 2023</b>                                | <b>136,407</b> | <b>137,506</b>                  | <b>170,041</b>                         | <b>51,695</b>                       | <b>495,649</b> |
| <b>Depreciation, amortization and impairment losses 2023</b> |                |                                 |  |                                     |                |
| As at 1 January 2023   | 0              | 120,085                         | 112,735                                | 607                                 | 233,427        |
| Difference from currency translation                         | 0              | 0                               | 49                                     | 0                                   | 49             |
| Other changes  | 0              | 0                               | 185                                    | 0                                   | 185            |
| Change in the group of consolidated companies                | 0              | 0                               | 0                                      | 0                                   | 0              |
| Additions  | 0              | 3,735                           | 12,216                                 | 0                                   | 15,951         |
| Disposals  | 0              | -1,118                          | -94                                    | 0                                   | -1,212         |
| Book transfers   | 0              | 0                               | 0                                      | 0                                   | 0              |
| <b>As at 31 December 2023</b>                                | <b>0</b>       | <b>122,702</b>                  | <b>125,091</b>                         | <b>607</b>                          | <b>248,400</b> |
| <b>Net carrying amount at 31 December 2023</b>               | <b>136,407</b> | <b>14,804</b>                   | <b>44,950</b>                          | <b>51,088</b>                       | <b>247,249</b> |

The cash flows determined were discounted at pre-tax weighted cost of capital rates (WACC) of 14.1% (previous year: 15.6%) for the cash-generating unit "Machine Tools" and 14.3% (previous year: 15.6%) for "Industrial Services". The WACC was derived from the application of the "Capital Asset Pricing Model" (CAPM). The year-on-year decrease in the cost of capital is due to a slight drop in the market risk premium. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the value of goodwill allocated to the cash-generating unit will, initially, be reduced at an amount equal to the remaining balance. As in the previous year, there was no need to recognize impairment losses in financial year 2024. The impairment tests included sensitivity analyses of key assumptions (EBIT margin, EBITDA margin, costs of capital, growth rate). The findings showed that no change in key assumptions deemed possible by the management would have led to an impairment.

For the purpose of impairment testing, the group of cash-generating units in the "Machine Tools" segment was allocated goodwill of € 57,074 K (previous year: € 57,074 K) and the group of cash-generating units in the "Industrial Services" segment was allocated goodwill in the amount of € 79,326 K (previous year: € 79,334 K).

Intangible assets arising from development relate to new machine tool projects in domestic and international production companies, to service products and to specific software solutions.

Intangible assets arising out of development recognized at the end of the financial year amounted to € 15,145 K (previous year: € 14,804 K). Research and development costs directly recognized as expenses amounted to € 85,737 K in financial year 2024 (previous year: € 84,341 K).

In particular, expenses to be capitalized for a new ERP system are reported under intangible assets under development.

The amount stated for industrial property rights and similar rights includes acquired patents, rights from acquired customer relations, utility models and trademarks as well as data processing software. In addition, this item includes ex-post certificates in the amount of € 3,312 K in connection with our investments in sustainable, certified climate protection projects. The certificates recognized in the balance sheet were purchased and initially measured at acquisition costs. Subsequent measurement is carried out using the average method. At the end of the financial year, the number of certificates amounted to 2,773,749 (previous year: 3,402,374).

## **21. Tangible assets**

The movement and a breakdown of items in the DMG MORI AG group's tangible assets are shown in tables T.108.

## T.108 TANGIBLE ASSETS INCLUDING RIGHT OF USE

| in € K   | Land and buildings | Technical equipment and machinery | Other equipment, factory and office equipment | Payments on account and construction in progress | Total            |
|--|--------------------|-----------------------------------|---|--|------------------|
| <b>Acquisition and production costs 2024</b>                 |                    |                                   |   |  |                  |
| As at 1 January 2024   | 544,101            | 178,432                           | 309,465                                       | 18,153   | 1,050,151        |
| Difference from currency translation                         | 1,094              | 1,810                             | -60   | 13   | 2,857            |
| Other changes  | 1,268              | -1,798                            | 2,905   | -418   | 1,957            |
| Change in the group of consolidated companies                | -22,705            | -12,420                           | -2,598  | -280   | -38,003          |
| Additions  | 6,400              | 4,855                             | 22,511  | 22,188   | 55,954           |
| Disposals  | -3,029             | -6,445                            | -16,726                                       | -472   | -26,672          |
| Book transfers   | 1,665              | 9,361                             | -1,740  | -9,403   | -117             |
| <b>As at 31 December 2024</b>                                | <b>528,794</b>     | <b>173,795</b>                    | <b>313,757</b>                                | <b>29,781</b>                                    | <b>1,046,127</b> |
| <b>Depreciation, amortization and impairment losses 2024</b> |                    |                                   |   |  |                  |
| As at 1 January 2024   | 210,594            | 96,465                            | 232,555                                       | 615  | 540,229          |
| Difference from currency translation                         | 82                 | 656                               | -77   | 13   | 674              |
| Other changes  | 1,086              | -1,355                            | 977   | -7   | 701              |
| Change in the group of consolidated companies                | -6,260             | -8,543                            | -2,537  | 0  | -17,340          |
| Additions  | 21,298             | 11,589                            | 27,018  | 1,354  | 61,259           |
| Disposals  | -2,652             | -5,420                            | -15,646                                       | 0  | -23,718          |
| Book transfers   | 0                  | 2,594                             | -2,594  | 0  | 0                |
| <b>As at 31 December 2024</b>                                | <b>224,148</b>     | <b>95,986</b>                     | <b>239,696</b>                                | <b>1,975</b>                                     | <b>561,805</b>   |
| <b>Net carrying amount at 31 December 2024</b>               | <b>304,646</b>     | <b>77,809</b>                     | <b>74,061</b>                                 | <b>27,806</b>                                    | <b>484,322</b>   |
| <b>Acquisition and production costs 2023</b>                 |                    |                                   |   |  |                  |
| As at 1 January 2023   | 502,976            | 162,230                           | 296,532                                       | 63,218   | 1,024,956        |
| Difference from currency translation                         | -11,314            | 1,676                             | -1,199  | -1,327   | -12,164          |
| Other changes  | 112                | 1,183                             | 556   | -52  | 1,799            |
| Change in the group of consolidated companies                | 0                  | 0                                 | 0   | 0  | 0                |
| Additions  | 13,595             | 12,807                            | 32,667  | 29,940   | 89,009           |
| Disposals  | -18,635            | -12,252                           | -22,338                                       | -1   | -53,226          |
| Book transfers   | 57,367             | 12,788                            | 3,247   | -73,625  | -223             |
| <b>As at 31 December 2023</b>                                | <b>544,101</b>     | <b>178,432</b>                    | <b>309,465</b>                                | <b>18,153</b>                                    | <b>1,050,151</b> |
| <b>Depreciation, amortization and impairment losses 2023</b> |                    |                                   |   |  |                  |
| As at 1 January 2023   | 201,386            | 97,280                            | 229,388                                       | 211  | 528,265          |
| Difference from currency translation                         | -4,511             | -5                                | -809  | 37   | -5,288           |
| Other changes  | 0                  | -359                              | -608  | 7  | -960             |
| Change in the group of consolidated companies                | 0                  | 0                                 | 0   | 0  | 0                |
| Additions  | 27,937             | 11,022                            | 25,180  | 360  | 64,499           |
| Disposals  | -14,218            | -11,473                           | -20,596                                       | 0  | -46,287          |
| Book transfers   | 0                  | 0                                 | 0   | 0  | 0                |
| <b>As at 31 December 2023</b>                                | <b>210,594</b>     | <b>96,465</b>                     | <b>232,555</b>                                | <b>615</b>                                       | <b>540,229</b>   |
| <b>Net carrying amount at 31 December 2023</b>               | <b>333,507</b>     | <b>81,967</b>                     | <b>76,910</b>                                 | <b>17,538</b>                                    | <b>509,922</b>   |

Due to the ongoing war in Ukraine, the recoverability of assets in Russia, in particular tangible assets, was reviewed as of 31 December 2024. The impairment test was carried out at the level of our subsidiary DMG MORI Rus ooo, Moskau (Russia), which in our opinion represents an independent cash-generating unit. At the level of Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), the recoverability of assets will no longer be reviewed as of 31 December 2024 because the company has deconsolidated from the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT in 2024.

A cash-generating unit is impaired if its carrying amount exceeds its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of future expected cash flows derived from a cash-generating unit (IAS 36.6).

The estimation method used to prepare the impairment tests for previous years pursuant to IAS 36.A4-A6 involved the use of a single cash flow per cash-generating unit discounted at a weighted average cost of capital (WACC) based on a country risk premium and derived from the applicable country ratings.

In order to test the assets of the Russian subsidiary for impairment as at 31 December 2024, the management applied the same expected cash flow method it had used as at 31 December 2023 and on the respective half-year reporting dates. Instead of discounting a single cash flow projection with a risk-adjusted WACC, management accounted for the uncertainties and risks caused by the ongoing Ukraine war in the cash flow projection of the Group's underlying Russian business activities in the form of several scenarios with different probabilities of occurrence. These scenarios relate to the expected impact on the business development of the DMG MORI AG group in Russia.

The scenarios considered were an evaluation or sale of the tangible assets at market value (scenario 1), a long-term unchanged system of government in Russia with expropriation (scenario 2) and a continuation of current business activities (partial rental of the building) (scenario 3). In the previous year, two scenarios (scenarios 3 and 4) were still based on the assumption of a medium-term system change in Russia with a resumption of increased international cooperation and a corresponding reduction in sanctions, which could have led to a resumption of machine tools business activities.

This was followed by separate valuations, each of which was assessed with a probability of occurrence. For DMG MORI Rus ooo, a probability of occurrence of 45 % (previous year: 15 %) was assumed for scenario 1 and a probability of occurrence of 45 % (previous year: 65 %) for scenario 2. A probability of 10 % was assumed for scenario 3 (previous year: scenarios 3 and 4 each with a probability of 10 %).

The resulting yields were then condensed into an expected value for each. At the same time, the Russian country risk premium was removed from the discount rate considerations, as the country risks are reflected in the cash flows of the underlying operating business activities. The expected values calculated in this way have a high level of uncertainty and subjectivity, but we believe they provide an indication of the recoverability of material assets. These assumptions mainly relate to the expected scenarios, probabilities of occurrence and economic effects. The market values of the respective tangible assets were determined on the basis of independent

external valuations. When determining the market value of tangible assets for scenario 1, additional value discounts were taken into account due to the provisions of a new Russian decree from October 2024, which stipulate that the sale of an equity investment in Russia or Russian assets may only be made at a discount of 60 % (previous year: 50 %) of the market value and a “voluntary” levy of 35 % (previous year: 15 %) on the market value to the Russian state. The management of the DMG MORI AG group considers there to be a high probability that this decree would also be applied to the sale of all material business assets from a company, e. g. buildings.

Based on the scenario analyses, impairment losses on assets (buildings) totaling € 3.6 million (previous year: € 5.3 million) were recognized as at 31 December 2024 and were reported in the income statement under depreciation, amortization and impairment losses, of which, € 3.6 million (previous year: € 5.3 million) was recognized in the “Industrial Services” segment. The pre-tax discount rate used to determine the value in use was 15.2 % (previous year: 16.1 %). The recoverable amount of the cash generating unit allocated to the “Industrial Services” segment amounted to € 0 million (previous year: € 4.3 million). The additional impairment is primarily due to the Russian decree from 2024 and changed assumptions from scenario 3.

The impairment testing of assets included sensitivity analyses of key assumptions (probabilities of occurrence in scenarios 1 and 2, cost of capital). An increase (reduction) of the probability of occurrence in scenario 2 by 5 % with a simultaneous reduction (increase) of the probability of occurrence in scenario 1 would not result in a change in the impairment. An increase (reduction) of the cost of capital by 1 % would also not result in a change in the impairment.

In the reporting year, there was an impairment of € 427 K (previous year: € 360 K) for a tangible asset that was decided would no longer be used in the future. The impairment was allocated to the depreciation and amortization and impairment losses item and recognized in the “machine tools” segment. The impairments are included in the table **T.108** in the other changes in depreciation and amortization 2024 under assets under construction. In addition, there was an impairment of tangible assets in the field of renewable energy in the amount of € 927 K, as it was decided not to use them. The impairment was allocated to the item depreciation, amortization and impairment losses and recognized in the “Machine Tools” segment. In addition, the DMG MORI AG group identified an impairment for a plant for the generation of electricity, which results in particular from a change in productivity. The test for the recoverable amount led to the recognition of an impairment loss of € 943 K, which was allocated to the item depreciation, amortization and impairment losses and recognized in the “Corporate Services” segment. The pre-tax discount factor used to determine the value in use was 9.9 %. As of December 31, 2024, the recoverable amount of this tangible asset was € 1,255 K. The impairments are included in the table **T.108** in the other changes in depreciation in 2024 under tangible assets.

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The DMG MORI AG group leases specific tangible assets such as land and buildings, technical equipment and machines, office equipment and cars. In accordance with the adoption of IFRS 16, the DMG MORI AG group reports right-of-use assets amounting to € 51,726 K as of 31 December 2024 (previous year: € 49,067 K) under property, plant and equipment. Additions to right-of-use assets during financial year 2024 amounted to € 18,806 K (previous year: € 18,397 K). Similarly, lease liabilities of € 46,024 K (previous year: € 43,178 K) were recognized (see **Note 37**).

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The following items were recognized in the balance sheet in relation to leases, as shown in table T.109:

#### T.109

| in € K  | 31 Dec. 2024  | 31 Dec. 2023  |
|---|---------------|---------------|
| Land and buildings                            | 28,364        | 28,417        |
| Technical equipment and machinery             | 2,463         | 228           |
| Other equipment, factory and office equipment | 20,899        | 20,422        |
|   | <b>51,726</b> | <b>49,067</b> |

## 22. Equity accounted investments

The following overview in tables T.110 / T.111 / T.112 / T.113 / T.114 shows aggregated key financial figures for equity accounted companies included in the Consolidated Financial Statements. The figures refer to equity interests, carrying amounts and notes on the balance sheet as well as to sales revenues, other income and expenses:

#### T.110

| in %  | 31 Dec. 2024      |                     | 31 Dec. 2023      |                     |
|---|-------------------|---------------------|-------------------|---------------------|
|   | Equity interest % | Carrying amount € K | Equity interest % | Carrying amount € K |
| <b>At reporting date</b>                                    |                   | <b>50,096</b>       |                   | <b>44,395</b>       |
| Of which, associated companies                              |                   |                     |                   |                     |
| DMG MORI HEITEC Digital Kft.                                | 49,9              | 838                 | 49,9              | 557                 |
| DMG MORI India Pvt. Ltd.                                    | 49,9              | 7,332               | 49,9              | 7,079               |
| CCP Services GmbH   | 45,0              | 0                   | 45,0              | 0                   |
| DMG MORI Finance GmbH                                       | 42,6              | 13,883              | 42,6              | 13,755              |
| RUN-TEC GmbH  | 40,0              | 1,267               | 40,0              | 701                 |
| German Egyptian Company for Manufacturing Solutions (GEMAS) | 40,0              | 0                   | 40,0              | 0                   |
| Vershina Operation, LLC.                                    | 33,3              | 1,618               | 33,3              | 1,754               |
| INTECH DMLS Pvt. Ltd.                                       | 30,0              | 0                   | 30,0              | 0                   |
| PRAGATI AUTOMATION Pvt. Ltd.                                | 30,0              | 21,079              | 30,0              | 20,549              |
| up2parts GmbH   | 22,7              | 4,079               | 0,0               | 0                   |

The equity interests of the equity accounted companies correspond to the voting rights.

Details of the results from equity accounted companies are presented in the notes to the individual items on the income statement under "Share of profits and losses of equity accounted companies" in <sup>2</sup> **Note 16**.

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In October 2024, DMG MORI European Factories and IT GmbH increased its share in up2parts GmbH, Weiden, from 17.85 % to 22.71 % as part of a financing round. From this date, up2parts GmbH, Weiden, was classified as an associated company in accordance with IAS 28 and included in the Consolidated Financial Statements using the equity method. It is no longer shown as an equity investment. The fair value for the 22.71 % amounted to € 4,359 K at this time.

We consider DMG MORI Finance GmbH, a machine tool financing provider, and PRAGATI AUTOMATION Pvt. Ltd., a manufacturer and supplier of machine tool components, to be material to the group.

A summary of the figures for DMG MORI Finance GmbH is shown in the following table T.111.

#### T.111 DMG MORI FINANCE GMBH

| in € K                 | 31 Dec. 2024 | 31 Dec. 2023 |
|------------------------|--------------|--------------|
| Short-term assets      | 316,095      | 291,760      |
| Long-term assets       | 643,753      | 586,316      |
| Short-term liabilities | 379,815      | 327,943      |
| Long-term liabilities  | 547,405      | 517,805      |
| Net carrying amount    | 32,628       | 32,328       |
| Sales revenues         | 272,882      | 256,293      |
| Earnings after taxes   | 300          | -357         |

The reconciliation of the carrying amounts at the reporting date is shown in the table below T.112:

#### T.112 DMG MORI FINANCE GMBH

| in € K   | 31 Dec. 2024  | 31 Dec. 2023  |
|--|---------------|---------------|
| Net carrying amount as of 1 January                  | 32,328        | 32,685        |
| Earnings after taxes                                 | 300           | -357          |
| Net carrying amount as of 31 December                | 32,628        | 32,328        |
| Proportional equity                                  | 13,883        | 13,755        |
| <b>Carrying amount of equity accounted interests</b> | <b>13,883</b> | <b>13,755</b> |

A summary of the figures for PRAGATI AUTOMATION Pvt. Ltd. is shown in the following table T.113.

#### T.113 PRAGATI AUTOMATION PVT. LTD.

| in € K                 | 31 Dec. 2024 <sup>1)</sup> | 31 Dec. 2023 |
|------------------------|----------------------------|--------------|
| Short-term assets      | 43,844                     | 42,253       |
| Long-term assets       | 31,754                     | 35,405       |
| Short-term liabilities | 15,132                     | 14,911       |
| Long-term liabilities  | 7,425                      | 11,475       |
| Net carrying amount    | 53,041                     | 51,272       |
| Sales revenues         | 43,003                     | 40,935       |
| Earnings after taxes   | 2,244                      | 2,103        |

<sup>1)</sup> As the financial data of PRAGATI AUTOMATION Pvt. Ltd. as of 31 December 2024 was not yet available at the data of the preparation of the Consolidated Financial Statements of DMG MORI AG, a summary of this data and the reconciliation of the carrying amount included in the consolidated balance sheet were determined on the basis of the company's financial statements as of 31 March 2024. The resulting effects on the carrying amount rollforward as of 31 December 2024 were estimated.

The reconciliation of the carrying amounts at the reporting date is shown in the table below T.114:

**T.114 PRAGATI AUTOMATION PVT. LTD.**

| in € K   | 31 Dec. 2024  | 31 Dec. 2023  |
|--|---------------|---------------|
| Net carrying amount as of 1 January                  | 51,272        | 50,715        |
| Earnings after taxes                                 | 2,244         | 2,103         |
| Other comprehensive income                           | 1,447         | -1,546        |
| Dividend paid  | -1,922        | 0             |
| Net carrying amount as of 31 December                | 53,041        | 51,272        |
| Proportional equity                                  | 15,912        | 15,382        |
| Goodwill from at-equity valuation                    | 5,350         | 5,350         |
| Impairment   | -183          | -183          |
| <b>Carrying amount of equity accounted interests</b> | <b>21,079</b> | <b>20,549</b> |

A pre-tax discount factor of 20.57 % (previous year: 23.53 %) and a growth rate of 1 % for the period after the forecast period, similar to the previous year, were used to determine the value in use of PRAGATI AUTOMATION Pvt. Ltd. The recoverable amount amounted to € 22,227 K (previous year: € 20,549 K). The company belongs to the “machine tools” segment.

An increase of 1 % in the discount factor would result in an impairment of € 91 K (previous year: € 963 K). A 1 % reduction in the growth rate in the terminal value would not result in any impairment (previous year: € 684 K). A 1 % reduction in the EBIT margin in the forecast periods would not result in any impairment (previous year: € 856 K). If the input factors were to develop in opposite directions by 1 %, there would be no impairment.

In the financial year 2023, an impairment of € 898 K was recognized on the shares in INTECH DMLS Pvt. Ltd. to the recoverable amount of € 0 K, as positive business development is no longer expected. INTECH DMLS Pvt. Ltd. belongs to the “machine tools” segment.

For immaterial joint ventures, there was an aggregate share of profit or loss in the amount of € 0 K (previous year: € 77 K) and for immaterial associates in the amount of € 1,645 K (previous year: € 854 K).

A total of € 416 K (previous year: € -1,546 K) was recognized in other comprehensive income from at equity accounted companies.

During the financial year, the DMG MORI AG group did not recognize losses totaling € 80 K (previous year: € 49 K) from its interest in CCP Services GmbH, as it has no obligation with regard to these losses.

In the reporting year, the DMG MORI AG group received a dividend of € 206 K (previous year: € 314 K) from DMG MORI HEITEC Digital Kft. In the financial year, the DMG MORI AG group also received a dividend from DMG MORI India Private Ltd. in the amount of € 737 K (previous year: € 808 K), from PRAGATI AUTOMATION Pvt. Ltd. in the amount of € 577 K (previous year: € 0 K) and, in the previous year, from Vershina Operation, LLC. in the amount of € 167 K. On an accumulated basis, the dividends received amounted to € 1,520 K (previous year: € 1,289 K) and are deducted from the respective carrying amounts using the equity method.

### 23. Equity Investments

DMG MORI European Factories and IT GmbH (previously: GILDEMEISTER Beteiligungen GmbH) holds a 14.45% interest in TULIP Interfaces Inc, Somerville (USA). The cooperation with the US software provider, TULIP, allows the DMG MORI AG group to provide its customers with easier access to digital manufacturing. The DMG MORI AG group does not exercise any significant influence over the business activities of TULIP Interfaces Inc. There were no dividend payouts during the financial year. The fair value is € 70,107 K (previous year: € 71,881 K) as of 31 December 2024.

In the reporting year, DMG MORI European Factories and IT GmbH increased its stake in up2parts GmbH, Weiden, from 17.85% to 22.71% as part of a financing round. The company will be classified as an associated company from October and included in the Consolidated Financial Statements using the equity method. During accounting as an investment in accordance with IFRS 9, an impairment loss of € 2,088 K arose in the reporting year, which was recognized in other comprehensive income.

DMG MORI European Factories and IT GmbH holds 1.36% of ModuleWorks GmbH, Aachen. The DMG MORI AG group does not exert any significant influence on the business activities of ModuleWorks GmbH, Aachen. In the 2024 financial year, we received a dividend of € 14 K for the 2023 financial year. In the financial year, the fair value of ModuleWorks GmbH, Aachen, amounted to € 2,743 K (previous year: € 3,006 K).

This also includes the 40% interest held by GILDEMEISTER energy solutions GmbH in Sonnenstromalpha GmbH & Co. KG, Hamburg, the 5.1% held by GILDEMEISTER LSG Beteiligungs GmbH in GILDEMEISTER LSG Solar Australia Pty Ltd, Brisbane (Australia), as well as the 5% interest held by DMG MORI European Factories and IT GmbH (previously: GILDEMEISTER Beteiligungen GmbH) in STBO GmbH, Bielefeld, and the interest held by Earlybird UNI-X Seed Fund I GmbH & Co. KG, Munich.

The item also includes the shares in Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), with a fair value of € 0 K.

The DMG MORI AG group does not exercise any significant influence over these companies.

As of 31 December 2024, the fair value of the investments totaled € 75,127 K (previous year: € 80,316 K).

The change compared to the previous year is due in particular to the reclassification of up2parts GmbH, Weiden, which will be included in the Consolidated Financial Statements as a company valued using the equity method as of 31 December 2024 and no longer as an equity investment.

### 24. Long-term receivables and other assets

A summary of the figures are shown in table 1.115. Trade debtors are to be assigned to financial assets. As in the previous year, there were no receivables from associated companies included in the long-term trade debtors.

**T.115**

| in € K                           | 31 Dec. 2024  | 31 Dec. 2023  |
|----------------------------------|---------------|---------------|
| Trade debtors                    | 150           | 800           |
| Other long-term financial assets | 13,874        | 10,563        |
| Other long-term assets           | 864           | 1,840         |
|                                  | <b>14,888</b> | <b>13,203</b> |

Other long-term financial assets include the following items shown in table T.116:

**T.116**

| in € K  | 31 Dec. 2024  | 31 Dec. 2023  |
|---|---------------|---------------|
| Security deposits and other security payments | 2,538         | 510           |
| Loans to associated companies                 | 0             | 1,206         |
| Other assets                                  | 11,336        | 8,847         |
|   | <b>13,874</b> | <b>10,563</b> |

Other financial assets include the fair value of an option for purchasing shares in a company amounting to € 7,182 K (previous year: € 5,276 K). In the financial year, there was an increase in value of € 1,906 K (previous year: impairment of € 35 K), which was recognized in other comprehensive income.

Other long-term assets include the following items as shown in table T.117:

**T.117**

| in € K            | 31 Dec. 2024 | 31 Dec. 2023 |
|-------------------|--------------|--------------|
| Tax refund claims | 431          | 736          |
| Other assets      | 433          | 1,104        |
|                   | <b>864</b>   | <b>1,840</b> |

**25. Inventories**

A breakdown of inventories is shown in the following table T.118:

**T.118**

| in € K                              | 31 Dec. 2024   | 31 Dec. 2023   |
|-------------------------------------|----------------|----------------|
| Raw materials and consumables       | 299,497        | 334,493        |
| Work in progress                    | 152,025        | 163,581        |
| Finished goods and goods for resale | 262,595        | 283,949        |
|                                     | <b>714,117</b> | <b>782,023</b> |

Finished goods and goods for resale include machines in an amount of € 97,181 K (previous year: € 87,545 K) acquired from DMG MORI COMPANY LIMITED for trading purposes. Of inventories shown in the balance sheet on 31 December 2024, € 218,081 K (previous year: € 184,265 K) were

recognized at their net realizable value. In the financial year, impairment of inventories in an amount of € 24,709 K (previous year: € 33,280 K) were recognized in cost of materials and change in inventories.

