

Sustainability Report

Compact 2024

FESTO

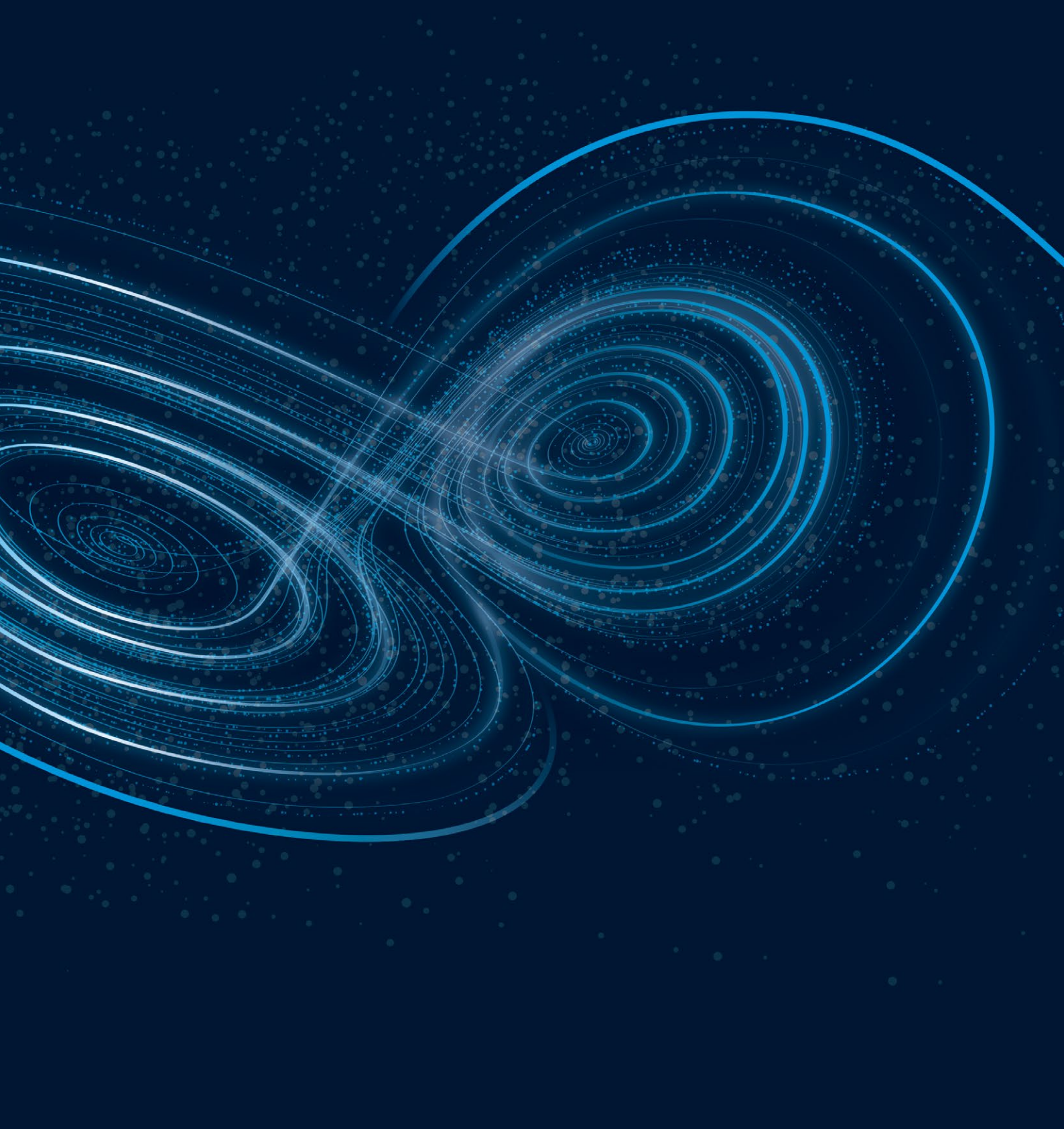
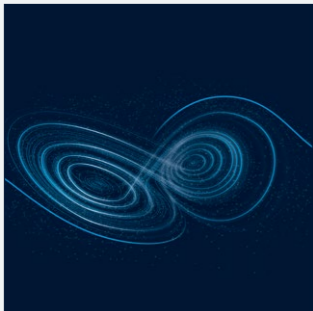


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Cover image
The cover image is based on the Lorenz attractor – a mathematical model developed by Edward Lorenz in the 1960s. It is an example of chaotic behavior in dynamic systems and, in a figurative sense, reflects the challenges companies face in volatile markets – hence the graphic transfer to the industrial environment. Just as small changes in the initial conditions of the Lorenz attractor lead to completely different results, Festo's customers also have different starting points that require a flexible and adaptable approach as well as customized solutions. Festo offers exactly these customized automation solutions. With innovative and sustainable automation technology, Festo ensures that production can be efficient in all industries. In addition, Festo Didactic provides the appropriate technical basic and further training.

