

KOENIG & BAUER

Report on gender equality and equal pay at Koenig & Bauer AG for 2023 in accordance with Section 21 of the Remuneration Transparency Act

1. Measures to promote gender equality and the effects of these measures - Section 21 (1) Sentence 1 No. 1 of the Remuneration Transparency Act

Greater diversity in terms of gender, age and international background as a social goal forms part of Koenig & Bauer's strategic orientation. One priority concerns the advancement of women. To this end, the Management Board placed the "Level Playing Field for Women" programme at the core of its commitment to these goals in 2021 as gender diversity was identified as an important lever for Koenig & Bauer's future. Priority continues to be given to pursuing the goals of ensuring equal opportunities for all employees, enhancing the company's internal and external appeal, opening up the market to female professionals and exploiting the potential of heterogeneous teams and will continue to be strengthened. The long-term goal of widening the proportion of women in the company in general as well as in management positions remains a key focus.

Diversity was given special attention in a thesis entitled "Diversity Beats Standard: The Transformative Power of Diversity in Business". This master's degree thesis shows how important it is to give diversity a stage and to open the door to it in the company as an important element in the achievement of long-term corporate goals. One of the dimensions examined was gender equality.

In Koenig & Bauer's long history, one woman in particular played an important and pioneering role. After the death of her husband in 1833, Fanny Koenig, the wife of company founder Friedrich Koenig demonstrated her entrepreneurial skills with all her heart, intellect and energy. In addition to her duties as the mother of three young children, she devoted herself to Koenig & Bauer, managing its business adeptly and with a pioneering spirit. She was ahead of her time, setting the course for a successful future for Koenig & Bauer and is thus considered to be Germany's first female manager. In addition, she introduced the health and advance fund, the employee savings bank and a plant training school in Würzburg between 1855 and 1868 all before this was required under social security legislation.

The internal fields of action for gender equality are made up of four clusters: recruiting, personnel development, work-life balance and leadership culture. Various activities are being initiated to widen the proportion of female employees. Examples include participation in "Girls Day", attendance at career fairs, school contacts and regular internship opportunities. This is backed by networking opportunities, flexible working hours, temporary and permanent part-time positions, as well as mobile working, flexitime and working time accounts. The path to modern job-sharing models is also to be expanded.

Nor are practical concerns ignored. In order to render working hours more flexible, part-time employees, most of whom are female, have the option of waiving their morning break. This also permits a more flexible utilization of mobile working.

The work-life balance is also strengthened by the provision of child-minding services during the school holidays, including full-scale holiday camps during the summer holidays. Working mothers and fathers are also assisted in the form of additional vacation leave as well as family breaks and sabbaticals. The child-minding centre adjacent to the company premises in Radebeul enjoys strong employee acceptance as it is aligned to their working hours.

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Koenig & Bauer has been a member of the Family and Work Alliance in the Würzburg region since 2006.

In addition, the gender fairness of relevant key persons and corporate structures was analysed with the assistance of an external consulting company. This analysis also consists of a gender-fact check and a gender-culture check. The purpose of this analysis is to identify scope for adjustment and priorities, to evaluate optimisation potential and to identify “quick wins” as well as medium/long-term measures, to determine and integrate different perspectives, experiences and ideas and to create a basis for discussion at Koenig & Bauer for the ensuing implementation of concrete measures. In connection with recruiting, the number of female applicants and the gender distribution of new employees are monitored to measure the success of the measures taken. One project derived from this is the mentoring programme, which was first established in 2022 and also focuses on the empowerment of female mentees. It was additionally expanded in 2023 and rolled out throughout the Group. The aforementioned master's degree thesis reviewed the analysis of gender fairness and the resulting findings and measures were reviewed.

The non-financial Group report also describes employee issues in detail, among other subjects.

2. Measures to ensure equal pay for women and men, Section 21 (1) Sentence 1 No. 2 of the Remuneration Transparency Act

Employees subject to collective agreements

The basic assessment of the activities and the resulting pay scale is based on the collective agreement for the metal and electrical industry in Bavaria and Saxony. Koenig & Bauer AG is a member of the employers association in both collective bargaining regions. Collective bargaining agreements are structured by the parties to ensure that they are free of any discrimination.

There were no structural anomalies requiring any attention.

Non-pay-scale employees

Remuneration for non-pay-scale employees is governed in individual contracts.

Specialists and executives are awarded appropriate remuneration under the non-pay-scale remuneration system. Remuneration for non-pay-scale employees is paid in accordance with the range of requirements applicable to the position in question. This takes account of training, qualifications, professional experience and, where applicable, management experience. Skill profiles are calibrated in management rounds under the leadership of Personnel Development.

Non-pay-scale employees receive a fixed annual salary, which is divided into 12 monthly payments plus variable remuneration. The amount of the possible variable remuneration (number of variable remuneration components) is determined on the basis of the employee's management level.

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The variable remuneration as such is a performance-tied bonus that was based on the Group's EBIT margin, budget compliance and the achievement of individual targets in 2023.

There were no structural anomalies requiring any attention.

3. Disclosures in accordance with Section 21 (2) No. 1 of the Remuneration Transparency Act

Koenig & Bauer AG had an average of 765 employees in 2023 including apprentices, of whom 228 were female and 537 were male.

4. Disclosures in accordance with Section 21 (2) No 2 of the Remuneration Transparency Act

The following table shows the average number of full-time and part-time employees.

A full-time equivalent corresponds to a 35-hour week in Würzburg and a 37.5-hour week in Radebeul in 2023.

Gender	Part time	Full time	Total	Proportion of part-time employees
Male	8	529	537	1.5%
Female	64	164	228	28%