In the financial year, revaluations amounting to € 11,853 K (previous year: € 8,584 K) mainly resulting from the increase in net realizable values, were also recognized in cost of materials.

## 26. Short-term receivables

Trade receivables from other related companies include receivables from DMG MORI COMPANY LIMITED totaling € 82,195 K (previous year: € 99,799 K). Receivables from other related companies include receivables from DMG MORI Europe Holding GmbH from the granting of loans in the amount of € 410,000 K (previous year: € 500,000 K) and from the accrual of interest in the amount of € 1,289 K (previous year: € 3,721 K), less the impairment under the “general approach”. This item also includes receivables from financial accounting due from DMG MORI (Tianjin) Manufacturing Co., Ltd., Tianjin (China), in the amount of € 49,667 K (previous year: € 0 K) from the cash pooling in China (see also <sup>2</sup> Note 47). Table T.119 shows the short-term receivables.

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T.119

| in € K   | 31 Dec. 2024   | 31 Dec. 2023   |
|--|----------------|----------------|
| Trade receivables                              |                |                |
| from third parties                             | 105,409        | 119,591        |
| from at equity accounted companies             | 3,825          | 7,581          |
| from other related companies                   | 107,238        | 120,785        |
| from other equity investments                  | 255            | 133            |
| <b>Total trade debtors</b>                     | <b>216,727</b> | <b>248,090</b> |
| Other receivables from other related companies | 460,929        | 503,689        |
|  | <b>677,656</b> | <b>751,779</b> |

In the reporting year, the DMG MORI AG group continued to use factoring programs. These agreements enabled domestic receivables in the amount of up to € 65,000 K and foreign receivables in the amount of up to € 75,000 K to be sold. As of the balance sheet date, receivables with a value of € 51,956 K (previous year: € 44,705 K) and foreign receivables with a value of € 71,367 K (previous year: € 60,069 K) were sold without recourse and were thus no longer part of the receivables at the reporting date. A continuing involvement of € 1,991 K (previous year: € 2,157 K) was recognized in the balance sheet in respect of trade debtors.

A breakdown of the gross carrying amounts of trade debtors by geographical region, including receivables amounting to € 215,888 K (previous year: € 248,524 K), for which no specific value allowances were made (see <sup>2</sup> Note 40), is shown in table T.120.

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**T.120**

| in € K                  | 31 Dec. 2024   | 31 Dec. 2023   |
|-------------------------|----------------|----------------|
| Germany                 | 39,884         | 49,932         |
| Europe                  | 79,647         | 85,932         |
| Asia                    | 3,989          | 10,821         |
| DMG MORI CO. LTD-Gruppe | 107,637        | 121,000        |
|                         | <b>231,157</b> | <b>267,685</b> |

Allowances for trade debtors from third parties and related parties and for other assets developed as shown in the following table T.121:

**T.121**

| in € K                              | 31 Dec. 2024  | 31 Dec. 2023  |
|-------------------------------------|---------------|---------------|
| Allowances as of 1 January          | 18,845        | 22,164        |
| Write-offs                          | -4,031        | -16,463       |
| Net remeasurement in financial year | -499          | 13,144        |
| Allowances as of 31 December        | <b>14,315</b> | <b>18,845</b> |

A separate statement of allowances on trade debtors and other assets in accordance with IAS 1.82 (ba) was not included in the income statement due to the immateriality of the items. Specific value allowances were made for the gross values of trade debtors in the amount of € 15,269 K (previous year: € 19,161 K). The net value of the allowances in the financial year includes reductions of specific allowances in the amount of € -4,474 K (previous year: € -3,454 K).

Allowances as of 31 December 2024 include allowances under the simplified approach for trade debtors in the amount of € 861 K (previous year: € 906 K) and allowances under the general approach for other receivables and cash and cash equivalents in the amount of € 41 K (previous year: € 52 K).

Trade debtor write-offs are recognized, if it is considered highly unlikely that the debtors will meet their payment obligations in the foreseeable future.

At the end of financial year 2024, there were derecognized trade debtors with a contract value of € 2,059 K (previous year: € 2,439 K), but which are currently pending an enforcement measure.

Expenses relating to allowances and write-offs of trade debtors are reported under other operating expenses. These concern a large number of individual cases.

page 271 et seqq. Details on the calculation of allowances and on credit risks are described in <sup>2</sup> Note 40.

**27. Other short-term assets**

A breakdown of other short-term assets is shown in the following table T.122:

**T.122**

| in € K                            | 31 Dec. 2024  | 31 Dec. 2023   |
|-----------------------------------|---------------|----------------|
| Other short-term financial assets | 24,377        | 38,789         |
| Other short-term assets           | 70,534        | 86,924         |
|                                   | <b>94,911</b> | <b>125,713</b> |

Other short-term financial assets include the following items as shown in table T.123:

**T.123**

| in € K  | 31 Dec. 2024  | 31 Dec. 2023  |
|---|---------------|---------------|
| Receivables from factoring                            | 11,929        | 10,540        |
| Security deposits and other security payments         | 4,028         | 4,915         |
| Fair market value of derivative financial instruments | 1,858         | 3,438         |
| Discounted customers' bills of exchange               | 1,821         | 4,249         |
| Creditors with debit balance                          | 1,033         | 1,991         |
| Purchase price receivables from asset disposal        | 573           | 2,552         |
| Receivables from employees                            | 227           | 319           |
| Loans to third parties                                | 1             | 3,048         |
| Receivables from corporate directory                  | 0             | 858           |
| Other short-term financial assets                     | 2,907         | 6,879         |
|   | <b>24,377</b> | <b>38,789</b> |

No financial assets were provided as collateral either in the reporting year or in the previous year.

Other short-term assets include the following items as shown in table T.124:

**T.124**

| in € K                                 | 31 Dec. 2024  | 31 Dec. 2023  |
|--|---------------|---------------|
| Payments on account                    | 35,948        | 42,439        |
| Advance payments for services/licenses | 16,860        | 15,556        |
| Tax refund claims                      | 9,238         | 16,828        |
| Other assets                           | 8,488         | 12,101        |
|  | <b>70,534</b> | <b>86,924</b> |

Tax refund claims primarily include receivables from value added tax. In the previous year, other assets included, among other things, ex-post certificates amounting to € 4,062 K in connection with our investments in sustainable, certified climate protection projects. In the reporting year, these are recognized under intangible assets.

**28. Cash and cash equivalents**

At the reporting date, bank credit balances amounted to € 136,164 K (previous year: € 158,685 K).

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Information on the calculation and recognition of impairments can be found in <sup>7</sup> Note 40.

The development of cash and cash equivalents, which constitutes cash funds pursuant to IAS 7 "Cash Flow Statements", is presented in the <sup>7</sup> **Consolidated Cash Flow Statement**.

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## 29. Long-term assets held for sale

In the previous year, the management of DMG MORI Aktiengesellschaft decided to sell a property with building in Stuttgart and a property with building in Frankfurt in the reporting year due to the merger of the subsidiaries located there with a group company. A third party has already been engaged to market the property.

In financial year 2024, the land with building in Frankfurt were sold for € 1,700 K. The fair value amounted to € 1,700 K. The income of € 510 K was recognized in other operating income and included in the "Industrial Services" segment.

The land with building in Stuttgart were valued as of 31 December 2024 at the lower of carrying amount and fair value less selling costs at the time of reclassification in 2023. No further depreciation was taken from the date of reclassification in 2023.

The assets from these long-term assets held for sale are presented in the <sup>7</sup> **Segment report** in the "Industrial Services" business segment.

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## 30. Deferred taxes

Deferred tax assets and liabilities and deferred tax expense are allocated to the items shown in tables T.125 / T.126.

T.125

| in € K                       | 31 Dec. 2024  |               | 31 Dec. 2023  |               |
|------------------------------|---------------|---------------|---------------|---------------|
|                              | Assets        | Liabilities   | Assets        | Liabilities   |
| Intangible assets            | 7,514         | 27,066        | 8,582         | 19,442        |
| Tangible assets              | 6,464         | 12,382        | 9,320         | 13,615        |
| Financial assets             | 0             | 1,801         | 0             | 1,618         |
| Inventories                  | 15,804        | 1,196         | 18,266        | 972           |
| Receivables and other assets | 1,750         | 793           | 2,069         | 858           |
| Provisions                   | 17,021        | 3,605         | 20,507        | 5,231         |
| Liabilities                  | 8,240         | 7,518         | 11,995        | 7,239         |
| Tax credit                   | 0             | 0             | 752           | 0             |
| Tax loss carried forward     | 446           | 0             | 584           | 0             |
|                              | <b>57,239</b> | <b>54,361</b> | <b>72,075</b> | <b>48,975</b> |
| Balancing                    | -32,967       | -32,967       | -40,425       | -40,425       |
|                              | <b>24,272</b> | <b>21,394</b> | <b>31,650</b> | <b>8,550</b>  |

## T.126

| in € K                       | 2024                           | 2023                           |
|------------------------------|--------------------------------|--------------------------------|
|                              | Deferred tax expense / -income | Deferred tax expense / -income |
| Intangible assets            | 3,365                          | -1,887                         |
| Tangible assets              | 11                             | -394                           |
| Financial assets             | -441                           | 1,190                          |
| Inventories                  | 6,665                          | -1,900                         |
| Receivables and other assets | 515                            | -1,670                         |
| Provisions                   | 4,855                          | 868                            |
| Liabilities                  | 7,629                          | 1,131                          |
| Tax credit                   | 752                            | 2,557                          |
| Tax loss carried forward     | 259                            | 978                            |
|                              | <b>23,610</b>                  | <b>873</b>                     |

The deferred taxes are assessed on the basis of the tax rates applicable or expected in the individual countries based on their current statutory regulations. Taking into account trade income tax as well as corporate income tax and the solidarity surcharge, the tax rate for deferred taxes for domestic companies is 29.8 % (previous year: 29.8 %).

A determining factor for the valuation of the recoverability of deferred tax assets is the assessment of the probability of sufficient future taxable income. Based on past experience and the expected taxable income situation, it is assumed that the corresponding advantages from the deferred tax assets can be realized.

Deferred tax liabilities on intangible assets result in particular from the use of the tax option for the immediate amortization of software in Germany.

As of 31 December 2024, deferred tax assets on loss carryforwards amounted to € 446 K (previous year: € 584 K) and are allocated as follows: As in the previous year, for the German tax group there were no German corporate tax and trade tax loss carry forwards as well as interest carry forwards due to the German interest barrier. Deferred tax assets on loss carryforwards are attributable to foreign subsidiaries in an amount of € 446 K (previous year: € 584 K). In the reporting year, € 138 K (previous year: € 968 K) in deferred tax assets were offset against actual taxable income. The tax loss carryforwards amount to a total of € 16,666 K (previous year: € 10,731 K), of which € 14,807 K (previous year: € 8,297 K) was not recognized. Out of the unrecognized tax losses carried forward, € 1,376 K (previous year: € 1,719 K) can be used indefinitely, while € 13,431 K (previous year: € 6,578 K) must be used within the next five years.

Deferred tax assets on deductible temporary differences amounting to € 39,487 K (previous year: € 35,598 K) were not recognized, as it is unlikely that future taxable profits will be available against which the group can offset the deferred taxes.

With respect to subsidiaries that incurred tax losses in the current or previous year, a deferred tax asset of € 3 K (previous year: € 0 K) was capitalized, the realization of which depends on future taxable results that are higher than the effects on earnings from the reversal of existing taxable differences. On the basis of substantial evidence, the DMG MORI AG group assumes that, on the basis of future business activities, tax planning and tax structuring options, sufficient positive taxable income will be available for the realization of the capitalized tax claim.

No deferred tax liabilities were recognized for temporary differences related to interests in subsidiaries in the amount of € 16,547 K (previous year: € 12,259 K), as they do not meet the criteria of IAS 12.39. In the reporting year, deferred taxes were recognized on planned dividend distributions from subsidiaries in the amount of € 1,216 K (previous year: € 1,008 K).

The deferred tax assets recognized directly in equity increased by € 2,605 K to € 6,676 K as of the reporting date (previous year: € 4,071 K). These of deferred tax assets of € 7,388 K (previous year: € 8,048 K) on the actuarial profits and losses recorded in equity and deferred tax liabilities of € 712 K (previous year: € 465 K) in connection with the valuation of financial instruments without affecting net income.

### 31. Equity

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The movement of individual components in group equity for financial years 2024 and 2023 is presented in the <sup>7</sup> **Development of Group Equity**. Business transactions are presented under “Transactions with owners” in which the owners have acted in their capacity as owners.

#### **Subscribed capital**

The share capital of DMG MORI AKTIENGESELLSCHAFT is € 204,926,784.40 in total and is fully paid.

This is divided into 78,817,994 no-par value bearer shares with a nominal value of € 2.60 per share. Each no-par share grants one vote.

The following statements have essentially been taken from the articles of association of DMG MORI AKTIENGESELLSCHAFT (version: April 2024).

The Executive Board is authorized, with the approval of the Supervisory Board, to increase the share capital by up to a nominal amount of € 102,463,392.20 until 29 April 2029 through the issue of up to 39,408,997 new no-par value bearer shares for contributions in cash and/or in kind (authorized capital). This authorization can be exercised once or several times in partial amounts.

For cash contributions, the new shares may also be underwritten by one or more banks or companies, as defined by Section 186 (5) (1) of the German Stock Corporation Act (AktG), designated by the Executive Board, with the obligation to offer them to the shareholders for subscription (indirect subscription right). In all cases, shareholders must be granted subscription rights. However, the Executive Board is authorized, with the approval of the Supervisory Board, to disapply shareholders' subscription rights in the following cases:

- a. with respect to a proportionate amount of share capital up to € 5,000,000 for the issue of shares to company employees or companies affiliated with the company as specified in Section 15 AktG.
- b. capital increases for contributions in kind, to acquire, in suitable cases, companies, parts of companies or interests in companies, or other assets in return for the granting of shares,

- c. capital increases for cash contributions, if the issuing price of the new shares is not significantly lower, in accordance with Section 203, (1) and (2), and Section 186 (3) (4) AktG, than the stock market price on the final effective date of the issuing price determined by the Executive Board, which should be as close as possible to the date of placement of the shares, and if the total proportional amount of the share capital attributable to the new shares, for which the shareholders' subscriptions rights are excluded, neither on the effective date nor on the date of exercise of this authorization exceeds 20 % of the share capital. Shares that are issued or sold during the validity of the authorized capital with the exclusion of shareholders' subscription rights, in direct or analogous application of Section 186 (3)(4) AktG are to be included in the maximum limit of 20 % of the share capital;
- d. to exclude any fractional amounts from the subscription right.

All shares issued on the basis of the aforementioned authorization disapplying subscription rights of shareholders, pursuant to point b) and c) above, may not exceed 20 % of the share capital either at the time the authorization takes effect or at the time of its utilization. Included in this 20 percent limit are those shares that are issued during the term of the aforementioned authorization from any other authorized capital disapplying the subscription rights of shareholders; excluded from the aforementioned figure is the disapplication of subscription rights to compensate for fractional amounts or the issue of shares to company employees and to employees of affiliated companies.

The Executive Board is authorized, with the approval of the Supervisory Board, to lay down further details for the capital increase and its implementation. The Supervisory Board is authorized to adjust the articles of association according to each individual utilization of the authorized capital and, if the authorized capital is not utilized or not fully utilized before 29 April 2029, to cancel it after this date.

The share capital is conditionally increased by up to € 37,500,000.00 through the issue of up to 14,423,076 new bearer shares (conditional capital). The conditional capital increase serves to grant new bearer shares to the holders of convertible bonds or bonds with warrants that are issued by the company or a group company under its direction in exchange for cash contributions on the basis of the authorization resolved by the Annual General Meeting on May 15, 2009 under item 7 of the agenda and that grant a conversion or option right to new bearer shares shares of the company or to establish a conversion obligation.

The new shares shall be issued at the warrant or conversion price to be determined in each case in accordance with the aforementioned authorization resolution.

The capital increase will only be implemented to the extent that the holders of option or conversion rights or the persons obliged to exercise the conversion or option rights make use of their option or conversion rights or, to the extent that they are obliged to exercise the conversion or option rights, fulfill their obligation to exercise the conversion or option rights and to the extent that existing shares or the payment of a cash amount are not used to service these rights.

The new shares issued as a result of the exercise of the option or conversion right or the fulfillment of the conversion or option obligation participate in profit from the beginning of the financial year in which they arise.

### **Capital reserve**

As of 31 December 2024, the capital reserves were unchanged at € 498,485,269. The group's capital reserve includes the premiums for the issue of shares of DMG MORI AKTIENGESELLSCHAFT in previous years.

The transaction costs directly attributable for capital procurement, reduced by the related income tax benefits, have each been deducted from the capital reserve.

## **Retained earnings; statutory reserves and other reservers**

### **Statutory reserves**

The statutory reserves of DMG MORI AKTIENGESELLSCHAFT remain unchanged at € 680,530.

### **Retained earnings**

Other retained earnings include prior-period profits generated by the companies included in the Consolidated Financial Statements as far as they were not distributed. Retained earnings also include the offset of liabilities-side differences from the consolidation of investments of those subsidiaries that were consolidated before 1 January 1995, and the adjustments directly in equity in accordance with the first application of IFRS rules. Additionally, this item contains the changes from the revaluation of defined benefit plans.

### **Other reserves**

Other reserves include the differences arising from currency translation recognized directly in equity of the financial statements of foreign subsidiaries and the post-tax effects from the measurement of financial instruments recognized directly in equity. In the financial year 2024, € -793 K (previous year: € 6,853 K) were recognized in connection with net investments in an international business operation. Deferred taxes recognized directly in equity related to the valuation of financial instruments recognized directly in equity amount to € 712 K as of 31 December 2024 (previous year: € 465 K).

A detailed overview on the composition of or changes in other reserves in financial year 2024 and in the previous year is included in the Development of Group Equity statement.

### **Appropriation of profits**

In accordance with the German Commercial Code (HGB), the Annual Financial Statements of DMG MORI AKTIENGESELLSCHAFT form the basis for the appropriation of profits of the financial year.

A domination and profit transfer agreement exists between DMG MORI Europe Holding GmbH and DMG MORI AKTIENGESELLSCHAFT, which was approved by the Annual General Meeting on 15 July 2016. The agreement entered into force on 24 August 2016, following entry into the commercial register.

The 2024 financial year of DMG MORI AKTIENGESELLSCHAFT closes with a pre-profit transfer result of € 53,415,445 (previous year: € 147,472,029). The entire profits will be transferred to DMG MORI Europe Holding GmbH. According to IFRS regulations, this is a transaction with equity providers.

As in the previous year, no retained earnings as stipulated by the German Commercial Code are recognized by DMG MORI AKTIENGESELLSCHAFT as of 31 December 2024.

### Non-controlling equity interests

Non-controlling equity interests include the minority interests in the consolidated equity of the companies included in the consolidated group and, as at 31 December 2024, amount to € 30,193 K (previous year: € 20,223 K). This includes profit shares of DMG MORI China Co., Ltd., Shanghai (China) (previously: DMG MORI Machine Tools Trading Co., Ltd.), for which non-controlling interests amounting to 49% of the ownership interests are recognized. These interests are held by DMG MORI COMPANY LIMITED.

### Capital management disclosure

A strong equity capital base is an important prerequisite for the DMG MORI AG group in order to ensure the ongoing existence of the company. The Executive Board's goal is to maintain its strong capital base and improve its equity ratio in order to preserve the trust of investors, creditors and markets and to ensure the sustainable development of the company. The capital is regularly monitored on the basis of various key figures. The ratio of net in-debtedness to balanced equity (gearing) and the equity ratio are key figures for this. As of 31 December 2024, the syndicated loan's cash line had not been used and the guarantee lines had been used once. The syndicated credit line requires that the group comply with a customary covenant that stipulates a defined financial ratio. The covenant was met on a quarterly basis and as of 31 December 2024.

Due to the domination and profit transfer agreement between DMG MORI Europe Holding GmbH and DMG MORI AKTIENGESELLSCHAFT, the company no longer has the possibility to actively shape the DMG MORI AG group's equity base through a dividend policy.

The cash surplus is calculated as the sum of cash and cash equivalents less financial liabilities.

A breakdown of the items is shown in the following table T.127:

T.127

| in € K                    | 31 Dec. 2024 | 31 Dec. 2023 |
|---------------------------|--------------|--------------|
| Cash and cash equivalents | 136,164      | 158,685      |
| Financial debt            | 20,986       | 29,014       |
| Surplus fund              | 115,178      | 129,671      |
| Total Equity              | 1,449,696    | 1,382,180    |
| Equity ratio              | 57.0         | 49.9         |
| Gearing                   | -            | -            |

Total equity increased in absolute terms by € 67,516 K. The equity ratio as of 31 December 2024 rose to 57.0% (previous year: 49.9%).

### **32. Provisions for pensions**

Pension provisions are set up for obligations arising from legal rights to future pension payments and from current pension payments to those active and former employees of companies within the DMG MORI AG group entitled to such, and to their surviving dependents. Depending on the legal, economic and fiscal circumstances of the respective country there are different forms of old-age provision that are usually based i.a. on the duration of employment and the employees' remuneration. In Germany the commitments are dependent upon wages or salary and are paid as a pension; there is no minimum guarantee.

Employee pension schemes are always based on either defined contribution plans or defined benefit plans.

In the case of defined contribution plans the respective company does not assume any further obligations which go beyond the payment of contributions into an earmarked reserve fund. The related expenses in financial year 2024 amounted to € 2,034 K (previous year: € 1,329 K).

In the case of defined benefit plans, it is the company's obligation to pay the promised benefits to active and former employees, whereby a distinction is made between pension plans that are financed through provisions and those that are financed through a fund. In general, the pensions paid correspond to the promised benefits.

For domestic subsidiaries, besides current pension plans, there are no defined benefit pension plans for new employees. The employees of Swiss subsidiaries participate in defined benefit pension plans. In Switzerland, employers are obligated to give a minimum contribution to their employees' pension plans. In addition to this, there are no minimum guarantees. These plans expose the group to actuarial risks, such as longevity risk, currency exchange risk, interest and market (investment) risk.

In the DMG MORI AG group, pension commitments are financed by transfers to provisions and plan assets. The investment strategy for global pension assets is based on the objective of securing pension payments in the long term. In Germany, plan assets comprise insurance contracts or contracts and are held by a legally independent entity whose sole purpose is to hedge and fund employee benefit liabilities. In Switzerland, external plan assets are invested in a customary pension fund. Plan assets in Switzerland are subject to customary minimum funding requirements. The amount of the pension obligation (present value of future pension commitments or defined benefit obligation) was calculated on the basis of actuarial methods by estimating the relevant factors impacting the pension commitment. In Germany, Klaus Heubeck's "2018G guideline tables" were used as a biometric accounting basis. In Switzerland, the "BVG 2015 technical principles, generation tables" were used to calculate values. They are based on the latest available observations of mortality rates, mostly by private pension funds, and take into account future changes in mortality rates over time.

Along with the assumptions on life expectancy, the following premises for the parameters to be applied to the actuarial calculations in the reports were defined as shown in table T.128:

T.128

| in %                   | 2024    |                   | 2023    |                   |
|------------------------|---------|-------------------|---------|-------------------|
|                        | Germany | Rest of the world | Germany | Rest of the world |
| Discount interest rate | 3.50    | 0.78              | 3.14    | 1.13              |
| Salary trend           | 0.00    | 4.68              | 0.00    | 5.52              |
| Pension trend          | 2.00    | 2.68              | 2.20    | 3.03              |

The discretion for determining the interest rate used to derive the discount interest rate for pension obligations to eligible active and former employees was changed. Until 31 December 2023, the interest rates were derived by an external provider that discontinued the service at the beginning of 2024. It was therefore necessary to switch to a different provider.

The new provider uses its own approach to determine the interest rate recommendation. According to this approach, a "spot rate yield curve" is created in the euro area based on high-quality bonds. Since the interest rate according to IAS 19.78 should only represent the "time value of money", which by definition cannot include any major credit risks, the service provider accordingly only uses bonds that do not have any options that could distort interest rates, as would be the case with call or put options, for example. Furthermore, bonds that offer much higher or lower interest rates than other bonds in their risk category (statistical outliers) are also not considered.

The discount interest rate for pension obligations to eligible active and former employees was determined on the basis of the rates of return obtained on the market for high-quality fixed-interest corporate bonds as of the balance sheet date until 31 December 2023.

It was not possible to calculate a transition effect for 2024 due to the discontinuation of the interest rate derivation by the previous external provider.

The salary trend includes expected future increases in salary that are assessed annually and are subject to, amongst other things, inflation and the duration of employment at the company. A future average salary increase of 4.68% was taken into account for our foreign companies. Since the pension commitments that were entered into at the national subsidiaries are not subject to future increases in salary, salary development was not taken into account when determining the relating company pension provisions.

Due to increases or reductions in the cash value of defined benefit obligations, actuarial gains or losses may arise, which may result, amongst others, from changes in the calculation parameters or changes in the risk development assessment relating to the pension commitments. The pension provisions' net value can be derived from table T.129.

## T.129

| in € K   | 31 Dec. 2024  |                   | 31 Dec. 2023  |                   |
|--|---------------|-------------------|---------------|-------------------|
|  | Germany       | Rest of the world | Germany       | Rest of the world |
| Cash value of pension commitments not financed by funds                        | 23,634        | 3,726             | 24,998        | 3,806             |
| + Cash value of funded pension commitments                                     | 13,760        | 14,293            | 15,171        | 13,483            |
| - Current value of pension plan assets   | -15,471       | -14,041           | -15,559       | -14,063           |
| = <b>Net value of amounts shown in the balance sheet on the reporting date</b> | <b>21,923</b> | <b>3,978</b>      | <b>24,610</b> | <b>3,226</b>      |
| of which pensions  | 23,635        | 3,978             | 24,998        | 3,226             |
| of which assets (-)  | -1,712        | 0                 | -388          | 0                 |

On the one hand, the plan assets include risk payments that depend on the insured salary. On the other hand, they include retirement benefits that depend on the retirement assets accumulated at the time of retirement. A breakdown of these figures is shown in table T.130.