Report Profile

The Sustainability Report 2024 of the Festo Group is being published for the first time as a compact report. The intention is for this document to provide succinct information about progress on key sustainability issues.

This format takes account of the fact that reporting at Festo is currently in transition. The preparations for the Corporate Sustainability Reporting Directive (CSRD) are under way and the company is attentively following the development of the EU Omnibus Directive in order to address and implement new regulatory requirements at pace and efficiently. At the same time, one focus is on restructuring the report in accordance with the topic areas of the CSRD – environment, social issues and governance (ESG).

This compact report is already being drawn up on the basis of the new ESG structure. The topics have also been partially restructured. The report primarily presents the progress made during the reporting year, which results in a reduced scope compared to previous reports. The format of the compact report allows the preparations to be prioritized in the background for the comprehensive reporting required under the CSRD.

The subject of the report however remains unchanged: The Festo Group with headquarters located in Esslingen. Unless otherwise stated, the reported figures and data refer to the global activities of the organization.

The focus of the “People at Festo” section is on Festo SE & Co. KG. The indicators also follow the established system and thereby facilitate a multi-year comparison of performance. The Corporate Carbon Footprint reported in the relevant chapter takes into account key figures for the entire Festo Group (with the exception of the waste category). The other data in the chapter relate to the production and logistics sites of the Festo Group.

Information on strategically relevant and current topics was also included – as were the Sustainable Development Goals (SDGs). The topic “Networks and Committee Work” is presented in the [Festo Sustainability Report 2023](#) (page 40 f.).


Reporting period and editorial deadline

The document is available in German and English and mainly relates to the period from January 1, 2024, to December 31, 2024. All forward-looking statements in this report are based on the assumptions valid on the date of the editorial deadline. The submission deadline for this report was March 15, 2025.

Contacts and project participants

Numerous employees of the Festo Group contributed to this report. You can direct any questions you have to the address given below and as necessary they will be forwarded to the relevant departments:
corporate.sustainability@festo.com

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Dipl.-Ing. (FH) Thomas Böck,
Chairman of the Management Board of Festo SE & Co. KG

Dear Readers,

In a world confronted by massive environmental, social and economic challenges, we at Festo take responsibility. Our goal is to make a contribution toward creating a more sustainable future through innovative technologies and efficient processes.

Sustainability and economic success are mutually complementary in our family-owned company. Developing sustainable automation solutions empowers our customers to produce in a more resource-efficient manner and simultaneously gives them a greater competitive edge.

Our Compact Report 2024 demonstrates how we are continuously improving our environmental footprint, taking social responsibility and running a sustainable business. We are committed to reducing our CO₂e footprint along the entire value chain – from procurement, through production, to the use of Festo products by our customers. We are also investing in training for our employees, promoting diversity, and creating a secure working environment.

In 2025, Festo celebrates its 100th company anniversary. We are launching our corporate citizenship initiative to salute the landmark occasion. A one-time donation will sponsor 100 projects across the world and from 2025, we will grant all our employees one working day of leave each year to support their volunteering efforts.

A key element of the European Green Deal is mandatory, standardized sustainability reporting in compliance with the Corporate Sustainability Reporting Directive (CSRD). At the point in time when this report is being drawn up, the European Parliament is debating the far-reaching changes in relation to the scope and timing of the reporting requirements. Nevertheless, we are already making preparations for CSRD reporting. This compact report is therefore based on the ESG structure for the first time (environment, social issues, governance).

We at Festo believe that sustainability is a collaborative process – we invite you to join us in shaping this journey.

I would like to express my thanks to you for your trust in us and your interest in our company.

