

KOENIG & BAUER

Report on equality and equal pay at Koenig & Bauer AG for 2021 in accordance with section 21 of the Remuneration Transparency Act

1. Measures to promote equality between women and men and the effects of these measures - section 21 (1) sentence 1 no. 1 of the Remuneration Transparency Act

In 2021, the Company announced its corporate goals in the “Exceeding Print” strategy. Greater diversity with regard to gender, age and international background as a social goal also forms part of its 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. The aim is to achieve the following goals: to ensure and consolidate equal opportunities for all employees as a basis for personnel decisions, to heighten the Company’s internal and external appeal and to open up the market to female professionals and to leverage the potential arising from heterogeneous teams. In the long term, the purpose is to widen the proportion of women in the Company and in management positions.

In doing so, Koenig & Bauer is aware of its roots. 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 role as the mother of three young children, she devoted herself to Koenig & Bauer, sought customers, tied talent to the Company and tapped new business opportunities. In doing so, she set the course for a successful future for Koenig & Bauer and is 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.

An analysis was conducted in 2021 with the aim of adding modern-day impulses to this unique path. In addition to internal focal workshops and the inclusion of committed and interested employees from different areas, hierarchies and locations, discussions were also held with other companies to identify potential approaches and best practices.

Our internal fields of action for the equality of women and men are divided into four clusters: recruiting, personnel development, work-life balance and management culture.

Various activities are being initiated to widen the proportion of female employees. They range from participation in “Girls Day” to a direct approach at career fairs, school contacts, internships, the establishment of networks, flexible working hours through the provision of temporary and permanent part-time positions, working from home, flexitime, working time accounts and the willingness to offer job-sharing models.

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. The range of activities is being constantly expanded. Working mothers and fathers are also assisted in achieving a viable work-life balance 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. Company childcare is also to be provided at the Würzburg site. Koenig & Bauer has been a member of the Family and Work Alliance in the Würzburg region since 2006. Not only employees but also their families were offered a Covid-19 vaccination in the interests of protecting families.

KOENIG & BAUER

In German-language documents, inclusive gender references are used through the use of “:”. With respect to leadership culture, attention was paid to a holistic approach, which is why the “Level Playing Field” package of measures for women was presented not only in management circles, but also, for example, at the Koenig & Bauer health insurance fund, which offers a broader range of insurance benefits in the area of obstetrics.

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.

Eight key areas for action were derived from this and are to be implemented in the short, medium and long term under the supervision of global human resources management.

Our non-financial Group report also discusses employee issues in detail, among other things.

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 determined by individual contracts.

based on a non-pay-scale remuneration system for non-pay-scale employees plus variable non-pay-scale remuneration and the terms of the individual contract. With respect to the lower limit, a margin can be calculated in accordance with the collective bargaining agreement.

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. The variable remuneration itself is a performance-tied bonus that in 2021 was based on the Group’s EBIT margin as well as individual targets.

There were no structural anomalies requiring any attention.

KOENIG & BAUER

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

Koenig & Bauer AG had an average of 562 employees in 2021, of whom 162 were female and 400 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.

Gender	Part-time	Full-time	Total	Share of part-time
Male	4	396	400	1%
Female	39	123	162	24.07%