## T.130

|  | 2024          |               | 2023          |               |
|--|---------------|---------------|---------------|---------------|
|  | in € K        | in %          | in € K        | in %          |
| <b>Stock exchange listed</b>                   |               |               |               |               |
| Cash and cash equivalents                      | 146           | 0.50          | 261           | 0.88          |
| Shares   | 4,251         | 14.40         | 4,088         | 13.80         |
| Obligations                                    | 4,195         | 14.21         | 4,128         | 13.94         |
| Property                                       | 2,992         | 10.14         | 3,107         | 10.49         |
| Other  | 707           | 2.39          | 561           | 1.89          |
| <b>Not stock exchange listed</b>               |               |               |               |               |
| Qualifying insurance policies (Life insurance) | 15,472        | 52.43         | 15,559        | 52.53         |
| Other  | 1,749         | 5.93          | 1,918         | 6.47          |
| <b>Plan assets</b>                             | <b>29,512</b> | <b>100.00</b> | <b>29,622</b> | <b>100.00</b> |

The calculation of the typological interest of the plan assets is made in the amount of the discount interest rate of the pension obligations at the beginning of the period. Actual income for plan assets amounts to € 1,011 K (previous year: expense € 62 K).

Payments from insurance companies are accounted for as benefits received and the benefits actually granted are disclosed as benefits paid.

Pension provisions for former members of the Executive Board and their surviving dependents have been formed in the amount of € 26,436 K (previous year: € 27,770 K).

The tables T.131/T.132 show the reconciliation of the opening balance to the final balance for the net debt (net assets) from the defined benefit pension plans and their components.

T.131

2024

| in € K  | Defined benefit obligation |                      | Fair value of plan assets |                      | Net debt (net asset)<br>from defined benefit plans |                      |
|---|----------------------------|----------------------|---------------------------|----------------------|--|----------------------|
|   | Germany                    | Rest<br>of the world | Germany                   | Rest<br>of the world | Germany  | Rest<br>of the world |
| <b>As at 1 January</b>                              | <b>40,169</b>              | <b>17,289</b>        | <b>-15,559</b>            | <b>-14,063</b>       | <b>24,610</b>                                      | <b>3,226</b>         |
| <b>Included in profit and loss</b>                  |                            |                      |                           |                      |  |                      |
| Current service cost                                | 0                          | 596                  | 0                         | 0                    | 0  | 596                  |
| Past service cost                                   | 450                        | 0                    | 0                         | 0                    | 450  | 0                    |
| Interest expense (income)                           | 1,192                      | 337                  | -479                      | -177                 | 713  | 160                  |
| Exchange rate changes                               | 0                          | -136                 | 0                         | 111                  | 0  | -25                  |
|   | <b>1,642</b>               | <b>797</b>           | <b>-479</b>               | <b>-66</b>           | <b>1,163</b>                                       | <b>731</b>           |
| <b>Included in other comprehensive income</b>       |                            |                      |                           |                      |  |                      |
| <b>Loss (profit) from remeasurements</b>            |                            |                      |                           |                      |  |                      |
| Actuarial losses (profits) from:                    |                            |                      |                           |                      |  |                      |
| – financial assumptions                             | -1,723                     | 883                  | 0                         | 0                    | -1,723   | 883                  |
| – experience adjustments                            | -951                       | 91                   | 0                         | 0                    | -951   | 91                   |
| – demographic adjustments                           | 0                          | 0                    | 0                         | 0                    | 0  | 0                    |
| Effects on plan assets excluding<br>interest income | 0                          | 0                    | -30                       | -325                 | -30  | -325                 |
|   | <b>-2,674</b>              | <b>974</b>           | <b>-30</b>                | <b>-325</b>          | <b>-2,704</b>                                      | <b>649</b>           |
| <b>Other</b>  |                            |                      |                           |                      |  |                      |
| Contributions paid by the employer                  | 0                          | 0                    | -2,197                    | -1,016               | -2,197   | -1,016               |
| Pension payments made                               | -3,066                     | -1,041               | 2,794                     | 1,429                | -272   | 388                  |
| Other   | 1,323                      | 0                    | 0                         | 0                    | 1,323  | 0                    |
|   | <b>-1,743</b>              | <b>-1,041</b>        | <b>597</b>                | <b>413</b>           | <b>-1,146</b>                                      | <b>-628</b>          |
| <b>As at 31 December</b>                            | <b>37,394</b>              | <b>18,019</b>        | <b>-15,471</b>            | <b>-14,041</b>       | <b>21,923</b>                                      | <b>3,978</b>         |

## T.132

|   |                            |                      |                           |                      |  |                      | 2023 |
|---|----------------------------|----------------------|---------------------------|----------------------|--|----------------------|------|
|   |                            |                      |                           |                      |  |                      | 2023 |
| in € K  | Defined benefit obligation |                      | Fair value of plan assets |                      | Net debt (net asset)<br>from defined benefit plans |                      |      |
|   | Germany                    | Rest<br>of the world | Germany                   | Rest<br>of the world | Germany  | Rest<br>of the world |      |
| <b>As at 1 January</b>                              | <b>39,617</b>              | <b>15,858</b>        | <b>-15,767</b>            | <b>-12,726</b>       | <b>23,850</b>                                      | <b>3,132</b>         |      |
| <b>Included in profit and loss</b>                  |                            |                      |                           |                      |  |                      |      |
| Current service cost                                | 0                          | 545                  | 0                         | 0                    | 0  | 545                  |      |
| Past service cost                                   | 781                        | -454                 | 0                         | 0                    | 781  | -454                 |      |
| Interest expense (income)                           | 1,309                      | 397                  | -563                      | -254                 | 746  | 143                  |      |
| Exchange rate changes                               | 0                          | 630                  | 0                         | -683                 | 0  | -53                  |      |
|   | <b>2,090</b>               | <b>1,118</b>         | <b>-563</b>               | <b>-937</b>          | <b>1,527</b>                                       | <b>181</b>           |      |
| <b>Included in other comprehensive income</b>       |                            |                      |                           |                      |  |                      |      |
| <b>Loss (profit) from remeasurements</b>            |                            |                      |                           |                      |  |                      |      |
| Actuarial losses (profits) from:                    |                            |                      |                           |                      |  |                      |      |
| – financial assumptions                             | 2,978                      | 623                  | 0                         | 0                    | 2,978  | 623                  |      |
| – experience adjustments                            | -104                       | -858                 | 0                         | 0                    | -104   | -858                 |      |
| – demographic adjustments                           | 0                          | 0                    | 0                         | 0                    | 0  | 0                    |      |
| Effects on plan assets excluding<br>interest income | 0                          | 0                    | 174                       | 704                  | 174  | 704                  |      |
|   | <b>2,874</b>               | <b>-235</b>          | <b>174</b>                | <b>704</b>           | <b>3,048</b>                                       | <b>469</b>           |      |
| <b>Other</b>  |                            |                      |                           |                      |  |                      |      |
| Contributions paid by the employer                  | 0                          | 0                    | -2,174                    | -893                 | -2,174   | -893                 |      |
| Pension payments made                               | -3,003                     | 548                  | 2,771                     | -211                 | -232   | 337                  |      |
| Other   | -1,409                     | 0                    | 0                         | 0                    | -1,409   | 0                    |      |
|   | <b>-4,412</b>              | <b>548</b>           | <b>597</b>                | <b>-1,104</b>        | <b>-3,815</b>                                      | <b>-556</b>          |      |
| <b>As at 31 December</b>                            | <b>40,169</b>              | <b>17,289</b>        | <b>-15,559</b>            | <b>-14,063</b>       | <b>24,610</b>                                      | <b>3,226</b>         |      |

The item “Other” in tables T.131 / T.132 includes the change in the asset surplus of a subsidiary.

During the past five years, the funded status, consisting of the present value of all pension commitments and the fair value of plan assets, has changed as shown in table T.133.

## T.133

| in € K   | 2024    | 2023    | 2022    | 2021    | 2020    |
|--|---------|---------|---------|---------|---------|
| Discounted value of all pension commitments              | 55,413  | 57,458  | 55,475  | 63,380  | 66,436  |
| Current value of the pension plan assets<br>of all funds | -29,512 | -29,622 | -28,493 | -28,510 | -25,758 |
| Funding status   | 25,901  | 27,836  | 26,982  | 34,870  | 40,678  |

Payments to beneficiaries from pension plans not financed by funds in 2025 are expected in an amount of € 2,966 K (previous year for 2024: € 3,026 K), while payments to funded pension plans in financial year 2025 are estimated to amount to around € 479 K (previous year for 2024: € 429 K).

The average weighted duration of pension obligations in Germany is around ten years and in Switzerland around seventeen years.

Key assumptions for calculating the pension obligation were based on sensitivity analyses. The discount factor, assumed value of wage trends and life expectancy were reduced or increased by a fixed % rate respectively one year.

Under unchanged other assumptions, the changes that would reasonably have been possible at the balance sheet date in the event of a significant actuarial assumption would have impacted on the defined benefit obligation in the following amounts.

The effects on the entitlement present value are shown in the following table T.134.

T.134

|  | Effects on the entitlements at 31 Dec. 2024 |       |
|--|---|-------|
|  | in € K                                      | in %  |
| <b>Cash value of the entitlement obligations</b> | <b>53,701</b>                               |       |
| <b>In the case of:</b>                           |   |       |
| reduction of the discount rate by 0.25 %-points  | 55,047                                      | 2.51  |
| increase of the discount rate by 0.25 %-points   | 52,486                                      | -2.26 |
| reduction of the pension trend by 0.25 %-points  | 53,004                                      | -1.30 |
| increase of the pension trend by 0.25 %-points   | 54,470                                      | 1.43  |
| reduction of the life expectancy by 1 year       | 51,885                                      | -3.38 |
| increase of the life expectancy by 1 year        | 55,570                                      | 3.48  |

In the presented sensitivities, it should be taken into account that due to actuarial effects, the change as a percentage is not and/or does not have to be linear. Thus, increases and decreases in terms of per cent do not react with the same absolute amount. There are no demographic effects.

### 33. Other provisions

The main contents of the provisions are shown in table T.135.

T.135

| in € K   | 31 Dec. 2024   |                     | 31 Dec. 2023   |                     |
|--|----------------|---------------------|----------------|---------------------|
|  | Total          | of which short-term | Total          | of which short-term |
| Obligations arising from personnel             | 92,708         | 70,496              | 106,055        | 84,222              |
| Risks arising from warranties and retrofitting | 56,351         | 51,819              | 64,532         | 56,069              |
| Obligations arising from sales                 | 45,281         | 44,134              | 82,048         | 81,095              |
| Other  | 21,318         | 19,198              | 51,619         | 46,408              |
|  | <b>215,658</b> | <b>185,647</b>      | <b>304,254</b> | <b>267,794</b>      |

Provisions for personnel expenses in the DMG MORI AG group include obligations for profit-sharing and staff bonuses of € 32,167 K (previous year: € 40,969 K), part-time retirement payments of € 6,238 K (previous year: € 6,795 K), holiday pay of € 16,394 K (previous year: € 15,296 K) and anniversary payments of € 12,497 K (previous year: € 12,213 K). Provisions for overtime accounts and flexible working hours accounts totaling € 11,337 K (previous year: € 8,551 K)

and other personnel costs of € 10,709 K (previous year: € 17,338 K) are also included here. Most of the provisions should be paid in the coming year. Provisions for anniversary bonuses and part-time retirement are discounted and carried as liabilities at their present value. Obligations arising from part-time retirement are secured against potential insolvency through a mutual trust relationship. To secure the pension plan, cash assets are transferred into a trust property. The members of this trust property are domestic group companies. The assets are defined as "plan assets" in accordance with IAS 19.7 and balanced against the related provisions. Any proceeds arising from the pension plan assets are balanced against the related expenses. As of 31 December 2024, liquid assets of € 2,454 K (previous year: € 2,483 K) had been transferred to the trust property.

Risks arising from warranties and retrofitting relate to present obligations to third parties, the use of which is probable and the anticipated amount of which can be reliably estimated. The provisions were measured using past empirical data, taking into account the conditions and any increases in cost on the balance sheet date. The obligations from the sales area include obligations for commissions, contractual penalties and other sales expenses. Most of the provisions should be paid in the coming year.

Other provisions include provisions for a wide range of identifiable individual risks and other obligations, for which uncertainties exist regarding dates and required future expenses, and whose expected amounts can be reliably estimated. During the course of its general business activities, the DMG MORI AG group is involved in both judicial and extrajudicial disputes, whose outcome cannot be reliably predicted. Legal disputes may occur, e. g., as a result of warranties and services. Provisions are recognized for risks arising from legal disputes, where it is probable that they will be utilized and a reliable estimate can be made of the amount of the provision required. Due to the assumptions required for this purpose, the creation and measurement of provisions are also subject to uncertainties. The provisions for legal disputes recognized at the balance sheet date mainly relate to third parties arising from machine tool sales.

The risk of further outflows beyond these provisions is considered unlikely as of 31 December 2024. For all provisions classified as short-term provisions, it is assumed that a significant part of the obligations will be fulfilled in financial year 2025.

The movement in the other provisions is shown in the statement of changes in provisions in table T.136.

## T.136

| in € K   | 01 Jan, 2024   | Additions      | Used           | Reversal      | Change in the group of consolidated companies | Other changes | 31 Dec. 2024   |
|--|----------------|----------------|----------------|---------------|---|---------------|----------------|
| Obligations arising from personnel                   | 106,055        | 64,000         | 69,188         | 6,986         | 0   | -1,173        | 92,708         |
| Obligations arising from warranties and retrofitting | 64,532         | 29,771         | 34,656         | 3,235         | -2  | -59           | 56,351         |
| Obligations arising from sales                       | 82,048         | 29,758         | 57,447         | 15,061        | -383  | 6,366         | 45,281         |
| Other  | 51,619         | 16,055         | 29,367         | 12,874        | -4  | -4,111        | 21,318         |
|  | <b>304,254</b> | <b>139,584</b> | <b>190,658</b> | <b>38,156</b> | <b>-389</b>                                   | <b>1,023</b>  | <b>215,658</b> |

The other changes include currency adjustments and book transfers.

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Obligations arising from personnel include provisions for the long-term incentive, a remuneration component with a long-term incentive effect, totaling € 327 K (previous year: € 2,122 K). A detailed description of the long-term incentive can be found in the <sup>7</sup> **Remuneration Report** chapter of the Group Management Report.

### 34. Financial debts

As of 31 December 2024, the DMG MORI AG group has financial debts amounting to € 20,986 K (previous year: € 29,014 K) as shown in tables T.137 / T.138. These result from the borrowing of funds for the construction of our new production plant in Pinghu (China). The total financing framework amounts to € 27.6 million.

#### T.137

| in € K          | 31 Dec. 2024 | of which due within 1 year | of which due within 1 to 5 years | of which due after 5 years |
|-----------------|--------------|----------------------------|----------------------------------|----------------------------|
| Financial debts | 20,986       | 10,320                     | 0                                | 10,666                     |
|                 | 20,986       | 10,320                     | 0                                | 10,666                     |

#### T.138

|                 | 31 Dec. 2024 |                     |                           |                           | 31 Dec. 2023 |                     |                           |                           |
|-----------------|--------------|---------------------|---------------------------|---------------------------|--------------|---------------------|---------------------------|---------------------------|
|                 | Currency     | Carrying amount € K | Remaining period in years | Effective interest rate % | Currency     | Carrying amount € K | Remaining period in years | Effective interest rate % |
| Loans           | CNY          | 10,320              | up to 1                   | 3.8                       | CNY          | 22,305              | > 5                       | 3.8                       |
| Loans           | CNY          | 10,666              | > 5                       | 3.8                       | -            | -                   | -                         | -                         |
| Bank overdrafts | CNY          | 0                   | -                         | -                         | CNY          | 6,709               | up to 1                   | 3.4                       |
|                 |              | 20,986              |                           |                           |              | 29,014              |                           |                           |

Short and medium-term working capital requirements for DMG MORI AKTIENGESELLSCHAFT and, within the scope of intercompany cash management, for the majority of the subsidiaries, are covered by operating cash flow and short and long-term loans. Approved credit lines amount totals € 723.1 million (previous year: € 781.0 million). These mainly comprise a syndicated credit line amounting to € 500.0 million (previous year: € 500.0 million), bilateral guaranteed credit lines amounting to € 55.5 million (previous year: € 58.6 million), the financing framework for the production plant in Pinghu (China) amounting to € 27.6 million (previous year: € 57.4 million) and factoring agreements, another part of the financing mix, amounting to € 140.0 million (previous year: € 165.0 million).

The average cost of borrowing amounts to 4.7% (previous year: 4.3%).

Since 31 December 2024, the DMG MORI AG group has had access to a syndicated credit line in a total amount of € 500.0 million with an original maturity until February 2025. In April 2022, the group was able to secure the early extension of this current credit line to February 2027. It comprises a usable revolving cash tranche of € 200.0 million and a bank guarantee tranche of € 300.0 million. The syndicated loan agreement was concluded with an international bank syndicate at market conditions and has an interest rate based on the current money market rate (1 to 6-month EURIBOR) plus a mark-up. This interest mark-up may change depending on

group key figures. The syndicated credit line also requires the DMG MORI AG group to comply with a customary covenant, which provides a defined financial ratio. The covenant was met on a quarterly basis and as of 31 December 2024. The syndicated loan is classified as short-term as it can only be drawn down over a maximum period of six months. The cash tranche was not used as of 31 December 2024.

For the financing of the syndicated credit line, the lending banks have completely waived the right to collateral. The companies DMG MORI Pfronten GmbH, DMG MORI Seebach GmbH, DMG MORI Bielefeld GmbH, DMG MORI Spare Parts GmbH, DMG MORI Ultrasonic Lasertec GmbH, DMG MORI Poland Sp. z o.o., DMG MORI TORTONA S.r.l. and DMG MORI BERGAMO S.r.l. are significant guarantors for the credit line.

As at the balance sheet date, open credit lines amounted to € 412.0 million (previous year: € 411.4 million). These comprise free cash lines of € 200.0 million (previous year: € 200.0 million) and additional open credit lines (guarantees, loans and factoring) amounting to € 212.0 million (previous year: € 211.4 million).

### 35. Long-term trade creditors and other long-term liabilities

The long-term liabilities are made up of the items listed in table T.139:

#### T.139

| in € K                      | 31 Dec. 2024 | 31 Dec. 2023 |
|-----------------------------|--------------|--------------|
| Trade payables              | 80           | 0            |
| Other long-term liabilities | 9,791        | 8,128        |
|                             | <b>9,871</b> | <b>8,128</b> |

Long-term liabilities are shown in the following table T.140.

#### T.140

| in € K                      | 31 Dec. 2024 | 31 Dec. 2023 |
|-----------------------------|--------------|--------------|
| Deferred income             | 9,356        | 7,844        |
| Other long-term liabilities | 435          | 284          |
|                             | <b>9,791</b> | <b>8,128</b> |

The deferred revenue accounted for in other long-term liabilities includes the guaranteed investment grants from the funds of the joint aid program, "Improvement of the Regional Economic Structure" and investment subsidies under the Research Subsidies Act, as well as investment subsidies under the Investment Subsidies Act totaling € 1,631 K (previous year: € 1,775 K) as applied under IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance". In financial year 2024, no investment grants were paid (previous year: € 0 K). This item also includes regional grants of € 7,780 K (previous year: € 6,214 K) paid for the construction of our new production plant in China.

Deferred income will be amortized in accordance with the depreciation procedure for subsidized capital assets and recognized in the income statement.

### 36. Short-term trade creditors and other short-term liabilities

Short-term financial liabilities are shown in the following table T.141:

T.141

| in € K                                       | 31 Dec. 2024   | 31 Dec. 2023   |
|--|----------------|----------------|
| Trade payables to third parties              | 164,240        | 185,700        |
| Liabilities to other related companies       | 165,470        | 268,093        |
| Liabilities to at equity accounted companies | 2,745          | 3,430          |
| Liabilities to other equity investments      | 32,604         | 18             |
| Other short-term financial liabilities       | 19,704         | 31,935         |
|  | <b>384,763</b> | <b>489,176</b> |

Liabilities to other related parties arise from goods and services supplied as part of the business relationship to DMG MORI COMPANY LIMITED and its affiliated companies. These include liabilities to DMG MORI COMPANY LIMITED in an amount of € 42,328 K (previous year: € 76,391 K). Liabilities in the amount of € 81,153 K (previous year: € 179,454 K) to DMG MORI Europe Holding GmbH result from the transfer of profits in the amount of € 53,415 K (previous year: € 147,472 K) and from the current taxes debited on the basis of the tax allocation agreement in the amount of € 27,738 K (previous year: € 31,982 K).

Liabilities from financial transaction of DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., Pinghu (China), to DMG MORI (Tianjin) Manufacturing Co., Ltd., Tianjin (China), in the amount of € 4,667 K (previous year: € 0 K) result from the cash pooling in China introduced in the reporting year. In addition, there is a loan between the two companies in the amount of € 9,261 K (previous year: € 8,935 K). For further information, please also refer to <sup>7</sup> Note 47.

page 293 et seqq.

Liabilities to other equity investments are due to Ulyanovsk Machine Tools ooo, which is included in the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT as an equity investment and result primarily from financial transactions.

All information and notes on contract liabilities from performance obligations and contract liabilities from advance invoices can be found in <sup>7</sup> Note 7.

page 223 et seqq.

Other short-term financial liabilities include the following items as shown in table T.142:

T.142

| in € K  | 31 Dec. 2024  | 31 Dec. 2023  |
|---|---------------|---------------|
| Factoring liabilities   | 7,424         | 13,273        |
| of which amounts that are part of supplier financing agreements | 7,163         | 9,351         |
| Fair market values of derivative financial instruments          | 443           | 956           |
| Debtors with credit balance                                     | 5,587         | 7,723         |
| Other short-term financial liabilities                          | 6,250         | 9,983         |
|   | <b>19,704</b> | <b>31,935</b> |

Factoring liabilities include liabilities from reverse factoring amounting to € 7,163 K (previous year: € 9,351 K). A continuing involvement of € 1,991 K (previous year: € 2,157 K) is recognized in the other short-term liabilities.

The fair value of derivative financial instruments relates to the fair value for forward exchange transactions amounting to € 443 K (previous year: € 956 K) mainly in SEK, GBP, CHF and JPY. Other financial liabilities include liabilities from bills of exchange amounting to € 579 K (previous year: € 0 K).

### Supplier financing agreements

Reverse factoring is a (supplier) financing instrument that is initiated, among other things, to optimize payment terms with suppliers and enable their immediate payment. It not only improves the liquidity of suppliers by offering the option of earlier payment dates compared to the due date of the invoice, but also strengthens the business relationships between the DMG MORI AG group and the participating suppliers.

Selected suppliers of the DMG MORI AG group pre-finance trade debtors of individual subsidiaries on the basis of a reverse factoring agreement concluded with a factoring company. This measure generally enables the subsidiaries to achieve longer payment terms to improve the group's liquidity. As of 31 December 2024, trade creditors totaling € 7,163 K (previous year: € 9,351 K) had been purchased by the respective factoring company.

The carrying amount of financial liabilities that are the subject of supplier financing agreements is broken down as follows in table T.143:

**T.143**

| in € K   | 31 Dec. 2024 | 31 Dec. 2023 |
|--|--------------|--------------|
| Shown as part of other liabilities   | 7,163        | 9,351        |
| of which other liabilities for which the suppliers have already received payments from the financial services provider | 7,163        | 9,351        |

The range of payment terms can be found in table T.144:

**T.144**

| in days  | 31 Dec. 2024 | 31 Dec. 2023 |
|--|--------------|--------------|
| Liabilities that are the subject of supplier financing agreements        | 7-120 days   | n/a          |
| Comparable trade creditors not subject to a vendor financing arrangement | 7-90 days    | n/a          |

The changes in the liabilities subject to supplier financing agreements result primarily from additions resulting from the purchase of goods and services and subsequent payment. There were no significant non-cash changes in these liabilities.

The group does not consider itself exposed to significant liquidity risk as a result of its supplier financing agreements, as the volume of liabilities subject to supplier financing agreements is limited and the group has access to other sources of financing at similar terms.

Other short-term liabilities include the following items as shown in table T.145:

T.145

| in € K                                   | 31 Dec. 2024  | 31 Dec. 2023  |
|--|---------------|---------------|
| Tax liabilities                          | 33,912        | 30,949        |
| Liabilities relating to social insurance | 5,539         | 5,334         |
| Payroll account liabilities              | 2,283         | 2,364         |
| Deferred income                          | 1,575         | 3,032         |
| Other liabilities                        | 294           | 404           |
|  | <b>43,603</b> | <b>42,083</b> |

Tax liabilities relate to liabilities arising primarily from value added tax amounting to € 23,151 K (previous year: € 16,178 K) as well as liabilities arising from payroll and church tax in the amount of € 8,306 K (previous year: € 12,287 K).

### 37. Leases

#### Leases acting as a lessee

The DMG MORI AG group leases specific tangible assets such as land and buildings, technical equipment and machines, office equipment and cars.

The tables T.146 / T.147 show additions to and amortization of rights of use included in property, plant and equipment and intangible assets.