Dipl.-Ing. (FH) Thomas Böck
Chairman of the Management Board of Festo SE & Co. KG

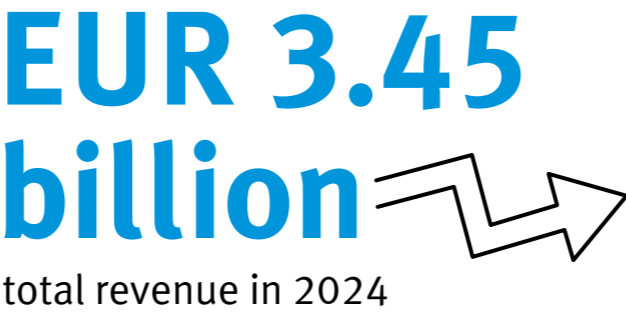
Festo at a glance

Festo stands for clear values, top quality, and customer-oriented innovations. In industrial automation technology and technical education, we contribute to the sustainable development of the environment, the economy, and society. As a family-owned company, we think and act responsibly and with a focus on the future.

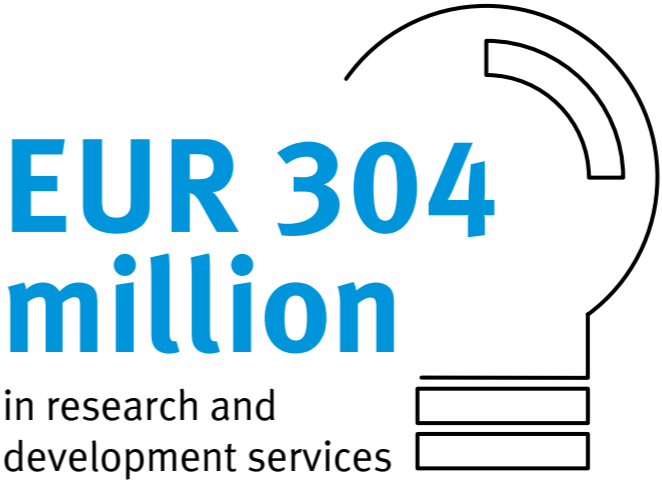
In the 2024 financial year, the Festo Group generated revenue of 3.45 billion euros with around 20,600 employees at 250 locations across the world. The company invested 8.8 percent of its sales in research and development. Vocational and advanced training measures account for 1.2 percent of turnover.

The Festo Group is divided into the business divisions Automation and Didactic. Important industry segments include the automotive industry and its supply chain, food manufacturing and packaging, machine tools, intra-logistics, electronics industry, biotech, pharmaceutical and cosmetics industries, chemical industry and water engineering, as well as the areas of medical technology and laboratory automation (Life Sciences), which are growing in importance, along with green hydrogen production. Festo also supports all automated process steps in the field of electromobility – from battery production to the production of electric vehicles.

As a partner for industrial motion, Festo offers integrated and seamless pneumatic and electric automation solutions – including software and AI solutions as well as customized training concepts. The focus is always on finding the most efficient and productive solution for movement tasks in industrial production. Sustainability and climate-smart transformation of manufacturing are becoming the most important tasks along the entire value chain. Discover more about our “World of Motion” on the following double page.



Total sales by region in percent	2022	2023	2024
Europe/Middle East	57 %	59 %	58 %
Asia	25 %	23 %	23 %
Americas	18 %	18 %	19 %



The Automation division
 As an automation partner, our objective is to enable the production of nearly everything we use, move and consume in our everyday lives. The Automation division provides a wide range of solutions for factory and process automation. They encompass the development, manufacture, and sale of pneumatic and electric components, technical systems and services. Furthermore, this includes our consulting expertise for automation tasks. Energy and resource efficiency and the humanization of work are also becoming important competitive factors in all industrial segments.

The Didactic division
 The Group’s activities in the Didactic division stand for technical education and training. As a global partner for educational and training institutions, governments, public institutions, and companies, Festo sets up and implements didactic training centers and laboratories, as well as learning systems and training programs covering all aspects of automation technology. They are designed to prepare people systematically for working in dynamic and complex environments. The learning opportunities are continuously adjusted to match the current requirements of industry and business, and includes topics such as digitalization, AI, and energy efficiency.

World of Motion

From pioneering innovations to maximum productivity

We set the world in motion for our customers. By using innovations to simplify what is complex. Automation from Festo offers the right solutions for everything that ensures sustainable success, maximum productivity, and competitive advantages for our customers, from pneumatics and controlled pneumatics to electric automation and digitalization using AI. Compatible and with seamless connectivity. Our broad expertise allows us to offer you technology-neutral advice, thus opening the door to smart innovations and maximum CO₂e savings. And training is just as important as technology.