T.146 RIGHTS OF USE

|   | 2024                            |  |  |               |
|---|---------------------------------|--|--|---------------|
| in € K                                    | Right of use Land and buildings | Right of use Technical equipment and machinery | Right of use Other equipment, factory and office equipment | Total         |
| <b>Acquisition costs</b>                  |                                 |  |  |               |
| As at 1 January                           | 39,117                          | 858  | 37,379   | 77,354        |
| Difference from currency translation      | 184                             | 0  | 91   | 275           |
| Other changes                             | 204                             | 0  | 556  | 760           |
| Additions                                 | 4,257                           | 2,693  | 11,856   | 18,806        |
| Disposals                                 | -1,555                          | -327   | -7,411   | -9,293        |
| <b>As at 31 December</b>                  | <b>42,207</b>                   | <b>3,224</b>                                   | <b>42,471</b>  | <b>87,902</b> |
| <b>Depreciation</b>                       |                                 |  |  |               |
| As at 1 January                           | 10,700                          | 630  | 16,957   | 28,287        |
| Difference from currency translation      | 5                               | 0  | 88   | 93            |
| Additions                                 | 4,419                           | 458  | 11,272   | 16,149        |
| Disposals                                 | -1,281                          | -327   | -6,745   | -8,353        |
| <b>As at 31 December</b>                  | <b>13,843</b>                   | <b>761</b>                                     | <b>21,572</b>  | <b>36,176</b> |
| <b>Net carrying amount at 31 December</b> | <b>28,364</b>                   | <b>2,463</b>                                   | <b>20,899</b>  | <b>51,726</b> |

## T.147 RIGHTS OF USE

|   | 2023                            |  |  |               |
|---|---------------------------------|--|--|---------------|
| in € K                                    | Right of use Land and buildings | Right of use Technical equipment and machinery | Right of use Other equipment, factory and office equipment | Total         |
| <b>Acquisition costs</b>                  |                                 |  |  |               |
| As at 1 January                           | 41,265                          | 9,168  | 31,537   | 81,970        |
| Difference from currency translation      | -292                            | 349  | -69  | -12           |
| Other changes                             | 112                             | 143  | 400  | 655           |
| Additions                                 | 1,098                           | 15   | 17,284   | 18,397        |
| Disposals                                 | -3,066                          | -8,817   | -11,773  | -23,656       |
| <b>As at 31 December</b>                  | <b>39,117</b>                   | <b>858</b>                                     | <b>37,379</b>  | <b>77,354</b> |
| <b>Depreciation</b>                       |                                 |  |  |               |
| As at 1 January                           | 10,171                          | 7,548  | 17,171   | 34,890        |
| Difference from currency translation      | -50                             | 125  | 1  | 76            |
| Additions                                 | 4,336                           | 1,355  | 10,230   | 15,921        |
| Disposals                                 | -3,757                          | -8,398   | -10,445  | -22,600       |
| <b>As at 31 December</b>                  | <b>10,700</b>                   | <b>630</b>                                     | <b>16,957</b>  | <b>28,287</b> |
| <b>Net carrying amount at 31 December</b> | <b>28,417</b>                   | <b>228</b>                                     | <b>20,422</b>  | <b>49,067</b> |

As of 31 December 2024, the DMG MORI AG group recognizes right-of-use assets amounting to € 51,726 K (previous year: € 49,067 K) under property, plant and equipment. The corresponding lease liabilities of € 46,024 K (previous year: € 43,178 K) are shown separately in the <sup>7</sup> **Balance Sheet**.  
page 185 et seq.

When determining lease terms, the DMG MORI AG group takes into account all facts and circumstances that create an economic incentive to exercise extension options or not to exercise termination options. Changes to terms resulting from exercising extension options or not exercising termination options are only included in the term of the contract if the group is reasonably certain to extend or not to exercise a termination option. If, e. g. by exercising a termination option or not exercising an extension option, the DMG MORI AG group is subject to significant penalties, it is generally considered reasonably certain that the group will not terminate or extend the contract. Moreover, other economic factors are taken into account, which play a key role in deciding whether to exercise extension options or not to exercise termination options. The assessment is reviewed, when a significant event or change in circumstances occurs that could influence the previous assessment – provided this is within the lessee's control.

The group estimates that if extension options are exercised, potential future lease payments would result in a lease liability of € 2,896 K (previous year: € 3,198 K).

Further information on lessee accounting can be found in the corresponding <sup>7</sup> **Notes on individual items in the income statement** and on the <sup>7</sup> **Balance Sheet**.  
page 223 et seqq.  
page 234 et seqq.

## Leases acting as a lessor

### Finance leases

In financial year 2024, the DMG MORI AG group acted as a lessor in finance lease contracts, especially for buildings.

There was no capital gain from these leases in financial year 2024.

In 2024, the DMG MORI AG group recognized payments from subleases relating to finance leases in the amount of € 161 K (previous year: € 204 K).

The following table T.148 presents a maturity analysis of lease receivables and shows the undiscounted lease payments to be received after the balance sheet date.

#### T.148 FINANCE LEASES

| in € K               | 31 Dec. 2024 | 31 Dec. 2023 |
|----------------------|--------------|--------------|
| Less than one year   | 140          | 161          |
| One to two years     | 140          | 161          |
| Two to three years   | 140          | 161          |
| Three to four years  | 140          | 161          |
| Four to five years   | 140          | 161          |
| More than five years | 2,276        | 2,781        |
|                      | <b>2,976</b> | <b>3,586</b> |

### Operating leases

During financial year 2024, the DMG MORI AG group acted as a lessor in operating lease contracts. These agreements mainly cover the leasing of machine tools. The DMG MORI AG group has classified these leases as operating leases as they do not transfer substantially all the risks and rewards incidental to ownership.

In 2024, the DMG MORI AG group recognized € 935 K in lease income from operating leases including income from subleases (previous year: € 908 K), which are reported in other operating income. Lease income generated in the DMG MORI AG group's ordinary course of business was recognized in revenue.

The following table T.149 provides a maturity analysis of the undiscounted lease payments to be received after the balance sheet date.

#### T.149 OPERATING LEASES

| in € K               | 31 Dec. 2024 | 31 Dec. 2023 |
|----------------------|--------------|--------------|
| Less than one year   | 513          | 587          |
| One to two years     | 0            | 64           |
| Two to three years   | 0            | 0            |
| Three to four years  | 0            | 0            |
| Four to five years   | 0            | 0            |
| More than five years | 0            | 0            |
|                      | <b>513</b>   | <b>651</b>   |

### 38. Contingent liabilities and other financial obligations

No provisions were set up for the following contingent liabilities reported at nominal value, as the risk of utilization is considered to be relatively low as shown in table T.150:

#### T.150 CONTINGENCIES

| in € K              | 31 Dec. 2024 | 31 Dec. 2023 |
|---------------------|--------------|--------------|
| Guarantees          | 182          | 50           |
| Warranties          | 478          | 481          |
| Other contingencies | 4,082        | 4,517        |
|                     | <b>4,742</b> | <b>5,048</b> |

The guarantees primarily include advance payment guarantees to foreign group companies. Other contingencies comprise, in particular, guarantees for framework agreements and contract performance guarantees.

During financial year 2024, the DMG MORI AG group concluded contracts for the purchase of property, plant and equipment in financial year 2025 worth € 3,661 K (previous year for 2024: € 4,376 K).

In the course of an external tax audit, the tax authorities take a different view than DMG MORI AG group regarding the deductibility of interest paid. In the opinion of the tax authorities, the payment is to be added when determining taxable income and taxed at DMG MORI AKTIENGESELLSCHAFT. The management of DMG MORI AKTIENGESELLSCHAFT estimates that it is unlikely that the tax authorities will succeed in enforcing their view in court. Accordingly, no tax risk provision has been recorded in the Consolidated Financial Statements as of 31 December 2024 for this matter, which can be valued at a potential tax liability of around € 4 million. On the basis of the tax allocation agreement, there would be a claim for reimbursement against DMG MORI Europe Holding GmbH, Bielefeld, in the same amount.

### 39. Financial instruments

At the balance sheet date, forward exchange contracts were held by the DMG MORI AG group, mainly in the currencies SEK, GBP, CHF, JPY and PLN. The nominal and fair values in the balance of derivative financial instruments existing at the balance sheet date are shown in table T.151.

#### T.151

| in € K   | 31 Dec. 2024   |              |            |                         | 31 Dec. 2023   |                         |
|--|----------------|--------------|------------|-------------------------|----------------|-------------------------|
|  | Nominal value  | Asset        | Debt       | Fair market value total | Nominal value  | Fair market value total |
| Forward exchange contracts as cash flow hedges       | 16,604         | 84           | 174        | -90                     | 24,247         | -484                    |
| Forward exchange contracts held for trading purposes | 147,491        | 1,774        | 269        | 1,505                   | 172,688        | 2,966                   |
|  | <b>164,095</b> | <b>1,858</b> | <b>443</b> | <b>1,415</b>            | <b>196,935</b> | <b>2,482</b>            |

The nominal values correspond to the sum of all unbalanced purchase and sales amounts from derivative financial transactions. The fair market values recognized constitute the price at which, as a rule, third parties would assume the rights or obligations arising from the financial instruments as of the balance sheet date. It cannot generally be assumed that this assessed value may actually be achieved upon liquidation. The fair market values are the current values of the derivative financial instruments excluding any adverse trends in value from underlying transactions.

The fair values of forward exchange contracts are recognized in the balance sheet as other long-term or current financial assets or other long-term and current financial liabilities.

The DMG MORI AG group always applies IFRS 9 for hedge accounting. The DMG MORI AG group uses the "spot-to-spot" method. The effects from forward components are recognized in profit or loss.

On the reporting date, the DMG MORI AG group also had forward exchange contracts that do not meet the strict requirements of hedge accounting under IFRS 9, but effectively contribute towards hedging the financial risk in accordance with the principles of risk management. In order to hedge the foreign currency risks of monetary assets and liabilities recognized in the balance sheet, the DMG MORI AG group does not use any hedge accounting, as the underlying transactions' gains and losses from the currency translation to be recognized in profit or loss under IAS 21 are disclosed in the income statement together with the gains and losses from the derivatives used as hedging instruments.

In the event that third parties do not fulfill their obligations arising from forward exchange contracts, as at the reporting date, the DMG MORI AG group had a deficit risk amounting to € 1,858 K (previous year: € 3,438 K).

As of the balance sheet date, existing forward exchange contracts in cash flow hedges with a nominal volume of € 16,604 K have a remaining term of up to one year (previous year: € 24,247 K). The cash flows from these forward exchange contracts will eventuate within the next twelve months. For the most part, it must be assumed that these will be recognized as income in the profit and loss statement within the next twelve months. There were no forward exchange transactions in cash flow hedges with a remaining term of more than one year on the balance sheet date (previous year: € 0 K).

In financial year 2024, expenses arising from the fair value recognition of financial instruments attributable to cash flow hedges in an amount of € 1,165 K (previous year: € -296 K) were allocated to equity and not recognized in the income statement and an amount of € -781 K (previous year: € -210 K) was removed from equity and recognized in exchange and currency gains or losses as shown in table T.152.

#### T.152

| in € K   | 2024        | 2023        |
|--|-------------|-------------|
| <b>As of 1 January (before tax)</b>  | <b>-489</b> | <b>17</b>   |
| Change in value of forward exchange contracts recognised in other comprehensive income | 1,165       | -296        |
| Amount reclassified from hedging reserve to profit or loss (recycling)                 | -781        | -210        |
| <b>As of 31 December (before tax)</b>  | <b>-105</b> | <b>-489</b> |

Forward exchange contracts were recognized in the income statement as exchange and currency profits or losses.

The items hedged by the cash flow hedges are expected to be realized in the same way as the hedging instruments. For the proportion of the financial assets from derivatives in the amount of € 84 K (previous year: € 96 K) as well as the proportion of liabilities from derivatives in the amount of € 174 K (previous year: € 580 K) that have been classified as cash flow hedges, to be recognized in the income statement within the next twelve months.

As in the previous year, forward exchange contracts did not result in any hedge ineffectiveness in the financial year. To measure ineffectiveness, the changes in value of the hedged items amounting to € 171 K (previous year: € 529 K) were used and compared with the changes in value of the relevant hedging instruments amounting to € 171 K (previous year: € 529 K).

The group concludes derivative transactions pursuant to global netting agreements (framework agreement) of the "International Swaps and Derivative Association" (ISDA) and other corresponding national framework agreements. The netting agreements only grant the right to offset, if future events, such as the default or bankruptcy of the DMG MORI AG group or its rivals, occur.

The netting agreements thus do not fulfill the offsetting criteria of IAS 32.

The following tables T.153 / T.154 provide an overview of financial assets and financial liabilities, which are subject to netting agreements or similar agreements.

## T.153

|                              |   |  |            | 31 Dec. 2024 |
|------------------------------|---|--|------------|--------------|
| in € K                       | Gross amounts of<br>financial instruments<br>in the balance sheet | Potential offsetting<br>assets subject to global<br>netting agreements | Net amount |              |
| <b>Financial assets</b>      |   |  |            |              |
| Forward exchange contracts   | 1,858   | 443  |            | 1,415        |
| <b>Financial liabilities</b> |   |  |            |              |
| Forward exchange contracts   | 443   | 443  |            | 0            |

## T.154

|                              |   |  |            | 31 Dec. 2023 |
|------------------------------|---|--|------------|--------------|
| in € K                       | Gross amounts of<br>financial instruments<br>in the balance sheet | Potential offsetting<br>assets subject to global<br>netting agreements | Net amount |              |
| <b>Financial assets</b>      |   |  |            |              |
| Forward exchange contracts   | 3,438   | 956  |            | 2,482        |
| <b>Financial liabilities</b> |   |  |            |              |
| Forward exchange contracts   | 956   | 956  |            | 0            |

#### 40. Risks from financial instruments

##### Risks from financial instruments

Currency and interest rate fluctuations can lead to considerable profit and cash flow risks. For this reason, the DMG MORI AG group centralizes these risks as far as possible and manages them with a view to the future and by using derivative financial instruments. Risk management is based on guidelines that apply throughout the group and in which objectives, principles, responsibilities and competencies are defined. Further information on the risk management system is presented in the <sup>1</sup> **Risk and Opportunity Report** in the Group Management Report.

page 67 et seqq.

##### Currency risks

In its global business activities, the DMG MORI AG group is exposed to two types of currency risks. Transaction risks arise through changes in the value of future foreign currency payments due to exchange rate fluctuations in the individual financial statements. In the DMG MORI AG group, both purchases and sales are made in foreign currencies. Forward exchange transactions are used to hedge currency risks arising from these activities within the DMG MORI AG group. Derivative financial instruments are concluded and handled, based on binding internal guidelines defining scope, responsibilities, reporting and controls.

The group hedges at least 90 % of its estimated foreign exchange risks from contracted orders and expected acquisitions and disposals over the next 12 months. To hedge against the foreign exchange risk, forward exchange transactions with a maturity of less than one year from the date of the financial statement are used predominantly. Hedging transactions are only permitted with specified counterparties.

The DMG MORI AG group defines the existence of an economic relationship between the hedging instrument and the underlying hedged item based on the currency, amount and timing of their respective cash flows. The hypothetical derivative method is used to assess whether the derivative designated in the hedging relationship is expected to be effective or has been effective with regard to changes in the underlying hedged item's cash flows.

The main causes of ineffectiveness in these hedges are defaults on receivables, changes in the timing of underlying hedged items or changes in hedged cash flows.

In the financial year, the following average hedging rates for our main currencies were used for derivatives in hedge accounting as shown in the table below **T.155**:

**T.155**

| in € | Average hedging rates in 2024 | Average hedging rates in 2023 |
|------|-------------------------------|-------------------------------|
| USD  | 1.06                          | 1.08                          |
| JPY  | 162.03                        | 156.48                        |
| GBP  | 0.85                          | 0.88                          |

The DMG MORI AG group determines foreign currency sensitivity through aggregating all foreign currency items that are not represented in the functional currency of the respective company and sets these against hedging. The fair values of the basic items and hedges included are measured once at the actual exchange rates and once using sensitivity rates. The difference between the two values represents the effects on equity and earnings.

The table T.156 shows the net currency risk from transactions for major currencies.

#### T.156 CURRENCY

| in € K  | 31 Dec. 2024 |        |        | 31 Dec. 2023 |        |         |
|---|--------------|--------|--------|--------------|--------|---------|
|   | USD          | JPY    | GBP    | USD          | JPY    | GBP     |
| Currency risk from balance sheet items                              | -897         | -8,794 | 4,631  | -948         | -5,357 | 6,183   |
| Currency risk from pending transactions                             | -1,056       | -1,069 | 3,803  | -2,205       | -3,152 | 6,720   |
| Transaction-related currency items                                  | -1,953       | -9,863 | 8,434  | -3,153       | -8,509 | 12,903  |
| Financially hedged item through derivatives                         | 2,308        | 8,740  | -7,645 | 3,209        | 7,688  | -11,929 |
| Open currency items   | 355          | -1,123 | 789    | 56           | -821   | 974     |
| Change of the currency items due to a 10 % appreciation of the euro | -31          | 1      | -87    | -5           | 0      | -102    |
| Change of the currency items due to a 10 % depreciation of the euro | 38           | -1     | 106    | 6            | -1     | 125     |

In addition, there is an open currency item in RUB with a volume of € -38,853 K, which results primarily from financial transactions. There were no other open positions in RUB. Details can be found in <sup>7</sup> Note 5.

page 219 et seq.

The following tables T.157 / T.158 show the possible impact of financial instruments on the reserve for derivatives or the other reserves in equity as well as the impact on earnings as of 31 December 2024 or 31 December 2023. If the euro had appreciated against the major currencies USD, GBP, RUB and JPY by 10 % respectively, the reserve for derivatives or the other reserves in equity and the fair value of forward exchange transactions with a hedging relationship would have been € 1,193 K higher in total (previous year: € 356 K lower). The results and fair value of forward transactions without a hedging relationship and other financial instruments would have been € 4,848 K higher (previous year: € -1,667 K lower). If the euro had depreciated by 10 % against each of the major currencies USD, GBP, RUB and JPY, the reserve for derivatives and the other reserves in equity and the fair value of the forward exchange transactions with a hedging relationship would have been € -1,265 K lower in total (previous year: € 857 K higher). The result and the fair value of the forward exchange transactions without a hedging relationship and the other financial instruments would have been € -5,250 K lower (previous year: € 2,777 K higher).

#### T.157

| in € K           | 31 December 2024 |          |            |          |
|------------------|------------------|----------|------------|----------|
|                  | Profit or loss   |          | Net equity |          |
|                  | Increase         | Decrease | Increase   | Decrease |
| RUB (10% change) | 3,532            | -4,317   | 1,144      | -1,398   |
| GBP (10% change) | -552             | 1,238    | -83        | 448      |
| USD (10% change) | 156              | -230     | 94         | -286     |
| JPY (10% change) | 1,712            | -1,941   | 38         | -29      |
|                  | 4,848            | -5,250   | 1,193      | -1,265   |

## T.158

| in € K           | 31 December 2023 |              |             |            |
|------------------|------------------|--------------|-------------|------------|
|                  | Profit or loss   |              | Net equity  |            |
|                  | Increase         | Decrease     | Increase    | Decrease   |
| RUB (10% change) | -677             | 827          | -623        | 761        |
| GBP (10% change) | -1,056           | 2,036        | -204        | 469        |
| USD (10% change) | 149              | -86          | 292         | -93        |
| JPY (10% change) | -83              | 0            | 179         | -280       |
|                  | <b>-1,667</b>    | <b>2,777</b> | <b>-356</b> | <b>857</b> |

**Interest rate risks**

Interest rate risks include any potential positive or negative impact of interest rate changes on earnings, equity or cash flow during the current or any future reporting periods. Within the DMG MORI AG group, interest rate risks are essentially related to financial assets and debts. The entire Executive Board will decide in each individual case on whether interest rate risks will be hedged using interest rate hedging instruments on the basis of a proposal drafted by the board's CFO.

As of 31 December 2024, the DMG MORI AG group has a cash surplus, so that interest rate increases would represent an opportunity for higher interest income. A 1% rise in interest rates pertaining to the portfolio at the reporting date would result in an increase in interest income of € 4.0 million (previous year: € 5.2 million). As this mainly relates to interest on current account overdrafts, we do not expect any material effects on the portfolio at the reporting date, if the interest rate level falls. Interest income would fall, if the interest rate fell by 5 basis points. As in the previous year, there would be no equity effects. The following table T.159 shows the nominal volumes of fixed and variable rate financial instruments.

## T.159

| in € K                           | Nominal volume |                |
|----------------------------------|----------------|----------------|
|                                  | 31 Dec. 2024   | 31 Dec. 2023   |
| <b>Fixed-rate instruments</b>    |                |                |
| Financial assets                 | 9,575          | 2,602          |
| Financial liabilities            | -9,261         | -8,958         |
|                                  | <b>314</b>     | <b>-6,356</b>  |
| <b>Variable-rate instruments</b> |                |                |
| Financial assets                 | 525,034        | 629,671        |
| Financial liabilities            | -123,323       | -104,774       |
|                                  | <b>401,711</b> | <b>524,897</b> |

Financial instruments with fixed interest rates are valued at amortized acquisition costs and are therefore not subject to interest rate risks as defined by IFRS 7. Changes in interest rates would only have an effect if these financial instruments were recognized at fair value.

The fair value of forward exchange contracts is not altered significantly by changes in the interest rate.

The interest sensitivities are shown in the following tables T.160/T.161:

#### T.160

| in € K                          | Profit or loss              |                           |
|---------------------------------|-----------------------------|---------------------------|
|                                 | Increase by 100 base points | Decrease by 5 base points |
| <b>31 December 2024</b>         |                             |                           |
| Variable-rate instruments       | 4,017                       | -201                      |
| <b>Profit sensitivity (net)</b> | <b>4,017</b>                | <b>-201</b>               |

#### T.161

| in € K                          | Profit or loss              |                           |
|---------------------------------|-----------------------------|---------------------------|
|                                 | Increase by 100 base points | Decrease by 5 base points |
| <b>31 December 2023</b>         |                             |                           |
| Variable-rate instruments       | 5,249                       | -262                      |
| <b>Profit sensitivity (net)</b> | <b>5,249</b>                | <b>-262</b>               |

### Liquidity risks

Liquidity risk is the risk that the DMG MORI AG group may not be able to meet its financial obligations. Cash outflows result primarily from financing working capital, capital investments and covering the financial requirements of sales financing. The management is regularly informed about cash inflows and outflows as well as about financing sources. The liquidity risk is mitigated by creating the necessary financial flexibility within the scope of existing financing operations and through effective cash management.

Liquidity risk at the DMG MORI AG group is governed by financial planning over twelve months. This makes it possible to finance predictable deficits under normal market conditions at standard market terms. On the basis of current liquidity planning, no liquidity risks are identifiable at present. A syndicated credit facility of € 500.0 million is available at various banks to secure liquidity. The Pinghu production plant (China) has a financing framework amounting to € 27.6 million (previous year: € 57.4 million). The syndicated credit line had an original maturity date of February 2025. In April 2022, the group was able to secure the early extension of this current credit line to February 2027. It comprises a usable revolving cash tranche of € 200.0 million and a bank guarantee tranche of € 300.0 million. The syndicated loan agreement was concluded with an international bank syndicate at market conditions and has an interest rate based on the current money market rate (1 to 6-month EURIBOR) plus a mark-up. This interest mark-up may change depending on group key figures.

The financing agreements for the syndicated loan obligate the DMG MORI AG group to comply with customary covenants. The covenant was met on a quarterly basis and as of 31 December 2024.

Loan facilities have not been canceled either in financial year 2024 or in the previous year. As of 31 December 2024, the DMG MORI AG group has access to cash and cash equivalents amounting to € 136.2 million (previous year: € 158.7 million), as well as open cash lines in the amount of € 200.0 million (previous year: € 200.0 million) and additional open credit lines (bank guarantees, loans and factoring) in the amount of € 212.0 million (previous year: € 211.4 million).

The following tables T.162 / T.163 show contractually agreed (non-discounted) interest and repayments of original financial liabilities as well as of the derivative financial instruments with negative fair values. This includes all instruments that were held as of 31 December 2024 and 31 December 2023 respectively, and for which payments have been contractually agreed. Forecast figures for future new liabilities have not been included. Amounts in foreign currencies were translated at the exchange rate on the reporting date. The variable interest payments for financial instruments were determined on the basis of the last fixed interest rate before 31 December 2024 and 31 December 2023 respectively. Financial liabilities that can be repaid at any time are always allocated to the earliest possible date.

## T.162

| in € K   | Book value<br>31 Dec. 2024 | Cash flows 2025 |           | Cash flows 2026 – 2029 |           | Cash flows 2030 et seq. |           |
|--|----------------------------|-----------------|-----------|------------------------|-----------|-------------------------|-----------|
|  |                            | Interest        | Repayment | Interest               | Repayment | Interest                | Repayment |
| Financial debts  | 20,986                     | 399             | 20,986    | 0                      | 0         | 0                       | 0         |
| Liabilities arising from lease arrangements                        | 46,024                     | 885             | 17,405    | 951                    | 20,191    | 1,440                   | 8,428     |
| Trade payables to third parties                                    | 164,275                    | 0               | 164,240   | 0                      | 7         | 0                       | 28        |
| Liabilities to at equity accounted companies                       | 2,745                      | 0               | 2,745     | 0                      | 0         | 0                       | 0         |
| Liabilities to other related companies                             | 165,515                    | 0               | 165,470   | 0                      | 45        | 0                       | 0         |
| Liabilities to other equity investments                            | 32,604                     | 0               | 32,604    | 0                      | 0         | 0                       | 0         |
| Other financial liabilities (without liabilities from derivatives) | 19,261                     | 0               | 19,261    | 0                      | 0         | 0                       | 0         |
|  | 451,410                    | 1,284           | 422,711   | 951                    | 20,243    | 1,440                   | 8,456     |
| Liabilities from derivatives with gross settlement                 | 443                        |                 |           |                        |           |                         |           |
| (Cash inflow)  |                            | 0               | (35,262)  | 0                      | 0         | 0                       | 0         |
| Cash outflow   |                            | 0               | 35,692    | 0                      | 0         | 0                       | 0         |
|  | 443                        | 0               | 430       | 0                      | 0         | 0                       | 0         |

## T.163

| in € K   | Book value<br>31 Dec. 2023 | Cash flows 2024 |           | Cash flows 2025 – 2028 |           | Cash flows 2029 et seq. |           |
|--|----------------------------|-----------------|-----------|------------------------|-----------|-------------------------|-----------|
|  |                            | Interest        | Repayment | Interest               | Repayment | Interest                | Repayment |
| Financial debts  | 29,014                     | 1,076           | 6,709     | 2,543                  | 14,870    | 424                     | 7,435     |
| Liabilities arising from lease arrangements                        | 43,178                     | 1,102           | 11,167    | 1,712                  | 23,762    | 2,497                   | 8,249     |
| Trade payables to third parties                                    | 185,700                    | 0               | 185,700   | 0                      | 0         | 0                       | 0         |
| Liabilities to at equity accounted companies                       | 3,430                      | 0               | 3,430     | 0                      | 0         | 0                       | 0         |
| Liabilities to other related companies                             | 268,093                    | 0               | 268,093   | 0                      | 0         | 0                       | 0         |
| Liabilities to other equity investments                            | 18                         | 0               | 18        | 0                      | 0         | 0                       | 0         |
| Other financial liabilities (without liabilities from derivatives) | 30,979                     | 0               | 30,979    | 0                      | 0         | 0                       | 0         |
|  | 560,412                    | 2,178           | 506,096   | 4,255                  | 38,632    | 2,921                   | 15,684    |
| Liabilities from derivatives with gross settlement                 | 956                        |                 |           |                        |           |                         |           |
| (Cash inflow)  |                            | 0               | (62,049)  | 0                      | 0         | 0                       | 0         |
| Cash outflow   |                            | 0               | 62,882    | 0                      | 0         | 0                       | 0         |
|  | 956                        | 0               | 833       | 0                      | 0         | 0                       | 0         |

### Credit risks

A credit risk is the unexpected loss of payment funds or income. Such a credit risk occurs if the customer is not able to meet his obligations within the due date. The objective of the company is to mitigate or avoid these credit risks. A receivables management system with globally applicable guidelines and a regular analysis of the age structure of trade receivables ensure permanent monitoring and limitation of risks, thus minimizing loss of receivables. Due to the broad business structure within the DMG MORI AG group, there is no particular concentration of credit risks, either for customers or individual countries. The DMG MORI AG group is generally exposed to default risks which may cause impairments or in individual cases even bad debt.

The credit losses recognized for trade debtors are calculated based on experience with actual credit losses over the past three years. Credit risks within each group are segmented based on common default risk characteristics. For the companies, these include the credit risk assessment, e. g. based on past due amounts and geographical location.

Historical actual credit losses have been adjusted using scaling factors to reflect the differences between the economic conditions at the time the historical data was collected, the current conditions and the group's view of the economic conditions over the expected life of the receivables. The scaling factors are based on historical trends and forecasts of gross domestic product (GDP), country risks and the long-term interest rate or base rate trend.

For 2024 and 2023, the underlying default rates for DMG MORI AG group depending on the maturity (not overdue and overdue) of the trade debtors for which no specific allowances have been made and with no impaired credit history are shown in the tables T.164 / T.165.

T.164

| 31 Dec. 2024 |                      |  |            |                                   |
|--------------|----------------------|--|------------|-----------------------------------|
| in € K       | Default rate<br>in % | Gross carrying<br>amount of<br>trade debtors | Impairment | Affected<br>creditworth-<br>iness |
| Not overdue  | 0.02 - 0.34          | 200,149                                      | 381        | no                                |
| Overdue      | 0.02 - 3.93          | 15,739                                       | 481        | no                                |
|              |                      | <b>215,888</b>                               | <b>862</b> |                                   |

T.165

| 31 Dec. 2023 |                      |  |            |                                   |
|--------------|----------------------|--|------------|-----------------------------------|
| in € K       | Default rate<br>in % | Gross carrying<br>amount of<br>trade debtors | Impairment | Affected<br>creditworth-<br>iness |
| Not overdue  | 0.03 - 0.31          | 228,066                                      | 367        | no                                |
| Overdue      | 0.03 - 3.76          | 20,458                                       | 547        | no                                |
|              |                      | <b>248,524</b>                               | <b>914</b> |                                   |

With regard to impairment, trade debtors from the DMG MORI COMPANY LIMITED group are viewed as a separate item. In order to calculate impairment, the group uses the rating of DMG MORI COMPANY LIMITED and the maturities of the receivables. Despite a significant change in the gross carrying amounts of trade debtors as of 31 December 2024 compared to the previous year, the allowances remain at 0.4 % (previous year: 0.4 %) and are thus still in an almost insignificant range.

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In the financial year, expenses for the complete write down of receivables totaled € 4,031 K (previous year: € 16,463 K). Further details on financial risk assessment can be found in the <sup>7</sup> **Risk and Opportunity Report** in the Group Management Report.

The expected credit losses, which may occur within twelve months of the reporting date resulting from possible loss events, are used to measure the impairments of other financial assets. Generally, other financial assets in the DMG MORI AG group have a low credit risk on the reporting date.

Cash and cash equivalents are deposited at banks or financial institutions rated A-1 to A-2 by the S&P rating agency. The allowance for cash and cash equivalents was calculated based on 12-month expected losses and reflects the short maturities. As of 31 December 2024, this impairment amounted to € 3 K (previous year: € 3 K).

Within the DMG MORI AG group, cash deposits are managed and coordinated centrally by DMG MORI AKTIENGESELLSCHAFT. Financial contracts are only entered into with banks that have been carefully selected by us. We monitor credit rating (external rating) on a regular basis; cash deposits are distributed at different banks, mainly our syndicated banks. With respect to derivative financial instruments, the DMG MORI AG group is exposed to a credit risk arising from the non-performance of contractual agreements by the other party to the agreement. This credit risk is only mitigated by entering into transactions with parties with good credit ratings.

Pursuant to IFRS 7.36, the carrying amount of the financial assets represents the maximum credit risk.

No securities received or other credit enhancements existed in the financial year or previous year.

#### 41. Other disclosures on financial instruments

The carrying amounts and fair value of financial assets and liabilities are shown in the following table T.166 / T.167.

T.166

| Valuation and fair value in accordance with IFRS 9                   |                   |  |  |   |                |                         |
|--|-------------------|--|--|---|----------------|-------------------------|
| in € K   | At amortized cost | At fair value through other comprehensive income (FVOCI) | At fair value through profit or loss (FVTPL) | No measurement category specified by IFRS 9 <sup>2)</sup> | Total          | Fair value 31 Dec. 2024 |
| <b>Assets</b>  |                   |  |  |   |                |                         |
| Financial assets <sup>1)</sup>                                       |                   | 82,309   |  |   | 82,309         | 82,309                  |
| Cash and cash equivalents  | 136,164           |  |  |   | 136,164        | 136,164                 |
| Trade debtors  | 42,818            | 174,065  |  |   | 216,883        | 216,883                 |
| Other receivables from other related companies                       | 460,929           |  |  |   | 460,929        | 460,929                 |
| Receivables from factoring   | 11,929            |  |  |   | 11,929         | 11,929                  |
| Other financial assets <sup>3)</sup>                                 | 3,408             |  |  |   | 3,408          | 3,408                   |
| Derivative financial assets  |                   |  | 1,774  | 84  | 1,858          | 1,858                   |
|  | <b>655,248</b>    | <b>256,374</b>   | <b>1,774</b>                                 | <b>84</b>   | <b>913,480</b> | <b>913,480</b>          |
| <b>Equity and Liabilities</b>  |                   |  |  |   |                |                         |
| Financial debts  | 20,986            |  |  |   | 20,986         | 21,731                  |
| Trade creditors  | 270,057           |  |  |   | 270,057        | 270,057                 |
| Other financial liabilities to other related companies <sup>4)</sup> | 95,082            |  |  |   | 95,082         | 95,082                  |
| Factoring liabilities  | 7,424             |  |  |   | 7,424          | 7,424                   |
| Other financial liabilities  | 11,837            |  |  |   | 11,837         | 11,837                  |
| Derivative financial liabilities                                     |                   |  | 269  | 174   | 443            | 443                     |
|  | <b>405,386</b>    | <b>0</b>   | <b>269</b>                                   | <b>174</b>  | <b>405,829</b> | <b>406,574</b>          |

1) In the balance sheet, € 75,127 K is reported in investments and € 7,182 K in other long-term financial assets.

2) This includes derivative financial instruments in hedge accounting.

3) An explanation of the breakdown of other financial assets can be found in the Notes 24 and 27.

4) Detailed explanatory notes on the other financial liabilities to other related companies can be found in Note 36.

T.167

| Valuation and fair value in accordance with IFRS 9     |                   |  |  |   |                  |                         |
|--|-------------------|--|--|---|------------------|-------------------------|
| in € K   | At amortized cost | At fair value through other comprehensive income (FVOCI) | At fair value through profit or loss (FVTPL) | No measurement category specified by IFRS 9 <sup>2)</sup> | Total            | Fair value 31 Dec. 2023 |
| <b>Assets</b>  |                   |  |  |   |                  |                         |
| Financial assets <sup>1)</sup>                         |                   | 85,592   |  |   | 85,592           | 85,592                  |
| Cash and cash equivalents                              | 158,685           |  |  |   | 158,685          | 158,685                 |
| Trade debtors  | 54,843            | 194,047  |  |   | 248,890          | 248,890                 |
| Other receivables from other related companies         | 503,689           |  |  |   | 503,689          | 503,689                 |
| Receivables from factoring                             | 10,540            |  |  |   | 10,540           | 10,540                  |
| Other financial assets <sup>3)</sup>                   | 19,535            |  |  |   | 19,535           | 19,566                  |
| Derivative financial assets                            |                   |  | 3,342  | 96  | 3,438            | 3,438                   |
|  | <b>747,292</b>    | <b>279,639</b>   | <b>3,342</b>                                 | <b>96</b>   | <b>1,030,369</b> | <b>1,030,400</b>        |
| <b>Equity and Liabilities</b>                          |                   |  |  |   |                  |                         |
| Financial debts  | 29,014            |  |  |   | 29,014           | 30,160                  |
| Trade creditors  | 260,409           |  |  |   | 260,409          | 260,409                 |
| Other financial liabilities to other related companies | 196,832           |  |  |   | 196,832          | 196,832                 |
| Factoring liabilities                                  | 13,273            |  |  |   | 13,273           | 13,273                  |
| Other financial liabilities                            | 17,706            |  |  |   | 17,706           | 17,706                  |
| Derivative financial liabilities                       |                   |  | 376  | 580   | 956              | 956                     |
|  | <b>517,234</b>    | <b>0</b>   | <b>376</b>                                   | <b>580</b>  | <b>518,190</b>   | <b>519,336</b>          |

1) In the balance sheet, € 80,316 K is reported in investments and € 5,276 K in other long-term financial assets.

2) This includes derivative financial instruments in hedge accounting.

3) An explanation of the breakdown of other financial assets can be found in the Notes 24 and 27.

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page 243 et seq.; 246 et seq.;  
262 et seq.; 263 et seqq.

The table does not contain any information about the fair value of financial assets and liabilities that have not been measured at fair value, if the carrying amount is a reasonable approximation of fair value. Financial assets include those investments that were classified as “measured at fair value with changes in value recognized in other comprehensive income” (FVOCI) under IFRS 9. Trade debtors include receivables from third parties, other related parties, companies accounted for at equity and associated companies. Other receivables from other related parties are shown separately. The same disclosure applies to trade creditors (see <sup>2)</sup> Note 36). Information on other financial assets and liabilities is shown in <sup>2)</sup> Note 24, <sup>2)</sup> Note 27, <sup>2)</sup> Note 35 and <sup>2)</sup> Note 36.

For financial instruments accounted at fair value, the fair value is always determined from stock market prices. If stock market prices are not available, this is measured by applying standard economic methods (measurement methods), taking instrument-specific market parameters as a basis.

Financial assets are measured at fair value. The fair value of equity instruments amounts to € 82,309 K (previous year: € 85,592 K) and mainly comprises the shareholding in TULIP Interfaces Inc., Somerville (USA), and other individual immaterial companies.

Fair value is determined using the discounted cash flow method, using estimated cash flows, where individual credit ratings and other market circumstances in the form of standard market credit or solvency spreads are taken into account in the cash value assessment.

As in the previous year, the fair value of TULIP Interfaces Inc. was calculated using the discounted cash flow method. The valuation model takes into account the cash value of expected payments, discounted at the risk-adjusted discount rate (WACC). The expected payments are determined on the basis of the planned sales revenue and EBIT. The main unobservable input factors used in 2024 are the risk-adjusted discount rate of 11.23 % and the growth rate of 1.00 %. The estimated fair value would rise (fall), if the risk-adjusted discount rate was lower (higher); if the growth rate was higher (lower).

If all other inputs remain the same, a potential change in any of the significant unobservable inputs would have the following effects on the fair values of TULIP Interfaces Inc., as shown in table T.168:

#### T.168 PROFIT OR LOSS

| in € K                      | 31 December 2024 |          | 31 December 2023 |          |
|-----------------------------|------------------|----------|------------------|----------|
|                             | Increase         | Decrease | Increase         | Decrease |
| WACC (1.00 % change)        | -4,809           | 6,031    | -3,329           | 4,093    |
| Growth rate (1.00 % change) | 6,766            | -5,395   | 4,651            | -3,793   |

Other long-term financial assets include the fair value of an option on the purchase of shares in a company operating a solar park. The valuation model takes into account the cash value of expected payments, discounted at the risk-adjusted discount rate (WACC). The expected payments are determined by taking into account the possible scenarios for planned sales revenues (as a function of the market prices for electricity) and the EBIT. The main unobservable input factors used in 2024 are the risk-adjusted discount rate of 9.44 % (previous year: 10.13 %) and the expected annual sales revenue (between € 2.6 million and € 4.2 million) based on market prices for electricity and productivity (output).

A possible change in one of the key, non-observable input factors, while retaining the other input factors, would have the following effects on the fair value of the purchase option for shares in a company, as shown in the table below T.169:

#### T.169 PROFIT OR LOSS

| in € K  | 31 December 2024 |          | 31 December 2023 |          |
|---|------------------|----------|------------------|----------|
|   | Increase         | Decrease | Increase         | Decrease |
| WACC (1.00 % change)                                    | -666             | 755      | -514             | 585      |
| Degradation (0.50 % change)                             | -424             | 442      | -330             | 341      |
| Market price indexation for electricity (0.50 % change) | 395              | -377     | 305              | -289     |

No liquid markets exist for loans and receivables, which are measured at amortized acquisition costs. For short-term loans and receivables, it is assumed that the fair value corresponds to the carrying amount. All other loans and receivables are assessed at fair value through the deduction of accrued interest on future expected cash flows. Thus, the interest rates applied to loans are the same as those used for new loans with a similar risk structure, original currency and term.

Trade creditors, short-term financial debts and other current financial liabilities generally have a maturity of less than one year, so that the carrying amount corresponds approximately to the fair value.

For long-term financial debts and other long-term liabilities, the fair values are determined as present values of the liability payments based on market interest rates and risk surcharge. The fair value of long-term financial debts is assigned to level 2.

### Fair Value Hierarchy

As of 31 December 2024, the group held the financial assets and liabilities shown in the table T.170 and measured at fair value.

T.170

| in € K   | 31 Dec. 2024 |         |         | 31 Dec. 2023 |         |         |
|--|--------------|---------|---------|--------------|---------|---------|
|  | Level 1      | Level 2 | Level 3 | Level 1      | Level 2 | Level 3 |
| <b>Financial assets</b>                                    |              |         |         |              |         |         |
| Measured at fair value                                     |              |         |         |              |         |         |
| Financial assets (recognized in equity) <sup>1)</sup>      |              |         | 82,309  |              |         | 85,592  |
| Trade debtors in the FVOCI category <sup>2)</sup>          |              | 172,838 | 1,227   |              | 193,339 | 708     |
| Derivatives with hedge relationship (recognized in equity) |              | 84      |         |              | 96      |         |
| Derivatives without hedge relationship (recognized in P&L) |              | 1,774   |         |              | 3,342   |         |
| <b>Financial liabilities</b>                               |              |         |         |              |         |         |
| Measured at fair value                                     |              |         |         |              |         |         |
| Derivatives with hedge relationship (recognized in equity) |              | 174     |         |              | 580     |         |
| Derivatives without hedge relationship (recognized in P&L) |              | 269     |         |              | 376     |         |

1) In the balance sheet, € 75,127 K (previous year: € 80,316 K) is reported in investments and € 7,182 K (previous year: € 5,276 K) in other long-term financial assets.

2) Trade debtors in the FVOCI category that were classified at Level 3 are based on individual allowances.

The measurement and disclosure of the fair value of financial instruments is based on a fair value hierarchy, which takes into account the significance of the input data used in the measurement and is broken down as follows:

Level 1: Quoted prices (adopted unadjusted) in active markets for identical financial assets and liabilities;

Level 2: Input data other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Level 3: Input data used for measuring the asset or liability data not based on observable market data (unobservable input data).

In the financial year, no reclassification was made between Levels 1 and 2 in the measurement of fair value and no reclassification was made on or from Level 3 with respect to the measurement of fair value. The fair values of other financial assets and financial liabilities measured at amortized cost are allocated to level 2, as shown in table T.166. Financial assets include the fair value of an option on the purchase of shares in a company operating a solar park. The fair value was € 7,182 K (previous year: € 5,276 K). In the financial year, a change amounting to € 1,906 K (previous year: € -35 K) was recognized in other comprehensive income. Under IFRS 9, the group has classified the option to purchase shares in a company as FVOCI and allocated it to Level 3. There were no dividend payouts during the financial year. This item also includes the change in the fair value of the investment in TULIP Interfaces Inc., Somerville (USA), amounting to € 1,774 K to € 70,107 K (previous year: € 71,881 K) is also included here (further information can be found in <sup>a</sup> Note 23).

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The following table T.171 shows additions to financial assets in the financial year on Level 3 of the fair value hierarchy:

**T.171 EQUITY INVESTMENTS LEVEL 3**

| in € K                 | 2024          | 2023           |
|------------------------|---------------|----------------|
| <b>Opening balance</b> | <b>85,592</b> | <b>111,225</b> |
| Additions              | 3,031         | 7,263          |
| Changes in value       | -1,955        | -32,896        |
| Disposals              | -4,359        | 0              |
| <b>Final balance</b>   | <b>82,309</b> | <b>85,592</b>  |

The net results of the financial instruments by measurement category under IFRS 9 are shown in table T.172 / T.173.

**T.172**

| in € K  | From subsequent measurement |               |                              |              | 2024          |
|---|-----------------------------|---------------|------------------------------|--------------|---------------|
|   | From interest               | At fair value | Foreign currency translation | Allowance    |               |
| <b>Assets in the category:</b>  |                             |               |                              |              |               |
| At amortized cost   | 21,160                      |               | 1,780                        | 2,456        | 25,396        |
| Debt instruments – at fair value through other comprehensive income (FVOCI)   |                             |               | 5,609                        | 2,074        | 7,683         |
| Equity instruments – at fair value through other comprehensive income (FVOCI) |                             | -1,955        |                              |              | -1,955        |
| At fair value through profit or loss (FVTPL)                                  |                             | -1,568        |                              |              | -1,568        |
| <b>Liabilities in the category:</b>   |                             |               |                              |              |               |
| At amortized cost   | -10,954                     |               | 113                          |              | -10,841       |
| At fair value through profit or loss (FVTPL)                                  |                             | 107           |                              |              | 107           |
| <b>Total</b>  | <b>10,206</b>               | <b>-3,416</b> | <b>7,502</b>                 | <b>4,530</b> | <b>18,822</b> |

## T.173

| in € K  | From subsequent measurement |                |                              |              | 2023           |
|---|-----------------------------|----------------|------------------------------|--------------|----------------|
|   | From interest               | At fair value  | Foreign currency translation | Allowance    |                |
| <b>Assets in the category:</b>  |                             |                |                              |              |                |
| At amortized cost   | 23,524                      |                | 20,055                       | 445          | 44,024         |
| Debt instruments – at fair value through other comprehensive income (FVOCI)   |                             |                | 56                           | 2,874        | 2,930          |
| Equity instruments – at fair value through other comprehensive income (FVOCI) |                             | -32,896        |                              |              | -32,896        |
| At fair value through profit or loss (FVTPL)                                  |                             | 1,669          |                              |              | 1,669          |
| <b>Liabilities in the category:</b>   |                             |                |                              |              |                |
| At amortized cost   | -8,537                      |                | -26,654                      |              | -35,191        |
| At fair value through profit or loss (FVTPL)                                  |                             | 1,493          |                              |              | 1,493          |
| <b>Total</b>  | <b>14,987</b>               | <b>-29,734</b> | <b>-6,543</b>                | <b>3,319</b> | <b>-17,971</b> |

Interests from financial instruments are recognized in interest results.

Allowances on trade debtors is recognized in other operating expenses. Interest results from financial liabilities in the measurement category “liabilities measured at amortized cost” mainly result from expenses for commission on guarantees and commitment fees.

## Notes on the cash flow statement

### 42. Cash flow statement

The statement of cash flows pursuant to IAS 7 “Statement of Cash Flows” records the payment flow in a financial year and provides information on the inflow and outflow of the company’s liquid funds. Cash flows are broken down into operating activities, investing activities, financing activities and inflation adjustments to cash flow (IAS 29).

Besides actual cash funds, i. e., cheques, cash in hand and money on account at banks, cash and cash equivalents also include short-term financial investments that can be converted to cash amounts at any time and are only subject to immaterial fluctuations in value. Cash and cash equivalents are measured at amortized cost.

The cash flow from current operations was calculated using the indirect method through adjusting earnings before tax for changes in inventories, trade debtors and creditors, non-cash items and all other items showing cash flows in the investment or financing areas. Due to the application of IFRS 16, payments of principal for leases are recognized in cash flow from financing activities. The total cash outflows for lease obligations recognized as liabilities in 2024 amounted to € 17,219 K (previous year: € 16,566 K), including € 16,083 K for repayment (previous year: € 15,660 K) and € 1,136 K for interest (previous year: € 906 K). Cash outflows for short-term leases and leases of low value assets are not included here.

The cash flows from investment or financing activities were each calculated in terms of actual sums paid. Effects from foreign currency translation and changes in the consolidated group were adjusted accordingly.

The reconciliation between the change in liabilities from financing activities and in cash flow from financing activities is shown in the tables T.174/T.175 below.

T.174

| in € K  | Financial debt | Lease liabilities | Liabilities from profit transfers to DMG MORI Europe Holding GmbH | Liabilities from financial transactions with related parties | Liabilities from profit transfer to non-controlling interests in subsidiaries | Total           |
|---|----------------|-------------------|---|--|---|-----------------|
| <b>As at 1 January 2024</b>   | <b>29,014</b>  | <b>43,178</b>     | <b>147,472</b>  | <b>0</b>   | <b>8,598</b>  | <b>228,262</b>  |
| Deposits for borrowing of financial debt  | -8,838         |                   |   |  |   | -8,838          |
| Cash inflows/outflows from financial transactions with related companies                    |                |                   |   | 4,667  |   | 4,667           |
| Profit transfer to DMG MORI Europe Holding GmbH   |                |                   | -147,472  |  |   | -147,472        |
| Cash outflows of repayment for lease liabilities  |                | -16,083           |   |  |   | -16,083         |
| Dividends paid to non-controlling shareholders  |                |                   |   |  | -8,598  | -8,598          |
| <b>Total changes in cash flow from financing activities</b>                                 | <b>-8,838</b>  | <b>-16,083</b>    | <b>-147,472</b>   | <b>4,667</b>   | <b>-8,598</b>   | <b>-176,324</b> |
| Effects of changes in foreign exchange rates  | 810            | 1,065             |   |  |   | 1,875           |
| Liabilities from the profit and loss transfer to DMG MORI Europe Holding GmbH for year 2024 |                |                   | 53,415  |  |   | 53,415          |
| Other changes   |                | 17,864            |   |  |   | 17,864          |
| <b>As at 31 December 2024</b>   | <b>20,986</b>  | <b>46,024</b>     | <b>53,415</b>   | <b>4,667</b>   | <b>0</b>  | <b>125,092</b>  |

## T.175

| in € K  | Financial debt | Lease liabilities | Liabilities from profit transfer to DMG MORI Europe Holding GmbH | Non-controlling interests in ISTOS GmbH | Total           |
|---|----------------|-------------------|--|---|-----------------|
| <b>As at 1 January 2023</b>   | <b>5,668</b>   | <b>40,291</b>     | <b>146,509</b>   | <b>152</b>                              | <b>192,620</b>  |
| Deposits for borrowing of financial debt  | 24,180         |                   |  |   | 24,180          |
| Profit transfer to DMG MORI Europe Holding GmbH   |                |                   | -146,509   |   | -146,509        |
| Cash outflows of repayment for lease liabilities  |                | -15,660           |  |   | -15,660         |
| Amounts paid out from changes in shares in subsidiaries                                     |                |                   |  | -292                                    | -292            |
| <b>Total changes in cash flow from financing activities</b>                                 | <b>24,180</b>  | <b>-15,660</b>    | <b>-146,509</b>  | <b>-292</b>                             | <b>-138,281</b> |
| Effects of changes in foreign exchange rates  | -834           | 1,206             |  |   | 372             |
| Liabilities from the profit and loss transfer to DMG MORI Europe Holding GmbH for year 2023 |                |                   | 147,472  |   | 147,472         |
| Other changes   |                | 17,341            |  | 140                                     | 17,481          |
| <b>As at 31 December 2023</b>   | <b>29,014</b>  | <b>43,178</b>     | <b>147,472</b>   | <b>0</b>                                | <b>219,664</b>  |

The profit transfer to DMG MORI Europe Holding GmbH for financial year 2023 resulted in a cash outflow of € 147,472 K in 2024, recognized in cash flow from financing activities.

The profit transfer to DMG MORI Europe Holding GmbH for financial year 2024 amounting to € 53,415 K did not yet result in a cash outflow in 2024. Other changes in lease liabilities mainly result from the new rights of use in fixed assets.

The loss of control over Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), resulted in the deconsolidation of this company from the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT. This resulted in a cash outflow of € 2,414 K, which was recognized in the cash flow from investment activity.

Cash outflows for investments in financial assets in the reporting year are mainly due to the result of a capital increase at up2Parts GmbH, Weiden, and a capital contribution at Earlybird UNI-X Seed Fund I GmbH & Co. KG, Munich.

In the reporting year and in the previous year, the DMG MORI AG group received cash inflows for loans from DMG MORI Europe Holding GmbH, Bielefeld, and from RUN-TEC GmbH, Niedenstein. In the previous year, disbursements for loans were paid to mipart GmbH, Weiden, to CCP Services GmbH, Mülheim an der Ruhr, and to up2parts GmbH, Weiden.

page 293 et seqq. The cash pooling system introduced in China in the reporting year (↗ Note 47) resulted in total payments received from financial transactions in the amount of € 4,667 K, which were reported in the cash flow from financing activities insofar as they relate to changes in cash pool liabilities, and payments from financial transactions, which were reported in the cash flow from investing activities in the amount of € -49,667 K insofar as they relate to changes in cash pool receivables.

In the reporting year, the dividend payout of DMG MORI China Co., Ltd., Shanghai (China) (previously: DMG MORI Machine Tools Trading Co., Ltd.) that was decided in financial year 2023 was paid out. This resulted in a dividend of € 8,598 K paid to non-controlling interests of subsidiaries. This was paid to the minority shareholder, DMG MORI COMPANY LIMITED, Nara (Japan), and recognized in the cash flow from financing activities.