From maximum flexibility to highest precision

> **Electric automation from Festo** for speed and efficiency with seamless connectivity

From mechanical systems and controllers to the right cloud application: Thanks to having one of the most extensive portfolios on the market, we can implement almost any movement requirement for our customers using electric automation. Seamless connectivity guarantees perfect interaction between all technologies.

From comprehensive expertise to lifelong learning

> **Festo Didactic** for learning solutions and developing technical skills

As the global market leader in technical basic and further training, we create real added value for our customers on their journey to industrial transformation – and thus the basis for productivity, innovation, and sustainable growth. We systematically pass on our knowledge to the experts of tomorrow. Everything is from a single source, from simple software solutions and individual learning packages to digital learning platforms and comprehensive training centers.

From real-time tracking to looking into the future

> **Digitalization from Festo** for monitoring and digital tools to AI solutions

Festo is one of the pioneers of digitalization and a founding member of the Industry 4.0 platform. Based on our expertise in mechatronics, automation, and AI, we generate real added value. As a partner in industrial automation, we offer individual, comprehensive solutions and support our customers in increasing overall system efficiency with the right hardware and suitable software tools, from design to commissioning, as well as perfect AI apps.

From pure power to smart control

> **Pneumatics from Festo** for reliable and innovative automation solutions in all industries

Pneumatics often offers the simplest and most efficient solution. Regardless of the challenge, customers benefit from pneumatic solutions that are based on application knowledge gained over a hundred years of automation experience.

Our latest innovation, controlled pneumatics, provides intelligent solutions for more complex tasks. Together with comprehensive design software, digitized pneumatics opens up new possibilities, from precise positioning to fast and flexible control.



“Seamless automation allows us to combine the best of different technologies.”

Frank Notz, Member of the Management Board Sales

Together we move the world.
Welcome to the World of Motion:
www.festo.com/worldofmotion



Sustainability is firmly anchored in our corporate strategy. The Management Board of Festo SE & Co. KG is committed to this. From left to right: Dr. Jaroslav Patka, Dr. Ansgar Kriwet, Dipl.-Ing. (FH) Thomas Böck, Dr. Sebastian Beck, Dipl.-Ing. Gerhard Borho, Dipl.-Ing. (FH) Frank Notz.

Sustainability Strategy

As a family-owned company with a long-term perspective, taking responsibility for the present generation and future ones has always been a core part of our identity. Sustainability is an integral element of our corporate culture and strategy. Our sustainability strategy distinguishes between the areas of environment, social issues, and governance (ESG), and guides our actions in the focus areas of climate protection and resource efficiency, people at Festo, technical education, as well as ethics and governance. In 2024, we achieved important progress:

- By joining the Science Based Targets initiative (SBTi), we have committed to science-based climate targets for our company in compliance with the Paris Agreement. These were submitted by us for review in 2024 and they were validated by the SBTi in 2025. Further information about our climate targets can be found in the “SBTi targets” section of this report.
- A wide range of qualification programs enables us to provide our employees and customers with key qualifications and facilitates their continuous development.

- We have continuously developed our compliance management system. This system is used to monitor and control measures for preventing corruption, fraud, and antitrust breaches, as well as to strengthen our management culture. It provides the foundation for conduct by our employees and business partners that is legally compliant and in conformity with regulations.
- Our product portfolio spanning pneumatic and electric automation allows us to provide advice independent of technology, and to support our customers in achieving their sustainability goals. This enables us to make a contribution over the long term to reducing greenhouse gas emissions along our entire value chain.

We are continuously adapting our sustainability strategy. A new strategy period was launched in 2025. Going forward, our strategic plan is intended to continue building on the existing focus areas. At the same time, we want to use this plan to respond more directly to changing market needs and regulatory developments, while defining company-specific priorities. Our objective is to make even better use of our ESG opportunities and to prepare our business operations for the upcoming challenges.



» As a strategic motion partner, we want to offer our customers certainty on their journey to a more

sustainable way of doing business – using technology-independent consulting to achieve efficient solutions for their motion requirements. Our scientifically based climate targets enable us to contribute to the strategic goals of our customers. «

Marcus Stemler,
Head of Corporate Sustainability at Festo

Marcus Stemler heads the Corporate Sustainability department and is responsible for sustainability management throughout the Group. The focus is on corporate responsibility and on positioning Festo as a long-term strategic partner

for customers. The department is responsible for strategic planning and reporting, minimizes risks by coordinating sustainability compliance, and manages operational management systems globally.