Payments for investments in financial assets in the previous year resulted primarily from the acquisition of 1.36 % of the shares in ModuleWorks GmbH, Aachen, as well as from a capital contribution to Earlybird UNI-X Seed Fund I GmbH & Co. KG, Munich.

In the previous year, DMG MORI European Factories and IT GmbH sold all of its 50 % interest in DMG MORI HEITEC GmbH, Erlangen. The consideration for the sale of the shares amounted to € 78 K. The cash inflow was recognized in cash flow from investment activities.

In the previous year, DMG MORI European Factories and IT GmbH acquired the remaining 15 % interest in ISTOS GmbH, Bielefeld. The consideration for the purchase of the shares amounted to € 292 K. The cash outflow was recognized in the cash flow from financing activities.

In the previous year, joint ventures were accounted for in the group consolidated financial statements using the equity method and thus only have an impact on cash flows, if dividends are paid.

## Notes on Segment Reporting

### 43. Explanatory notes on the segments

Within the scope of segment reporting, pursuant to the IFRS 8 regulations, the business activities of the DMG MORI group are categorized into the business segments of “Machine Tools”, “Industrial Services” and “Corporate Services”. Essential in the differentiation between the business segments is the information that the so-called “chief decision-maker” is regularly provided with for the purposes of decision-making on the allocation of resources and the evaluation of profitability. The group’s segmentation reflects internal control and reporting based on different products and services. The key performance indicators for evaluating profitability of each business segment are the sales revenues and EBIT.

page 289 et seqq. A tabular presentation as part of the notes can be found in <sup>7</sup> Note 44.

The “**Machine Tools**” segment includes the DMG MORI AG group’s new machine business comprising the Turning, Milling, Advanced Technologies (ULTRASONIC/LASERTEC/ADDITIVE MANUFACTURING) and Digital Solutions business units. Due to the loss of control over Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), and the resulting deconsolidation of this company from the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT, Ulyanovsk Machine Tools ooo, Ulyanovsk (Russia), is no longer included in the “Machine Tools” segment.

The “Machine Tools” segment includes the lathes and turning centers of

- DMG MORI Bielefeld GmbH, Bielefeld,
- DMG MORI BERGAMO S.r.l., Brembate di Sopra (Bergamo), Italy,
- DMG MORI TORTONA S.r.l., Tortona, Italy,
- DMG MORI Poland Sp. z o.o., Pleszew, Poland (previously: FAMOT Pleszew Sp. z o.o.),
- DECKEL MAHO GILDEMEISTER (Shanghai) Machine Tools Co., Ltd., Shanghai, China,
- DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., Pinghu, China,

the milling machines and machining centers of

- DMG MORI Pfronten GmbH, Pfronten,
- DMG MORI Seebach GmbH, Seebach,
- DMG MORI Poland Sp. z o.o., Pleszew, Poland (previously: FAMOT Pleszew Sp. z o.o.),
- DECKEL MAHO GILDEMEISTER (Shanghai) Machine Tools Co., Ltd., Shanghai, China,
- DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., Pinghu, China,

the Ultrasonic and Lasertec machines of Advanced Technologies

- DMG MORI Ultrasonic Lasertec GmbH, Stipshausen/Idar-Oberstein,
- DMG MORI Additive GmbH, Bielefeld,

and products of the Digital Solutions business unit of

- DMG MORI Digital GmbH, Bielefeld.

All machines produced are classified as cutting machine tools, and all business units are highly concurrent with each other. The parent company of the production plants, DMG MORI European Factories and IT GmbH (previously: GILDEMEISTER Beteiligungen GmbH), also belongs to this segment. Additionally, the group's uniform IT is concentrated here.

The “**Industrial Services**” segment comprises the business activities of the Services division and Energy solutions division. The Services division, which covers all areas with its products and services, is directly related to machine tools. It includes the business operations of DMG MORI Sales and Service Holding GmbH, Bielefeld, and its subsidiaries. DMG MORI Sales and Service Holding GmbH, Bielefeld, is as well the operating management company of the group's Sales and Service sites. DMG MORI AKTIENGESELLSCHAFT is responsible for the markets in the DACH (domestic market Germany, Austria and Switzerland) and EMEA (Europe, Middle East, Africa) regions, as well as for the Chinese market. DMG MORI COMPANY LIMITED manages, in addition to Japan, North and South America, the Indian market and the residual regions in Asia.

In the Services business unit, we combine the marketing activities and the LifeCycle Services for both our machines and those of DMG MORI COMPANY LIMITED. DMG MORI Life Cycle Services help our customers to maximize the productivity of their machine tools across their entire life cycle – from commissioning to part exchange as a used machine. The wide range of service agreements, maintenance and training services offered, guarantees our customers maximum cost-effectiveness for their machine tools. This includes placement and consulting activities.

Another area is the key accounting for major international customers, which is concentrated cross-region and cross-product.

Energy Solutions only plays a minor role. This includes the business operations of GILDEMEISTER energy solutions GmbH and the company responsible for sales and service in Italy.

The “**Corporate Services**” segment primarily comprises the DMG MORI AKTIENGESELLSCHAFT with its group wide holding functions. DMG MORI AKTIENGESELLSCHAFT is assigned with corporate functions, such as group strategy, development and purchasing coordination, management of overall projects in the production and logistics areas, financing, corporate controlling and corporate personnel management. The holding functions across the group generate expenses and sales revenues.

#### 44. Explanatory notes on segment data

The definition of terms used in individual segment information is in line with the management principle for the value-oriented corporate management of the DMG MORI AG group. Segment data is generally based on the same accounting and valuation methods that form the basis for the consolidated financial statements. Due to an IFRS IC decision on IFRS 8.23, the items cost of materials, personnel costs and other operating expenses/income were included in the tables Segment reporting by business segment T.177 / T.178 for the first time. The tables T.176 / T.177 / T.178 show the breakdown by segment:

##### T.176 INFORMATION ON GEOGRAPHICAL AREAS

| in € K                | 2024                              |                  | 2023                              |                  |
|-----------------------|-----------------------------------|------------------|-----------------------------------|------------------|
|                       | Sales revenues with third parties | Long-term assets | Sales revenues with third parties | Long-term assets |
| Germany               | 1,147,282                         | 377,719          | 1,209,826                         | 369,785          |
| Rest of Europe        | 970,769                           | 287,150          | 1,073,237                         | 311,756          |
| Asia                  | 110,289                           | 78,566           | 215,503                           | 77,928           |
| <b>Total segments</b> | <b>2,228,340</b>                  | <b>743,435</b>   | <b>2,498,566</b>                  | <b>759,469</b>   |
| Transition            | 0                                 | -6,011           | 0                                 | -2,298           |
| <b>Group</b>          | <b>2,228,340</b>                  | <b>737,424</b>   | <b>2,498,566</b>                  | <b>757,171</b>   |

##### T.177 SEGMENTATION BY BUSINESS SEGMENTS 2024

| in € K  | 2024            |                       |                      |                |            |            |
|---|-----------------|-----------------------|----------------------|----------------|------------|------------|
|   | "Machine Tools" | "Industrial Services" | "Corporate Services" | Total segments | Transition | Group      |
| Segment assets  | 1,447,100       | 1,743,052             | 1,839,276            | 5,029,428      | -2,521,740 | 2,507,688  |
| Carrying amount of at equity accounted investments                | 27,263          | 8,950                 | 13,883               | 50,096         | 0          | 50,096     |
| Investments   | 54,877          | 23,851                | 2,392                | 81,120         | 0          | 81,120     |
| Employees   | 4,498           | 2,895                 | 105                  | 7,498          | 0          | 7,498      |
| Sales revenues with other segments                                | 907,867         | 47,773                | 9,799                | 965,439        | -965,439   | 0          |
| Sales revenues with third parties                                 | 1,243,074       | 985,001               | 265                  | 2,228,340      | 0          | 2,228,340  |
| Cost of materials   | -1,564,836      | -396,110              | -4,655               | -1,965,601     | 923,519    | -1,042,082 |
| Personnel costs   | -316,084        | -279,370              | -19,352              | -614,806       | 0          | -614,806   |
| Balance of other operating expenses/income                        | -138,474        | -121,437              | -8,937               | -268,848       | 43,458     | -225,390   |
| Depreciation  | -54,025         | -22,313               | -4,219               | -80,557        | 0          | -80,557    |
| Financial result  | -23,270         | 14,686                | 15,369               | 6,785          | 0          | 6,785      |
| thereof interest income   | 4,611           | 28,893                | 50,449               | 83,953         | -62,789    | 21,164     |
| thereof interest expenses   | -26,932         | -13,813               | -35,445              | -76,190        | 63,005     | -13,185    |
| Share of profit for the period of at equity accounted investments | 1,505           | 813                   | 128                  | 2,446          | 0          | 2,446      |
| EBIT  | 57,523          | 215,019               | -27,098              | 245,444        | -17        | 245,427    |
| EBT   | 35,758          | 230,518               | -11,601              | 254,675        | -17        | 254,658    |

## T.178 SEGMENTATION BY BUSINESS UNIT 2023

|   | 2023            |                       |                      |                |            |            |
|---|-----------------|-----------------------|----------------------|----------------|------------|------------|
| in € K  | "Machine Tools" | "Industrial Services" | "Corporate Services" | Total segments | Transition | Group      |
| Segment assets  | 1,587,142       | 1,863,694             | 1,923,256            | 5,374,092      | -2,644,196 | 2,729,896  |
| Carrying amount of at equity accounted investments                | 21,807          | 8,833                 | 13,755               | 44,395         | 0          | 44,395     |
| Investments   | 102,977         | 19,017                | 1,704                | 123,698        | 0          | 123,698    |
| Employees   | 4,616           | 2,789                 | 110                  | 7,515          | 0          | 7,515      |
| Sales revenues with other segments                                | 1,038,123       | 45,169                | 11,210               | 1,094,502      | -1,094,502 | 0          |
| Sales revenues with third parties                                 | 1,373,711       | 1,124,608             | 247                  | 2,498,566      | 0          | 2,498,566  |
| Cost of materials   | -1,903,844      | -513,669              | -2,536               | -2,420,049     | 1,057,510  | -1,362,539 |
| Personnel costs   | -310,861        | -270,234              | -50,512              | -631,607       | 0          | -631,607   |
| Balance of other operating expenses/income                        | -161,940        | -159,924              | -12,440              | -334,304       | 44,115     | -290,189   |
| Depreciation  | -47,300         | -23,746               | -3,352               | -74,398        | 0          | -74,398    |
| Financial result  | -20,156         | 12,920                | 15,588               | 8,352          | 0          | 8,352      |
| thereof interest income   | 3,926           | 26,454                | 46,837               | 77,217         | -53,687    | 23,530     |
| thereof interest expenses   | -21,894         | -11,445               | -31,718              | -65,057        | 53,828     | -11,229    |
| Share of profit for the period of at equity accounted investments | 656             | 906                   | -152                 | 1,410          | 0          | 1,410      |
| EBIT  | 78,875          | 207,345               | -57,381              | 228,839        | 71         | 228,910    |
| EBT   | 58,294          | 221,171               | -41,945              | 237,520        | 71         | 237,591    |

Segmental assets include all operating assets including goodwill and deferred income or expenses; it does not include income tax claims. In order to assess the profitability of group segments, pro-rata revenue for brokerage and consulting activities from the sale of machine tools are reclassified from the "Machine Tool" segment to the "Industrial Services" segment. Sales between the segments are made at standard market transfer prices.

Pursuant IFRS 3 "Business Combinations", existing goodwill was allocated to the segments as follows: goodwill is attributed to the "Machine Tools" segment amounting to € 57,074 K (previous year: € 57,074 K) and to the "Industrial Services" segment in an amount of € 79,326 K (previous year: € 79,334 K), and to the "Corporate Services" segment in an amount of € 0 K as in the previous year. As in the previous year, no impairment of goodwill was recorded for the financial year.

Investments include additions to intangible assets, tangible fixed assets and additions to financial assets.

Intersegment sales revenues show sales revenues made between the segments. The transfer prices for intra-group sales revenues are determined in line with the market (arm's length principle).

Scheduled depreciation relates to segmental fixed assets.

In the financial year, the EBT of the “Machine Tools” segment includes income from the reversal of provisions in the amount of € 22 K (previous year: € 253 K). In the financial year, impairment losses of € 1,354 K (previous year: € 360 K) were recorded. In the previous year, impairment losses of € 360 K were included, which were attributable to a tangible asset that was no longer to be used in the future.

In the financial year, the EBT of the “Industrial Services” segment includes income from the reversal of provisions in the amount of € 70 K (previous year: € 125 K). Impairment losses of € 3,609 K were recognized in the financial year (previous year: € 5,303 K). This relates to impairment losses on assets (buildings) at DMG MORI Rus ooo, Moscow (Russia), which were recognized due to the ongoing war in Ukraine.

In the financial year, impairment losses in the amount of € 943 K were recognized in the “Corporate Services” segment (previous year: € 0 K). This relates to an impairment of a plant for the generation of electricity. Expenses for transaction costs in the amount of € 249 K (previous year: € 193 K) for the syndicated credit line of DMG MORI AKTIENGESELLSCHAFT are recognized in the financial year.

In financial year 2024 and in the previous year, no transactions carried out with any one customer were more than 10% of the sales revenues of the DMG MORI AG group.

The “Reconciliation” line shows the elimination of intra-group receivables and liabilities, income and expenses, as well as earnings from the elimination of interim profits between segments.

The information on geographical areas is based on the registered office of the group companies and is broken down into regions comprising Germany, the rest of Europe, and Asia. The data is determined on the basis of geographical subgroups.

Long-term assets are mainly attributable to fixed assets; they do not include financial instruments or deferred tax claims. As of 31 December 2024, the region of “Rest of Europe” contains long-term assets in Italy in an amount of € 116,819 K (previous year: € 114,846 K) as well as in Poland in the amount of € 105,207 K (previous year: € 106,522 K). In the region, “Rest of Europe, third-party revenue amounts to € 133,184 K in Italy (previous year: € 195,659 K) as well as in Poland in the amount of € 53,882 K (previous year: € 71,853 K).

## Other explanatory notes

### **45. Auditor's fees and services**

The auditor, the PricewaterhouseCoopers GmbH auditing firm in Frankfurt, was appointed to audit the annual and consolidated financial statements of DMG MORI AKTIENGESELLSCHAFT and some group companies. The fees and charges for the services provided by the annual auditor, PricewaterhouseCoopers GmbH auditing firm and by affiliated companies of the auditor, recognized as expenses in financial year 2024 amount to € 2,375 K (previous year: € 1,660 K) and relate to auditing services in the amount of € 2,111 K (previous year: € 1,586 K), other assurance services in the amount of € 264 K (previous year: € 50 K) and other services in the amount of € 0 K (previous year: € 24 K).

Only services were provided that were compatible with the engagement as statutory auditor of the annual and consolidated financial statements of DMG MORI AKTIENGESELLSCHAFT. The audit services related to the audits the Annual and Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT and some group companies, including statutory extensions, the company's internal control system and key audit areas agreed with the Supervisory Board. The auditors also conducted a review of the IFRS group reporting packages for the half-year report as of 30 June 2024 and the quarterly reports as of 31 March 2024 and 30 September 2024 of DMG MORI AKTIENGESELLSCHAFT. The professional fees for other assurance services include audit services for the audit-related support for the implementation of reporting in accordance with CSRD requirements.

In the reporting year 2024, expenses of € 198 K (previous year: € 8 K) were recorded for other services provided by the auditing firm PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt, and the worldwide network company in connection with international subsidiaries in addition to the services mentioned above for the auditing firm PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt. Thereof € 174 K (previous year: € 0 K) relates to audit services and € 24 K (previous year: € 8 K) to other services in the area of electronic invoicing.

### **46. Events occurring after the reporting date**

No other significant events occurred to the date the financial statements were authorized for issue by the Executive Board on 18 March 2025.

The war in Ukraine and the geopolitical conflicts may also have an impact on the future business development of the DMG MORI AG group in the financial year 2025. It is not possible to make a reliable estimate of the effects on the recognition and measurement of material items in the financial statements based on the current conflicts in the following financial years.

The estimates and assumptions known to DMG MORI AG group for the current financial year are described in the forecast report. Moreover, no other material effects are known or can be estimated at present, but other effects may occur in the course of the year.

#### **47. Related party disclosures**

Related parties and persons as defined by IAS 24 "Related Party Disclosures" are, in principle, members of the Executive and Supervisory Boards, close members of their families and subsidiaries that are not fully consolidated. Excluding remuneration and pension plans, these related parties were not involved in any significant or unusual transactions with companies of the DMG MORI AG group. All transactions with related parties have been carried out under normal market conditions, as between external third parties.

Other companies related to the DMG MORI AG group are the ultimate parent company, DMG MORI COMPANY LIMITED, Nara (Japan), and its subsidiaries and major holdings outside the DMG MORI AG group. DMG MORI Europe Holding GmbH, Bielefeld, a subsidiary of DMG MORI COMPANY LIMITED is the direct parent company of DMG MORI AKTIENGESELLSCHAFT. If not shown separately, any information on other related parties refers to this group of companies and also includes DMG MORI COMPANY LIMITED.

DMG MORI Finance GmbH, Wernau, PRAGATI AUTOMATION Pvt. Ltd., Bangalore (India), DMG MORI India Private Ltd., Bangalore (India), the INTECH DMLS Pvt. Ltd., Bangalore (India), DMG MORI HEITEC Digital Kft., Budapest (Hungary), RUN-TEC GmbH, Niedenstein, German Egyptian Company for Manufacturing Solutions (GEMAS), Cairo (Egypt), Vershina Operation, LLC., Narimanov (Russia), up2parts GmbH, Weiden, and CCP Services GmbH, Mülheim an der Ruhr, are recognized as associated companies.

In 2018, DMG MORI AKTIENGESELLSCHAFT granted DMG MORI Europe Holding GmbH a loan in the original amount of € 370,000 K, which was paid out in full. In 2021, the loan was partially repaid in the amount of € 30,000 K, thus reducing it to € 340,000 K. In 2022, the loan was increased by € 200,000 K and € 40,000 K was repaid in 2023. In the reporting year 2024, there was a cash inflow of € 150,000 K and a cash outflow of € 60,000 K. As of 31 December 2024, the loan amounted to € 410,000 K. The loan is not secured. In the financial year 2024, interest was charged at the market interest rate of the three-month EURIBOR plus a margin of 1.00 % p.a. and was adjusted quarterly. As at 31 December 2024, interest receivables amounted to € 1,289 K (previous year: € 3,689 K).

In November 2024, a cash pooling system was introduced in China to improve liquidity management in the group of DMG MORI COMPANY LIMITED, Nara (Japan). The participants in the cash pooling are DMG MORI (TIANJIN) Manufacturing Co., Ltd., a subsidiary of DMG MORI COMPANY LIMITED, as the cash pool manager, DMG MORI China Co. Ltd., DMG MORI Machine Tools Spare Parts, DMG (Shanghai) Machine Tools Co. Ltd. and DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., which are included in the Consolidated Financial Statements of DMG MORI AG. As of 31 December 2024, there are total receivables from financial transaction against DMG MORI (TIANJIN) Manufacturing Co., Ltd., in the amount of € 45,000 K. Interest in the financial year 2024 was charged at a market interest rate of 2.4 % p.a. and is adjusted quarterly. The receivables from financial clearing are not secured.

DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., a subsidiary of DMG MORI AKTIENGESELLSCHAFT, received a loan from DMG MORI (TIANJIN) Manufacturing Co., Ltd., another related party, in December 2021, which was increased in 2022 and is valued at € 9,261 K (previous year: € 8,935 K) as of 31 December 2024. The loan was paid out in full. It has a one-year term with an option to extend. Interest is charged at a market rate of 2.70% p.a. The loan is not secured.

As of 31 December 2024, there were trade payables to DMG MORI Europe Holding GmbH in the amount of € 0 K (previous year: € 1,209 K). No other significant supply and service relationships existed with DMG MORI Europe Holding GmbH in the financial year.

In financial year 2023, the company decided to distribute dividends of € 19,146 K from DMG MORI China Co., Ltd., Shanghai (China) (previously: DMG MORI Machine Tools Trading Co., Ltd.), which was paid in financial year 2024. The majority shareholder, DMG MORI Sales and Service Holding GmbH, Bielefeld, a subsidiary of DMG MORI AG group, will receive an amount of € 9,765 K. This transaction does not affect the consolidated financial statements of DMG MORI AG group. The minority shareholder, DMG MORI COMPANY LIMITED, Nara (Japan), which holds a 49% interest, will receive an amount of € 9,381 K.

A domination and profit transfer agreement exists between DMG MORI Europe Holding GmbH, a wholly owned subsidiary of DMG MORI COMPANY LIMITED, and DMG MORI AKTIENGESELLSCHAFT and became effective on 24 August 2016. Furthermore, with effect from 1 January 2017, a tax allocation agreement was concluded between DMG MORI Europe Holding GmbH and DMG MORI AKTIENGESELLSCHAFT. The profit transfer to DMG MORI Europe Holding GmbH for financial year 2024 amounted to € 53,415 K (previous year: € 147,472 K). The current tax debited by DMG MORI Europe Holding GmbH as a result of the tax allocation agreement amounted to € 27,738 K (previous year: € 31,982 K).

In the reporting year, impairments or provisions for doubtful debt relating to outstanding balances for other related parties were made in an amount of € 371 K (previous year: € 177 K). Expenses of € 17 K (previous year: € 115 K) were recognized for bad debts or doubtful accounts from associated companies.

As in the previous year, no licenses were acquired from other related parties during the reporting year.

The following transactions according to the tables T.179 / T.180 were carried out with related parties:

#### T.179 GOODS AND SERVICES RENDERED TO

| in € K   | 2024    | 2023    |
|--|---------|---------|
| Associates   | 150,396 | 161,609 |
| DMG MORI COMPANY LIMITED                                     | 260,715 | 332,439 |
| Other related companies (excluding DMG MORI COMPANY LIMITED) | 145,542 | 86,948  |

**T.180 GOODS AND SERVICES RECEIVED OF**

| in € K   | 2024    | 2023    |
|--|---------|---------|
| Associates   | 17,200  | 12,761  |
| Joint ventures   | 0       | 27      |
| DMG MORI COMPANY LIMITED                                     | 96,786  | 175,592 |
| Other related companies (excluding DMG MORI COMPANY LIMITED) | 201,577 | 255,024 |

The goods and services rendered to and received by related parties are mainly attributable to the purchase and sale of machine tools and other services. The disclosure of receivables and liabilities from related parties is shown under the corresponding notes on the balance sheet items. The balances are normally settled within a three month period. No other guarantees or securities were granted for or to related parties or received from related parties.

As of 31 December 2024, the following balances resulted from transactions with related parties, as shown in the tables T.181 / T.182 / T.183 / T.184 / T.185:

**T.181 TRADE DEBTORS**

| in € K                        | 2024   | 2023   |
|-------------------------------|--------|--------|
| From DMG MORI COMPANY LIMITED | 82,195 | 99,799 |
| From other related parties    | 25,043 | 20,986 |
| From associated companies     | 3,825  | 7,581  |

**T.182 ADVANCE PAYMENTS**

| in € K                     | 2024   | 2023   |
|----------------------------|--------|--------|
| To other related companies | 21,981 | 28,633 |
| To associated companies    | 0      | 368    |

**T.183 LOANS AND FINANCIAL TRANSACTIONS**

| in € K                     | 2024    | 2023    |
|----------------------------|---------|---------|
| To other related parties   | 460,929 | 503,721 |
| To associated companies    | 0       | 1,231   |
| From other related parties | 4,667   | 8,935   |

**T.184 TRADE CREDITORS**

| in € K                      | 2024    | 2023    |
|-----------------------------|---------|---------|
| To DMG MORI COMPANY LIMITED | 42,328  | 76,391  |
| To other related parties    | 118,520 | 182,767 |
| To associated companies     | 2,745   | 3,430   |

**T.185 PREPAYMENTS**

| in € K                                    | 2024 | 2023 |
|---|------|------|
| To members of management in key positions | 0    | 858  |

The loan to DMG MORI Europe Holding GmbH resulted in interest income of € 17,628 K (previous year: € 19,303 K), which is reported under financial income. Interest expenses of € 971 K (previous year: € 879 K) were incurred from liabilities for DMG MORI Europe Holding GmbH and are recognized in financial expenses.

Key management personnel comprises the members of the Executive and Supervisory Boards. Detailed disclosures on the remuneration structure for members of the Executive and Supervisory Boards can be found in the remuneration report of the Group Management Report. The structure of the remuneration system for the Executive and Supervisory Boards is also explained here. An individual and detailed presentation of Executive Board remuneration in the financial year can be found in the <sup>7</sup> **Remuneration Report** of the Group Management Report. The remuneration is shown in the following table **T.186**.

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#### T.186 EXECUTIVE BOARD REMUNERATION

| in € K   | 2024         | 2023          |
|--|--------------|---------------|
| Short-term benefits  | 2,062        | 4,606         |
| Post-employment benefits                                   | 300          | 1,025         |
| Other long-term benefits                                   | 284          | 1,250         |
| Benefits due to termination of the employment relationship | 3,300        | 24,666        |
|  | <b>5,946</b> | <b>31,547</b> |

The post-employment benefits related to additions to pension commitments in the reporting year.

In financial year 2024, the Executive Board was granted the following remuneration for subsequent years: For 2025, the Executive Board was granted an STI (100 %) of € 0.6 million, which may amount to a minimum of € 0 million and a maximum of € 1.2 million depending on the target achievement level. Target achievement is determined by the inputs, market position (order intake) and earnings performance (EBIT), and is adjusted using "sustainability factors", which are based on investments in property, plant and equipment, investments in the Globe project (implementation of SAP) as well as the developments of internal market shares and positions (order intake ratio for DMG MORI AG Group and DMG MORI COMPANY LIMITED).

As part of the LTI tranche 2025-2027, the Executive Board was granted remuneration (100 %) of € 0.9 million, which, depending on the target achievement level, may amount to a minimum of € 0 million and a maximum of € 1.8 million. Target achievement is determined by the inputs, earnings after taxes and service performance, and is adjusted using "sustainability factors" based on CO<sub>2</sub> emissions according to the so-called science-based targets and the PPR indicator (Calculation for each year included: number of product problem reports issued in the last twelve months with a closed or final adjusted status divided by the number of product problem reports issued in the last twelve months).

The total remuneration of the Supervisory Board for financial year 2024, which is recognized in the income statement, amounted to € 996 K (previous year: € 1,010 K) and only includes short-term benefits.

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The remuneration structure for the Supervisory Board is explained in the <sup>7</sup> **Group Management Report**.

No loans were granted to board members. Similarly, no contingent liabilities were assumed in favor of these individuals. Nor did the companies of the DMG MORI AG group pay any remuneration to board members for services personally rendered, in particular for consulting and intermediary services.

page 226 et seqq. Remuneration is explained in <sup>7</sup> Note 11. Note that indirect remuneration includes benefits after the end of the employment relationship. The other long-term benefits include the LTI and the short-term benefits include all other remuneration components.

#### **48. Statutory notification pursuant to section 40 WpHG**

The statutory notifications pursuant to Section 40 WpHG are stated in the Consolidated Financial Statements of DMG MORI AKTIENGESELLSCHAFT.

#### **49. Corporate Governance**

The declaration of conformity in accordance with Section 161 of the German Stock Corporation Act (AktG) and the Corporate Governance Report were issued in November 2024 and are permanently available on our website at <sup>7</sup> [en.dmgmori-ag.com/investor-relations/corporategovernance](https://en.dmgmori-ag.com/investor-relations/corporategovernance).

#### **50. Shareholder structure**

As of 31 December 2024, DMG MORI COMPANY LIMITED, Nara (Japan), holds an 88.93 % interest in the share capital of DMG MORI AKTIENGESELLSCHAFT.

## DMG MORI AG group companies

## T.187 PRODUCTION PLANTS, SALES AND SERVICES COMPANIES

|   | Local<br>currency | Equity <sup>1)</sup> |         | Participation<br>quota<br>in % |
|---|-------------------|----------------------|---------|--------------------------------|
|   |                   |                      | in € K  |                                |
| <b>Subsidiaries (fully consolidated companies)</b>  |                   |                      |         |                                |
| DMG MORI European Factories and IT GmbH, Bielefeld (previously: GILDEMEISTER Beteiligungen GmbH) <sup>2/3/4)</sup>        |                   |                      | 256,461 | 100.0                          |
| DMG MORI Pfronten GmbH, Pfronten <sup>3/4/5/6)</sup>  |                   |                      | 96,389  | 100.0                          |
| DMG MORI Ultrasonic Lasertec GmbH, Stipshausen / Idar-Oberstein <sup>3/4/7/8)</sup>                                       |                   |                      | 12,455  | 100.0                          |
| Alpenhotel Krone GmbH & Co. KG, Pfronten <sup>3/7)</sup>  |                   |                      | 2,629   | 100.0                          |
| Alpenhotel Krone Beteiligungsgesellschaft mbH, Pfronten <sup>3/7)</sup>   |                   |                      | 33      | 100.0                          |
| DMG MORI Logistik GmbH, Pfronten <sup>3/7/8)</sup>  |                   |                      | 46      | 100.0                          |
| DMG MORI Bielefeld GmbH, Bielefeld <sup>3/4/5/6)</sup>  |                   |                      | 28,336  | 100.0                          |
| DMG MORI BERGAMO S.r.l., Brembate di Sopra (Bergamo), Italy <sup>5)</sup>   |                   |                      | 81,956  | 100.0                          |
| DMG MORI TORTONA S.r.l., Tortona, Italy <sup>9)</sup>   |                   |                      | 44,259  | 100.0                          |
| DMG MORI Global Service Turning S.r.l., Brembate di Sopra (Bergamo), Italy <sup>9)</sup>                                  |                   |                      | 3,820   | 100.0                          |
| CARLINO FTV 3.2 S.R.L., Bozen, Italy <sup>9)</sup>  |                   |                      | 10,917  | 100.0                          |
| DMG MORI Seebach GmbH, Seebach <sup>3/4/5/6)</sup>  |                   |                      | 43,000  | 100.0                          |
| DMG MORI Spare Parts GmbH, Geretsried <sup>3/4/5/6)</sup>   |                   |                      | 25,000  | 100.0                          |
| DMG MORI Additive GmbH, Bielefeld <sup>5/6/19)</sup>  |                   |                      | 9,182   | 100.0                          |
| DMG MORI Digital GmbH, Bielefeld <sup>3/4/5/6)</sup>  |                   |                      | 3,691   | 100.0                          |
| DMG MORI Manufacturing Solutions (Pinghu) Co., Ltd., Pinghu, China <sup>5)</sup>  | CNY K             | 64,910               | 8,588   | 100.0                          |
| COMPONENT MANUFACTURING d.o.o., Zivinice, Bosnia and Herzegovina <sup>5)</sup>  | BAM K             | 2,501                | 1,279   | 100.0                          |
| DMG MORI Sales and Service Holding GmbH, Bielefeld <sup>2/3)</sup>  |                   |                      | 398,646 | 100.0                          |
| DMG MORI Deutschland Vertrieb und Service GmbH, Leonberg<br>(previously: DMG MORI Deutschland GmbH) <sup>3/4/10/11)</sup> |                   |                      | 63,968  | 100.0                          |
| DMG MORI Global Service GmbH, Bielefeld <sup>3/4/10/11)</sup>   |                   |                      | 5,200   | 100.0                          |
| DMG MORI Technium Europe GmbH, Bielefeld (previously: DMG MORI Academy GmbH) <sup>3/4/10/11)</sup>                        |                   |                      | 4,000   | 100.0                          |
| DMG MORI Used Machines GmbH, Geretsried <sup>3/4/10/11)</sup>   |                   |                      | 17,517  | 100.0                          |
| DMG MORI Netherlands Holding B.V., Veenendaal, Netherlands <sup>10)</sup>   |                   |                      | 507,502 | 100.0                          |
| DMG MORI Sales and Service Holding AG, Winterthur, Switzerland <sup>12)</sup>   |                   |                      | 463,505 | 100.0                          |
| DMG MORI Schweiz AG, Winterthur, Switzerland <sup>13)</sup>   | CHF K             | 17,732               | 18,895  | 100.0                          |
| DMG MORI Balkan GmbH, Klaus, Austria <sup>13)</sup>   |                   |                      | 29,652  | 100.0                          |
| DMG MORI Austria GmbH, Klaus, Austria <sup>14)</sup>  |                   |                      | 5,144   | 100.0                          |
| DMG MORI Netherlands B.V., Veenendaal, Netherlands <sup>13)</sup>   |                   |                      | 11,549  | 100.0                          |
| DMG MORI BeLux BV SRL, Zaventem, Belgium <sup>13)</sup>   |                   |                      | 6,130   | 100.0                          |
| DMG MORI Czech s.r.o., Brno, Czech Republic <sup>13)</sup>  | CZK K             | 185,750              | 7,378   | 100.0                          |
| DMG MORI DENMARK ApS, Copenhagen, Denmark <sup>13)</sup>  | DKK K             | 29,633               | 3,974   | 100.0                          |
| DMG MORI FRANCE SAS, Paris, France <sup>13)</sup>   |                   |                      | 32,656  | 100.0                          |
| DMG MORI Hungary Kft., Budapest, Hungary <sup>13)</sup>   |                   |                      | 12,467  | 100.0                          |
| DMG MORI IBERICA S.L., Ripollet, Spain <sup>13)</sup>   |                   |                      | 15,873  | 100.0                          |
| DMG MORI Italia S.r.l., Milan, Italy <sup>13)</sup>   |                   |                      | 54,146  | 100.0                          |
| DMG MORI MIDDLE EAST FZE, Dubai, United Arab Emirates <sup>13)</sup>  |                   |                      | 5,083   | 100.0                          |
| DMG MORI Saudi Arabia Maintenance Company, Riad, Saudi Arabia <sup>18)</sup>  |                   |                      | -697    | 100.0                          |
| DMG MORI Israel Ltd., Tel Aviv, Israel <sup>13)</sup>   | ILS K             | 0                    | 0       | 100.0                          |
| DMG MORI Poland Sales and Service Sp. z o.o., Pleszew, Poland (previously: DMG MORI POLSKA Sp. z o.o.) <sup>13)</sup>     | PLN K             | 121,545              | 28,417  | 100.0                          |
| DMG/MORI GREECE M.E.P.E., Thessaloniki, Greece <sup>13)</sup>   |                   |                      | 2,144   | 100.0                          |

## T.187 PRODUCTION PLANTS, SALES AND SERVICES COMPANIES

|   | Local<br>currency | Equity <sup>1)</sup> |         | Participation<br>quota<br>in % |
|---|-------------------|----------------------|---------|--------------------------------|
|   |                   |                      | in € K  |                                |
| DMG MORI Sweden AB, Gothenburg, Sweden <sup>13)</sup>   | SEK K             | 167,299              | 14,622  | 100.0                          |
| DMG MORI NORWAY AS, Langhus, Norway <sup>13)</sup>  | NOK K             | 18,755               | 1,595   | 100.0                          |
| DMG MORI Finland Oy AB, Tampere, Finland <sup>13)</sup>   |                   |                      | 4,617   | 100.0                          |
| DMG MORI UK Limited, Luton, Great Britain <sup>13)</sup>  | GBP K             | 31,806               | 38,469  | 100.0                          |
| DMG MORI Romania S.R.L., Bucharest, Romania <sup>13)</sup>  | RON K             | 11,410               | 2,293   | 100.0                          |
| DMG MORI BULGARIA EOOD, Sofia, Bulgaria <sup>13)</sup>  | BGN K             | 1,699                | 871     | 100.0                          |
| DMG MORI ISTANBUL MAKINE TICARET VE SERVIS LIMITED SIRKETI, Istanbul, Turkey <sup>13)</sup>                     | TRY K             | 306,827              | 8,380   | 100.0                          |
| DMG MORI Rus ooo, Moscow, Russia <sup>13)</sup>   | RUB K             | 3,868,969            | 34,044  | 100.0                          |
| DMG Egypt for Trading in Machines Manufactured LLC, Cairo, Egypt <sup>13)</sup>                                 | EGP K             | -692                 | -13     | 100.0                          |
| Mori Seiki Egypt for Trading in Machines & Equipments LLC, Cairo, Egypt <sup>13)</sup>                          | EGP K             | 200                  | 4       | 100.0                          |
| DMG MORI Africa for Trading in Machines & Service (S.A.E.), Cairo, Egypt <sup>15)</sup>                         | EGP K             | 38,569               | 733     | 100.0                          |
| DMG MORI Asia Pte. Ltd., Singapore <sup>13)</sup>   |                   |                      | 9,266   | 100.0                          |
| DMG MORI Machine Tools Spare Parts (Shanghai) Ltd., Shanghai, China <sup>13)</sup>                              | CNY K             | 32,074               | 4,243   | 100.0                          |
| DECKEL MAHO GILDEMEISTER (Shanghai) Machine Tools Co., Ltd., Shanghai, China <sup>13)</sup>                     | CNY K             | 84,659               | 11,201  | 100.0                          |
| DMG MORI Poland Sp. z o.o., Pleszew, Poland (previously: FAMOT Pleszew Sp. z o.o.) <sup>13)</sup>               | PLN K             | 975,966              | 228,176 | 100.0                          |
| DMG MORI China Co., Ltd., Shanghai, China (previously: DMG MORI Machine Tools Trading Co., Ltd.) <sup>10)</sup> | CNY K             | 465,919              | 61,643  | 51.0                           |
| GILDEMEISTER energy solutions GmbH, Würzburg <sup>3/10/11)</sup>  |                   |                      | 9,100   | 100.0                          |
| GILDEMEISTER LSG Beteiligungs GmbH, Würzburg <sup>16)</sup>   |                   |                      | 2,339   | 100.0                          |
| GILDEMEISTER ENERGY SERVICES ITALIA S.R.L., Milan, Italy <sup>16)</sup>   |                   |                      | 2,312   | 100.0                          |
| DMG MORI Maroc Sàrl, Rabat, Morocco <sup>10)</sup>  | MAD K             | 0                    | 0       | 100.0                          |
| DMG MORI South Africa (Pty) Ltd., Gauteng, South Africa <sup>10)</sup>  | ZAR K             | 0                    | 0       | 100.0                          |

## T.187 PRODUCTION PLANTS, SALES AND SERVICES COMPANIES

|   | Local<br>currency | Equity <sup>1)</sup> |        | Participation<br>quota<br>in % |
|---|-------------------|----------------------|--------|--------------------------------|
|   |                   |                      | in € K |                                |
| <b>Associates</b>   |                   |                      |        |                                |
| DMG MORI Finance GmbH, Wernau   |                   |                      | 28,551 | 42.6                           |
| DMG MORI HEITEC Digital Kft., Budapest, Hungary <sup>5)</sup>                           | HUF K             | 741,815              | 1,803  | 49.9                           |
| INTECH DMLS Pvt. Ltd., Bangalore, India <sup>5)</sup>                                   | INR K             | -37,682              | -425   | 30.0                           |
| PRAGATI AUTOMATION Pvt. Ltd., Bangalore, India <sup>5)</sup>                            | INR K             | 3,365,121            | 37,958 | 30.0                           |
| Vershina Operation, LLC., Narimanov, Russia <sup>19)</sup>                              | RUB K             | 24,192               | 213    | 33.3                           |
| RUN-TEC GmbH, Niedenstein <sup>5)</sup>   |                   |                      | 2,464  | 40.0                           |
| DMG MORI India Private Ltd., Bangalore, India <sup>15)</sup>                            | INR K             | 540,179              | 6,093  | 49.9                           |
| up2parts GmbH, Weiden <sup>5)</sup>   |                   |                      | 14,741 | 22.7                           |
| CCP Services GmbH, Mülheim an der Ruhr <sup>5)</sup>                                    |                   |                      | -355   | 45.0                           |
| German Egyptian Company for Manufacturing Solutions (GEMAS), Cairo, Egypt <sup>5)</sup> | EGP K             | 0                    | 0      | 40.0                           |

1) The figures correspond with the financial statements prepared in accordance with local regulations; they do not show the respective companies' contribution to the Consolidated Financial Statements.

Foreign currencies with respect to equity were translated at the market price on reporting date.

2) with profit and loss transfer and control agreement with DMG MORI AKTIENGESELLSCHAFT

3) The domestic subsidiary has complied with the conditions required by Section 264 paragraph 3 HGB (German Commercial Code) regarding the application of the exemption regulations and therefore waives the disclosure of its annual financial statements and relating documents.

4) The domestic subsidiary has complied with the conditions required by Section 264 paragraph 3 HGB (German Commercial Code) regarding the application of the exemption regulations and therefore waives the preparation of a management report.

5) equity investment of DMG MORI European Factories and IT GmbH (previously: GILDEMEISTER Beteiligungen GmbH)

6) with profit and loss transfer and control agreement with DMG MORI European Factories and IT GmbH (previously: GILDEMEISTER Beteiligungen GmbH)

7) equity investment of DMG MORI Pfronten GmbH

8) with profit and loss transfer and control agreement with DMG MORI Pfronten GmbH

9) equity investment of DMG MORI BERGAMO S.r.l.

10) equity investment of DMG MORI Sales and Service Holding GmbH

11) with profit and loss transfer and control agreement with DMG MORI Sales and Service Holding GmbH

12) equity investment of DMG MORI Netherlands Holding B.V.

13) equity investment of DMG MORI Sales and Service Holding AG

14) equity investment of DMG MORI Balkan GmbH

15) subsidiary of DMG Egypt for Trading in Machines Manufactured LLC (51%), DMG MORI Sales and Service Holding AG (47.7%) and Mori Seiki Egypt for Trading in Machines & Equipments LLC (1.3%)

16) equity investment of GILDEMEISTER energy solutions GmbH

17) equity investment of GILDEMEISTER LSG Beteiligungs GmbH

18) equity investment of DMG MORI MIDDLE EAST FZE

19) The domestic subsidiary has complied with the conditions required by section 264 paragraph 3 HGB (German Commercial Code) regarding the application of the exemption regulations and makes use of the exemption.

## Corporate Directory

### Supervisory Board

#### **Dr. Eng. Masahiko Mori**

Member of the Supervisory Board since 6 September 2009

Nara, born 1961

Chairman

President of DMG MORI COMPANY LIMITED, Tokyo

#### **Tanja Fondel**

(Employee representative)

Member of the Supervisory Board since 19 January 2018

Frankfurt/Main, born 1976

1<sup>st</sup> Deputy Chair since 12 May 2023

Union Secretary, IG Metall Management Board, Frankfurt/Main

#### **Ulrich Hocker**

Member of the Supervisory Board since 11 May 2010

Düsseldorf, born 1950

Deputy Chairman

Attorney and President of Deutsche Schutzvereinigung für Wertpapierbesitz e.V.

› FERI AG, Bad Homburg, Deputy Chairman of the Supervisory Board

- Phoenix Mecano AG, Stein am Rhein, Switzerland, Member of the Board of Directors (until 24 May 2024)

#### **Stefan Stetter**

(Employee representative)

Member of the Supervisory Board since 4 May 2018

Durach, born 1968

Deputy Chairman

Head of Controlling of DMG MORI Pfronten GmbH

Senior Executive's representative

#### **Irene Bader, M.B.A**

Member of the Supervisory Board since 24 May 2016

Feldafing, born 1979

Member of the Board, DMG MORI COMPANY LIMITED, Tokyo

Managing Director, DMG MORI Europe Operations GmbH, Munich

Managing Director, DMG MORI Europe Holding GmbH, Bielefeld

Managing Director, DMG MORI Global Marketing GmbH, Munich

Managing Director, DMG MORI Sport Marketing SAS, Lorient

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› Supervisory mandate as per § 100 AktG

• Membership in comparable domestic and foreign control bodies of business enterprises

**Prof. Dr.-Ing. Berend Denkena**

Member of the Supervisory Board since 17 May 2013

Wedemark, born 1959

Managing Director of the Institute of Production Engineering and Machine Tools (IFW) at Leibniz University Hanover

**Dietmar Jansen**

(Employee representative)

Member of the Supervisory Board since 17 May 2013

Memmingen, born 1965

1<sup>st</sup> Director (Managing Director) and Treasurer of the IG Metall office Allgäu

- AGCO GmbH, Marktobendorf, Deputy Chairman of the Supervisory Board

**Prof. Dr. Annette G. Köhler, M.A.**

Member of the Supervisory Board since 6 May 2017

Düsseldorf, born 1967

University Professor & Chair of the Accounting, Auditing & Controlling Department at the University of Duisburg-Essen

› GEA Group Aktiengesellschaft, Düsseldorf, Member of the Supervisory Board

› Gerresheimer AG, Düsseldorf, Member of the Supervisory Board

- DKSH Holding AG, Zürich, Member of the Board of Directors

**James Victor Nudo**

Member of the Supervisory Board since 4 May 2018

Munich, born 1954

Managing Director, DMG MORI Europe Holding GmbH, Bielefeld

Managing Director, DMG MORI EMEA GmbH, Wernau

Vice President, DMG MORI COMPANY LIMITED, Tokyo

President, DMG MORI Americas Holding Corporation, Chicago

**Thomas Reiter**

(Employee representative)

Member of the Supervisory Board since 12 May 2023

Füssen, born 1969

Chairman of the Works Council of DMG MORI Pfronten GmbH

**Larissa Schikowski**

(Employee representative)

Member of the Supervisory Board since 4 May 2018

Pfronten, born 1969

Corporate Health Manager Sales & Service

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› Supervisory mandate as per § 100 AktG

• Membership in comparable domestic and foreign control bodies of business enterprises

**Michaela Schroll**

(Employee representative)

Member of the Supervisory Board since 4 May 2018

Bielefeld, born 1976

Member of the Works Council of DMG MORI Bielefeld GmbH

Electrician in the Installation Department of DMG MORI Bielefeld GmbH

**EXECUTIVE BOARD****Dipl.-Ing. (FH) Alfred Geißler**

Pfronten

CEO

**Michael Horn, M.B.A.**

Rosenheim

Executive Board member until 31 March 2024

**Hirotake Kobayashi**

Tokyo

Executive Board member since 1 January 2024

## Responsibility Statement

To the best of our knowledge, and in accordance with the applicable accounting and reporting principles, the consolidated financial statements give a true and fair view of the results of operations, financial position and net worth of the group, and the group business report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group.

Bielefeld, 18 March 2025

DMG MORI AKTIENGESELLSCHAFT

The Executive Board



Dipl.-Ing. (FH) Alfred Geißler



Hirotake Kobayashi

*Note: This is a translation of the German original. Solely the original text in German language is authoritative.*

## Independent Auditor's Report

To DMG MORI AKTIENGESELLSCHAFT, Bielefeld

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

#### Audit Opinions

We have audited the consolidated financial statements of DMG MORI AKTIENGESELLSCHAFT, Bielefeld, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of DMG MORI AKTIENGESELLSCHAFT, including the remuneration report pursuant to § [Article] 162 AktG [Aktengesetz: German Stock Corporation Act], including the related disclosures, included in section "Corporate Governance", for the financial year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (referred to subsequently as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

### **Basis for the Audit Opinions**

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

### **Key Audit Matters in the Audit of the Consolidated Financial Statements**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

#### **3. Recoverability of goodwill**

#### **4. Recoverability of inventories**

Our presentation of these key audit matters has been structured in each case as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Hereinafter we present the key audit matters:

#### **1. Recoverability of goodwill**

1. Goodwill amounting in total to EUR 136.4 million (5.4% of total assets or 9.4% of equity) is reported in the Company's consolidated financial statements. Goodwill is tested for impairment by the Company once a year on December 31 of the respective financial year or when there are indications of impairment to determine any possible need for write-downs. The impairment test is carried out at the level of the groups of cash-generating units to which the relevant goodwill is allocated. The carrying amount of the relevant cash-generating units, including goodwill, is compared with the corresponding recoverable amount in the context of

the impairment test. The recoverable amount is generally determined using the value in use. The present value of the future cash flows from the respective group of cash-generating units normally serves as the basis of valuation. Present values are calculated using discounted cash flow models. For this purpose, the adopted three-year business plan of the Group forms the starting point for five detailed planning periods which are extrapolated based on assumptions about long-term rates of growth. Expectations relating to future market developments and assumptions about the development of macroeconomic factors are also taken into account. The discount rate used is the weighted average cost of capital for the respective group of cash-generating units. The impairment test determined that no write-downs were necessary. The outcome of this valuation is dependent to a large extent on the estimates made by the executive directors with respect to the future cash flows from the respective group of cash-generating units, the discount rate used, the rate of growth and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complex nature of the valuation, this matter was of particular significance in the context of our audit.

2. As part of our audit, we assessed the methodology used for the purposes of performing the impairment test, among other things. After matching the future cash flows used for the calculation against the business plan of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations. In addition, we assessed the appropriate consideration of the costs of Group functions. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated in this way, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company. Taking into account the information available, we determined that the carrying amounts of the cash-generating units, including the allocated goodwill, were adequately covered by the discounted future cash flows. Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

3. The Company's disclosures on goodwill are contained in sections 3 and 20 of the notes to the consolidated financial statements.

## 2. Recoverability of inventories

1. In the Company's consolidated financial statements a total of EUR 714.1 million (28.1% of total assets) is reported under the "Inventories" balance sheet item. Inventories comprise EUR 299.5 million in raw materials, consumables and supplies, EUR 152.0 million in work in progress and EUR 262.6 million in finished goods and merchandise. Inventories are measured at the lower of cost and net realizable value.

Under certain circumstances, inventories may not be recoverable if the inventories are damaged or partially or completely obsolete or if their selling price is reduced. Raw materials, consumables and supplies used in the manufacture of inventories are not written down to a value that is lower than their cost if the finished goods in which they are used are expected to be sold at or above cost.

The determination of the net realizable value of inventories depends to a large extent on the estimates made by the executive directors with regard to the sales prices likely to be realized and, in particular in the case of raw materials, consumables and supplies, also with regard to their technical usability and planned use in the production of finished goods, and is therefore subject to considerable uncertainty. Against this background, this matter was of particular significance in the context of our audit.

2. As part of our audit, we assessed, among other things, the appropriateness of the measurement methods used to determine the net realizable values and, in particular, the consideration of risks arising from storage periods, reduced usability and lower prices on the sales market. Our assessment of the expected net realizable values took into account not only the past experience of the Company, but also current market developments. We also verified the calculation of write-downs on a sample basis.

Based on our audit procedures, we were able to satisfy ourselves overall that the estimates made by the executive directors are sufficiently documented and substantiated to test the recoverability of the inventories.

3. The Company's disclosures relating to inventories are contained in sections 3 and 25 of the notes to the consolidated financial statements.

### Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the group statement on corporate governance pursuant to § 315d HGB included in section "Corporate Governance Report/Group declaration on corporate governance" of the group management report and the other disclosures in this section
- the non-financial group statement to comply with §§ 315b to 315c HGB included in section "Sustainability Report" of the group management report

The other information comprises further all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

The executive board and the supervisory board are further responsible for the preparation of the remuneration report, including the related disclosures, which is included in a separate section of the group management report and complies with the requirements of § 162 AktG. They are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Group's internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## OTHER LEGAL AND REGULATORY REQUIREMENTS

### **Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB**

#### **Assurance opinion**

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file DMG MORI\_AG\_KA+KLB-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

#### **Basis for the Assurance Opinion**

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

#### **Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents**

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

#### **Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

#### **Further Information pursuant to Article 10 of the EU Audit Regulation**

We were elected as group auditor by the annual general meeting on April 30, 2024. We were engaged by the supervisory board on August 22, 2024. We have been the group auditor of DMG MORI AKTIENGESELLSCHAFT, Bielefeld, without interruption since the financial year 2020.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

## GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Uwe Rittmann.

Bielefeld, March 18, 2025

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

Uwe Rittmann

Wirtschaftsprüfer

(German Public Auditor)

ppa. Matthias Nicolmann

Wirtschaftsprüfer

(German Public Auditor)

## **ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE GROUP SUSTAINABILITY REPORT**

**To DMG MORI AG, Bielefeld**

### **Assurance Conclusion**

We have conducted a limited assurance engagement on the group sustainability report of DMG MORI AG, Bielefeld, (hereinafter the „Company“) included in section "Sustainability Report" of the group management report for the financial year from 1 January to 31 December 2024 (hereinafter the "Group Sustainability Report"). The Group Sustainability Report has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 315b to 315c HGB [Handelsgesetzbuch: German Commercial Code] to prepare a group non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Report is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, § 315c in conjunction with §§ 289c to 289e HGB to prepare a group non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Report does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Report (hereinafter the "materiality assessment") is not, in all material respects, in accordance with the description set out in section "Disclosure Requirement IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities" of the Group Sustainability Report, or
- that the disclosures set out in section "Information in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" of the Group Sustainability Report do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

### **Basis for the Assurance Conclusion**

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Report" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

### **Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Report**

The executive directors are responsible for the preparation of the Group Sustainability Report in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Report in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Report, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Report.

### **Inherent Limitations in the Preparation of the Group Sustainability Report**

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Report.

### **German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Report**

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Report has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Report, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Report.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on direct access to the sources of value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

#### **Summary of the Procedures Performed by the German Public Auditor**

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Report.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Report about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Report, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Report.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive

directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.

- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Report.
- performed site visits.
- considered the presentation of the information in the Group Sustainability Report.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Report.

#### **Restriction of Use**

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Bielefeld, 18 March 2025

PricewaterhouseCoopers GmbH

Wirtschaftsprüfungsgesellschaft

sgd. Uwe Rittmann

Wirtschaftsprüfer

[German public auditor]

sgd. ppa. Matthias Nicolmann

Wirtschaftsprüfer

[German public auditor]



DMG MORI AG Annual Report 2024

# FURTHER INFORMATION

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|   |     | 2018      | 2019      | 2020      | 2021      | 2022      | 2023 <sup>1)</sup> | 2024      | IFRS<br>Changes<br>against<br>previous<br>year in % |
|---|-----|-----------|-----------|-----------|-----------|-----------|--------------------|-----------|---|
| <b>Sales revenues</b>   | € K | 2,655,128 | 2,701,489 | 1,831,293 | 2,052,921 | 2,365,666 | 2,498,566          | 2,228,340 | -11   |
| Domestic  | € K | 821,499   | 769,203   | 553,035   | 652,806   | 786,569   | 900,978            | 909,976   | 1   |
| International   | € K | 1,833,629 | 1,932,286 | 1,278,258 | 1,400,115 | 1,579,097 | 1,597,588          | 1,318,364 | -17   |
| % International   | %   | 69        | 72        | 70        | 68        | 67        | 64                 | 59        |   |
| <b>Total work done</b>  | € K | 2,667,935 | 2,706,063 | 1,809,839 | 2,079,481 | 2,400,117 | 2,587,643          | 2,208,262 | -15   |
| Cost of materials   | € K | 1,480,102 | 1,524,043 | 983,851   | 1,161,646 | 1,329,136 | 1,362,539          | 1,042,082 | -24   |
| Personnel costs   | € K | 595,897   | 592,365   | 486,946   | 522,714   | 566,325   | 631,607            | 614,806   | -3  |
| Depreciation  | € K | 63,729    | 78,104    | 75,025    | 67,033    | 81,281    | 74,398             | 80,557    | 8   |
| Financial result  | € K | -5,735    | -5,120    | -4,482    | -2,408    | -646      | 8,352              | 6,785     | -19   |
| <b>Earnings before taxes</b>  | € K | 214,786   | 219,166   | 74,895    | 121,586   | 216,186   | 237,591            | 254,658   | 7   |
| <b>Annual profit/loss</b>   | € K | 149,530   | 154,442   | 52,114    | 85,566    | 153,354   | 163,220            | 87,492    | -46   |
| <b>Earnings after taxes from continuing operations</b>                          | € K |           |           |           |           |           | 171,974            | 179,408   | 4   |
| <b>Earnings after taxes from discontinued operations</b>                        | € K |           |           |           |           |           | -8,754             | -91,916   | -950  |
| <b>Adjusted results</b>   |     |           |           |           |           |           |                    |           |   |
| <b>EBITDA</b>   | € K | 280,862   | 299,842   | 156,739   | 190,806   | 297,795   | 303,308            | 325,984   | 7   |
| <b>EBIT</b>   | € K | 217,133   | 221,738   | 81,714    | 123,772   | 216,514   | 228,910            | 245,427   | 7   |
| <b>EBT</b>  | € K | 214,786   | 219,166   | 74,895    | 121,586   | 216,186   | 237,591            | 254,658   | 7   |
| Profit attributable to shareholders of DMG MORI AG from continuing operations   | € K | 148,257   | 151,874   | 51,893    | 84,165    | 145,183   | 162,159            | 170,430   | 5   |
| Profit attributable to shareholders of DMG MORI AG from discontinued operations | € K |           |           |           |           |           | -8,754             | -91,916   | -950  |
| <b>Fixed assets</b>   | € K | 686,506   | 815,922   | 737,861   | 836,545   | 883,015   | 881,882            | 862,647   | -2  |
| Intangible assets   | € K | 190,372   | 199,546   | 211,178   | 221,388   | 234,034   | 247,249            | 253,102   |   |
| Tangible assets   | € K | 434,880   | 506,579   | 464,468   | 468,686   | 496,691   | 509,922            | 484,322   |   |
| Financial assets  | € K | 61,254    | 109,797   | 62,215    | 146,471   | 152,290   | 124,711            | 125,223   |   |
| <b>Current assets incl. deferred tax and deferred income</b>                    | € K | 1,753,993 | 1,653,644 | 1,453,673 | 1,719,482 | 1,943,493 | 1,885,867          | 1,681,612 | -11   |
| Inventories   | € K | 625,381   | 611,810   | 538,683   | 579,091   | 686,340   | 782,023            | 714,117   |   |
| Receivables incl. deferred tax assets + prepaid expenses                        | € K | 975,931   | 887,829   | 791,501   | 898,495   | 1,079,740 | 945,159            | 831,331   |   |
| Cash and cash equivalents   | € K | 152,681   | 154,005   | 123,489   | 241,896   | 177,413   | 158,685            | 136,164   |   |
| <b>Equity</b>   | € K | 1,197,688 | 1,281,449 | 1,259,495 | 1,401,782 | 1,422,496 | 1,382,180          | 1,449,696 | 5   |
| Subscribed capital  | € K | 204,927   | 204,927   | 204,927   | 204,927   | 204,927   | 204,927            | 204,927   |   |
| Capital provisions  | € K | 498,485   | 498,485   | 498,485   | 498,485   | 498,485   | 498,485            | 498,485   |   |
| Retained earnings and other reserves  | € K | 489,823   | 563,702   | 542,253   | 681,341   | 698,273   | 658,545            | 716,091   |   |
| Non-controlling equity interests  | € K | 4,453     | 14,335    | 13,830    | 17,029    | 20,811    | 20,223             | 30,193    |   |
| <b>Outside capital</b>  | € K | 1,242,811 | 1,188,117 | 932,039   | 1,154,245 | 1,404,012 | 1,385,569          | 1,094,563 | -21   |
| Provisions  | € K | 305,253   | 325,805   | 305,674   | 347,929   | 345,741   | 332,090            | 241,559   |   |
| Liabilities incl. deferred tax + income   | € K | 937,558   | 862,312   | 626,365   | 806,316   | 1,058,271 | 1,053,479          | 853,004   |   |
| <b>Balance Sheet total</b>  | € K | 2,440,499 | 2,469,566 | 2,191,534 | 2,556,027 | 2,826,508 | 2,767,749          | 2,544,259 | -8  |
| Employees (annual average)  |     | 6,933     | 6,986     | 6,707     | 6,471     | 6,769     | 6,925              | 7,239     |   |
| Employees (31 Dec)  |     | 7,107     | 6,898     | 6,393     | 6,596     | 7,029     | 7,221              | 7,233     |   |
| Trainees  |     | 396       | 347       | 279       | 225       | 237       | 294                | 265       |   |
| <b>Total employees</b>  |     | 7,503     | 7,245     | 6,672     | 6,821     | 7,266     | 7,515              | 7,498     |   |

<sup>1)</sup> The previous year's figures have been adjusted. Further explanations can be found in Note 5.

## T.188 DMG MORI AG GROUP

|  |     | 2018  | 2019  | 2020  | 2021  | 2022  | 2023 <sup>1)</sup> | 2024  | IFRS<br>Changes<br>against<br>previous<br>year in % |
|--|-----|-------|-------|-------|-------|-------|--------------------|-------|---|
| <b>Efficiency ratios</b>   |     |       |       |       |       |       |                    |       |   |
| Profit on sales (EBIT)<br>= EBIT/Sales revenues  | %   | 8.2   | 8.2   | 4.5   | 6.0   | 9.2   | 9.2                | 11.0  | 20  |
| Profit on sales (EBT)<br>= EBT/Sales revenues  | %   | 8.1   | 8.1   | 4.1   | 5.9   | 9.1   | 9.5                | 11.4  | 20  |
| Profit on sales (Annual result)<br>= Annual result/Sales revenues                      | %   | 5.6   | 5.7   | 2.8   | 4.2   | 6.5   | 6.5                | 3.9   | -40   |
| Equity return<br>= Annual result/Equity (as of 1 Jan)                                  | %   | 12.8  | 12.9  | 4.1   | 6.8   | 10.9  | 11.5               | 6.3   | -45   |
| Return on total assets<br>= EBT + interest on borrowed<br>capital/average total assets | %   | 9.6   | 9.4   | 3.6   | 5.4   | 8.3   | 9.1                | 10.3  | 13  |
| ROI – Return on Investment<br>= EBT/average total capital                              | %   | 9.2   | 8.9   | 3.2   | 5.1   | 8.0   | 8.5                | 9.6   | 13  |
| Sales per employee<br>= Sales revenues/average number<br>of employees (exc. trainees)  | € K | 383.0 | 386.7 | 273.0 | 317.2 | 349.5 | 360.8              | 307.8 | -15   |
| EBIT per employee<br>= EBIT/average number of<br>employees (exc. trainees)             | € K | 31.3  | 31.7  | 12.2  | 19.1  | 32.0  | 33.1               | 33.9  | 2   |
| ROCE – Return on capital employed<br>= EBIT/Capital Employed                           | %   | 16.1  | 15.3  | 5.7   | 8.2   | 13.6  | 14.4               | 15.6  | 8   |
| <b>Balance Sheet ratios</b>  |     |       |       |       |       |       |                    |       |   |
| Capitalisation ratio of fixed assets<br>= fixed assets/total assets                    | %   | 28.1  | 33.0  | 33.7  | 32.7  | 31.2  | 31.9               | 33.9  | 6   |
| Working intensity of current assets<br>= current assets/total assets                   | %   | 68.9  | 63.7  | 63.0  | 64.3  | 66.9  | 66.4               | 64.4  | -3  |
| Equity ratio<br>= equity/total capital   | %   | 49.1  | 51.9  | 57.5  | 54.8  | 50.3  | 49.9               | 57.0  | 14  |
| Borrowed capital ratio<br>= borrowed capital/total assets                              | %   | 50.9  | 48.1  | 42.5  | 45.2  | 49.7  | 50.1               | 43.0  | -14   |
| Assets and liabilities structure<br>= fixed assets/current assets                      | %   | 40.8  | 51.8  | 53.4  | 50.9  | 46.7  | 48.0               | 52.6  | 10  |
| Capital structure<br>= equity/outside capital  | %   | 96.4  | 107.9 | 135.1 | 121.4 | 101.3 | 99.8               | 132.4 | 33  |

1) The previous year's figures have been adjusted. Further explanations can be found in Note 5.

## T.188 DMG MORI AG GROUP

|   |           | 2018    | 2019    | 2020    | 2021    | 2022    | 2023 <sup>1)</sup> | 2024    | IFRS<br>Changes<br>against<br>previous<br>year in % |
|---|-----------|---------|---------|---------|---------|---------|--------------------|---------|---|
| <b>Ratios pertaining to financial position</b>  |           |         |         |         |         |         |                    |         |   |
| 1st class liquidity<br>= liquid funds (from balance sheet) /<br>short-term liabilities (up to 1 year)   | %         | 28.3    | 19.9    | 20.9    | 40.1    | 22.6    | 19.2               | 21.5    | 12  |
| 2 <sup>nd</sup> class liquidity<br>= (liquid funds + short-term<br>receivables) / short-term liabilities (up to 1 year)   | %         | 189.8   | 123.0   | 141.3   | 172.8   | 151.6   | 125.7              | 145.1   | 15  |
| 3 <sup>rd</sup> class liquidity<br>= (liquid funds + short-term receiv-<br>ables + inventories) / short-term<br>liabilities (up to 1 year)  | %         | 242.3   | 174.2   | 206.1   | 211.0   | 183.8   | 177.2              | 215.9   | 22  |
| Net financial liabilities<br>= bank liabilities – liquid funds  | € million | -152.7  | -154.0  | -123.5  | -241.9  | -171.7  | -129.7             | -115.2  | 11  |
| Gearing<br>= net financial liabilities / equity   | %         | -       | -       | -       | -       | -       | -                  | -       | -   |
| Working Capital<br>= current assets (without financial<br>offsetting) – short-term borrowed<br>capital (without financial offsetting)   | € million | 326.5   | 291.4   | 279.4   | 320.4   | 244.3   | 283.2              | 341.4   | 21  |
| Net Working Capital<br>= inventories + payments on account<br>– customer prepayments<br>+ trade debtors (without financial<br>offsetting) – trade creditors (without<br>financial offsetting) – notes payable | € million | 343.2   | 386.0   | 407.1   | 301.6   | 292.6   | 415.1              | 426.7   | 3   |
| Capital Employed<br>= equity + provisions +<br>net financial liabilities  | € million | 1,350.2 | 1,453.3 | 1,441.7 | 1,507.8 | 1,596.5 | 1,584.6            | 1,576.1 | -1  |
| <b>Structural analysis ratios</b>   |           |         |         |         |         |         |                    |         |   |
| Turnover rate of raw materials<br>and consumables<br>= cost for raw materials and<br>consumables / average<br>inventories<br>of raw materials and<br>consumables  |           | 5.2     | 4.6     | 3.3     | 4.0     | 3.6     | 3.3                | 2.8     | -15   |
| Turnover rate of inventories<br>= sales revenues / inventories  |           | 4.2     | 4.4     | 3.4     | 3.5     | 3.4     | 3.2                | 3.1     | -3  |
| Turnover rate of receivables<br>= sales revenues / trade debtors<br>(without financial offsetting)  |           | 7.4     | 8.5     | 6.8     | 7.0     | 8.0     | 10.0               | 10.3    | 3   |
| Total capital-sales ratio<br>= sales revenues / total<br>capital (incl. deferred tax and<br>deferred income)  |           | 1.1     | 1.1     | 0.8     | 0.8     | 0.8     | 0.9                | 0.9     | 0   |
| DSO (Days sales outstanding)<br>= trade debtors (without financial<br>offsetting) / (sales revenues) × 365  |           | 49.4    | 42.7    | 54.0    | 51.8    | 45.6    | 36.4               | 35.5    | -2  |
| <b>Productivity ratios</b>  |           |         |         |         |         |         |                    |         |   |
| Intensity of materials<br>= Cost of materials<br>/ Total work done  | %         | 55.5    | 56.3    | 54.4    | 55.9    | 55.4    | 52.7               | 47.1    | -11   |
| Intensity of staff<br>= Personnel<br>costs / Total work done  | %         | 22.3    | 21.9    | 26.9    | 25.1    | 23.6    | 24.4               | 27.9    | 14  |

1) The previous year's figures have been adjusted. Further explanations can be found in Note 5.

## T.188 DMG MORI AG GROUP

|   |           | 2018    | 2019    | 2020    | 2021    | 2022    | 2023 <sup>1)</sup> | 2024    | IFRS<br>Changes<br>against<br>previous<br>year in % |
|---|-----------|---------|---------|---------|---------|---------|--------------------|---------|---|
| <b>Cash flow &amp; Investments</b>  |           |         |         |         |         |         |                    |         |   |
| Cash flow from operating activity   | € million | 230.4   | 234.1   | 67.3    | 244.9   | 276.8   | 190.5              | 172.0   | -10   |
| Cash flow from investment activity  | € million | -315.1  | -114.2  | 21.7    | -83.8   | -304.5  | -61.7              | -19,5   | 68  |
| Cash flow from financing activity   | € million | -123.5  | -118.9  | -117.1  | -44.7   | -33.3   | -138.3             | -176,3  | -27   |
| Free Cashflow<br>= cash flow from operating<br>activity + cash flow<br>from investment activity<br>(exc. Cash flow from financial<br>investments) | € million | 154.2   | 168.8   | 15.7    | 179.9   | 171.7   | 93.5               | 117.0   | 25  |
| Investments   | € million | 90.7    | 155.1   | 81.2    | 89.1    | 119.4   | 123.7              | 81.1    | -34   |
| <b>Share &amp; valuation</b>  |           |         |         |         |         |         |                    |         |   |
| Market capitalisation   | € million | 3,397.1 | 3,337.9 | 3,239.4 | 3,322.2 | 3,302.5 | 3,444.3            | 3,586.2 | 4   |
| Company value<br>= Market capitalisation + bank<br>liabilities + bills of exchange +<br>other liabilities + pension<br>provisions – liquid funds  | € million | 3,370.1 | 3,301.2 | 3,218.5 | 3,175.3 | 3,223.4 | 3,413.5            | 3,559.2 | 4   |
| Earnings per share<br>= result after minority<br>interests / number of shares   | €         | 1.88    | 1.93    | 0.66    | 1.07    | 1.84    | 2.06               | 2.16    | 5   |
| Price-to-earnings ratio (P/E)<br>= market capitalisation / EBT  |           | 15.8    | 15.2    | 43.3    | 27.3    | 15.3    | 14.5               | 14.1    | -3  |
| Company value-EBITDA-ratio<br>= company value / EBITDA  |           | 12.0    | 11.0    | 20.5    | 16.6    | 10.8    | 11.3               | 10.9    | -4  |
| Company value-EBIT-ratio<br>= company value / EBIT  |           | 15.5    | 14.9    | 39.4    | 25.7    | 14.9    | 14.9               | 14.5    | -3  |
| Company value sales ratio<br>= company value / sales revenues   |           | 1.3     | 1.2     | 1.8     | 1.5     | 1.4     | 1.4                | 1.6     | 14  |

1) The previous year's figures have been adjusted. Further explanations can be found in Note 5.

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## Glossary

|                    |   |
|--------------------|---|
| AGV                | Automated Guided Vehicles   <i>autonomous vehicle</i>   |
| AktG               | German Stock Corporation Act  |
| AMB                | International exhibition for metal working in Stuttgart   |
| BGM                | Occupational health management  |
| GDP                | Gross domestic product  |
| BSI                | Federal Agency for Security and IT  |
| CAD                | Computer-Aided Design   |
| CAM                | Computer-Aided Manufacturing  |
| Capex              | Capital expenditures  |
| CAPM               | Capital Asset Pricing Model   |
| CELOS X            | Control and operating interface made by DMG MORI  |
| CO <sub>2</sub>    | Carbon dioxide  |
| CO <sub>2</sub> E  | Carbon dioxide equivalents  |
| COSO               | The Committee of Sponsoring Organizations of the Treadway Commission   <i>risk management model for enterprises</i> |
| CRM                | Customer Relationship Management  |
| CSDDD              | Corporate Sustainability Due Diligence Directive  |
| CSR                | Corporate Social Responsibility   |
| CSRD               | Corporate Sustainability Reporting Directive  |
| DACH               | Region Germany, Austria, Switzerland  |
| DBO                | Defined benefit obligation; pension provisions  |
| DED                | Direct Energy Deposition; additive manufacturing method   |
| DMQP               | DMG MORI Qualified Products   <i>DMG MORI partner program for peripherals</i>                                       |
| DX                 | Digital Transformation  |
| EAT                | Earnings After Taxes  |
| EBIT               | Earnings Before Interests and Taxes   |
| EBITDA             | Earnings Before Interests, Taxes, Depreciation and Amortization   |
| EBT                | Earnings Before Taxes   |
| EMEA               | Region Europe, Middle East, Africa  |
| EMO                | Exposition Mondiale de la Machine Outil   <i>World's leading trade fair for production technology</i>               |
| ERP                | Enterprise Resource Planning  |
| ESG                | Environment, Social, Governance   |
| ESRS               | European Sustainability Reporting Standards   |
| FV                 | Fair Value  |
| FVOCI              | Fair Value through Other Comprehensive Income   |
| FVTPL              | Fair Value through Profit and Loss  |
| GDS                | Global Development Summit   |
| Global One Company | Synonym for DMG MORI; Group of DMG MORI COMPANY LIMITED incl. all subsidiaries                                      |
| GLOBE              | Global One Business Excellence; DMG MORI ERP project  |
| GX                 | Green Transformation  |
| HGB                | German Commercial Code  |

## Glossary

|          |   |
|----------|---|
| HR       | Human Resources   |
| IAS      | International Accounting Standard                           |
| IASB     | International Accounting Standards Board                    |
| IFRIC    | International Financial Reporting Interpretations Committee |
| IFRS     | International Financial Reporting Standards                 |
| IFW      | Global Economic Institute                                   |
| IKS      | Internal control system                                     |
| IP       | Intellectual Property                                       |
| IRO      | Global Economic Institute                                   |
| IT       | Information technologies                                    |
| JIMTOF   | Japan International Machine Tool Fair                       |
| KVP      | Continuous improvement process                              |
| LTI      | Long-term incentive   |
| MitbestG | Co-determination act  |
| MX       | Machining Transformation                                    |
| Opex     | Operational expenditures                                    |
| PCO      | Product Cost Optimization                                   |
| PPR      | Product Problem Report                                      |
| RFC      | Rolling Forecast  |
| RPA      | Robotic Process Automation                                  |
| R&D      | Research & Development                                      |
| SaaS     | Software as a Service                                       |
| SBT      | Science Based Targets                                       |
| SBTi     | Science Based Targets Initiative                            |
| SLM      | Selective Laser Melting; additive manufacturing method      |
| STI      | Short-term incentive  |
| UN       | United Nations  |
| VDW      | German Machine Tool Builders' Association                   |
| WACC     | Weighted Average Cost of Capital                            |

## Forward-Looking Statements

This report contains forward-looking statements, which are based on current estimates of the management regarding future developments. Such statements are based on the management's current expectations and specific assumptions. They are subject to risks, uncertainties and other factors, as well as to the effects of the war in Ukraine or of other geopolitical conflicts, that could cause the actual circumstances including the results of operations, financial position and net worth of DMG MORI AKTIENGESELLSCHAFT to differ materially from or be more negative than those expressly or implicitly assumed or described in these statements. The business activities of DMG MORI AKTIENGESELLSCHAFT are subject to a range of risks and uncertainties, which may likewise render a forward-looking statement, estimate or forecast inaccurate.

DMG MORI AKTIENGESELLSCHAFT is strongly affected, in particular, by changes in general economic and business conditions (including margin developments in the most important business areas as well as the consequences of a recession) as these have a direct effect on processes, suppliers and customers. Due to their differences, not all business areas are affected to the same extent by changes in the economic environment; significant differences exist with respect to the timing and extent of the effects of any such changes. This effect is further intensified by the fact that, as a global entity, DMG MORI AKTIENGESELLSCHAFT operates in various markets with very different economic rates of growth. Uncertainties arise inter alia from the risk that customers may delay or cancel orders or they may become insolvent or that prices become further depressed by a persistently unfavorable market environment than that which we are expecting at the current time; developments on the financial markets, including fluctuations in interest rates and exchange rates, in the price of raw materials, in borrowing and equity margins as well as financial assets in general; growing volatility on the capital markets and a deterioration in the conditions for the credit business as well as a deterioration in the future economic success of the core business areas in which we operate; challenges in integrating major acquisitions and in implementing joint ventures and achieving the expected synergy effects and other essential portfolio measures; the introduction of competing products or technology by other companies or the entry onto the market of new competitors; a change in the dynamics of competition (primarily on developing markets); a lack of acceptance of new products and services in customer target groups of DMG MORI; changes in corporate strategy; interruptions in the supply chain, including the inability of a third party, for example due to natural catastrophes, to supply pre-fabricated parts, components or services on schedule; the outcome of public investigations and associated legal disputes as well as other measures of public bodies; the potential effects of these investigations and proceedings on the business of DMG MORI AKTIENGESELLSCHAFT and various other factors.

Should one of these factors of uncertainty or other unforeseeable event occur, or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results stated, expected, anticipated, intended, planned, aimed at, estimated or projected in these statements. DMG MORI AKTIENGESELLSCHAFT neither intends to nor does DMG MORI AKTIENGESELLSCHAFT assume any separate obligation to update any forward-looking statements to reflect any change in events or developments occurring after the end of the reporting period. Forward-looking statements must not be understood as a guarantee or as assurances of future developments or events contained therein.

There are two companies using the name "DMG MORI": DMG MORI AKTIENGESELLSCHAFT with registered office in Bielefeld, Germany, and DMG MORI COMPANY LIMITED with registered office in Tokyo, Japan. DMG MORI AKTIENGESELLSCHAFT is an affiliated company of DMG MORI COMPANY LIMITED. This report refers exclusively to DMG MORI AKTIENGESELLSCHAFT. If reference is made in this report to the "group" or "DMG MORI AG", this refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its controlled companies within the meaning of Section 17 of the German Stock Corporate Act (Aktiengesetz – AktG). If reference is made to "DMG MORI" or "Global One Company", this refers to the joint activities of DMG MORI COMPANY LIMITED and DMG MORI AKTIENGESELLSCHAFT including all subsidiary companies.

## Financial Calendar

|  |                 |
|--|-----------------|
| Publication of the Annual Report 2024<br>Analysts' Conference            | 20 March 2025   |
| Release for the 1 <sup>st</sup> Quarter 2025 (1 January to 31 March)     | 07 May 2025     |
| 123 <sup>rd</sup> Annual General Meeting                                 | 09 May 2025     |
| Report for the 1 <sup>st</sup> Half-Year 2025 (1 January to 30 June)     | 01 August 2025  |
| Release for the 3 <sup>rd</sup> Quarter 2025 (1 January to 30 September) | 30 October 2025 |
| Subject to alteration  |                 |

## Ressource Conservation

For sustainability reasons, DMG MORI AKTIENGESELLSCHAFT has been offering annual reports only digitally since 2021.

All financial reports are available at: [en.dmgmori-ag.com/investor-relations/financial-reports](https://en.dmgmori-ag.com/investor-relations/financial-reports)

We will also gladly send you the interactive PDF file, please let us know your e-mail address at: [press@dmgmori.com](mailto:press@dmgmori.com)

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