Environment

Climate Protection

and Resource

Efficiency

Environment and climate protection, along with the economical use of energy and resources, are key tasks of our time. These topics are firmly anchored in our corporate strategy and in our sustainability strategy. Our focus is on reducing greenhouse gas emissions – for our customers and for ourselves.

We have defined clear climate targets, which we submitted for the Science Based Targets initiative (SBTi) in 2024 and which were validated in 2025. On the one hand, we want to ensure that our goals align with climate research, and on the other hand, that we have defined the field in which we can have the greatest impact.

A milestone has been achieved. Since 2024, the entire Festo Group has been CO₂e-offset in terms of Scope 1 and CO₂e-neutral in terms of Scope 2 – two years earlier than planned.



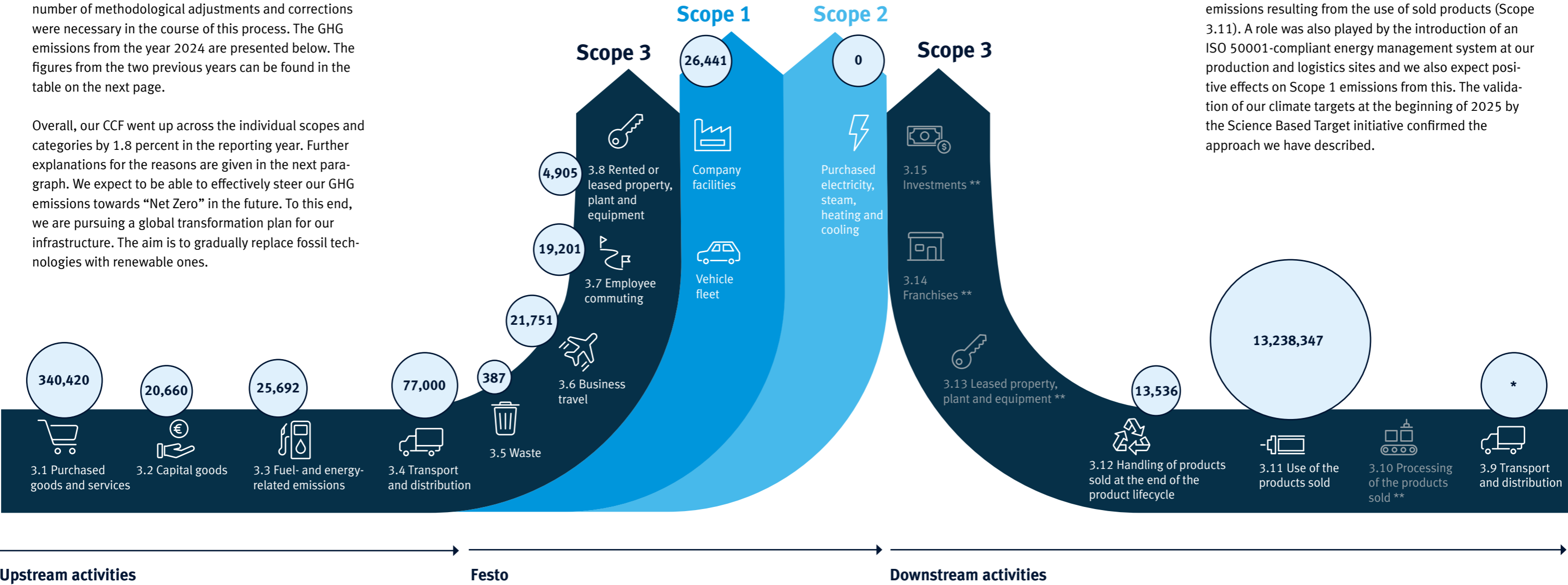
Our AutomationCenter in Berkheim was awarded a Platinum Certificate as early as 2017 by the German Sustainable Building Council.

Corporate Carbon Footprint (CCF)

Since 2022, Festo has been calculating the Corporate Carbon Footprint (CCF) for Scopes 1 to 3 in accordance with the Greenhouse Gas (GHG) Protocol. The calculations are based on recognized methods and meet the requirements of the GHG Protocol. If emission values in this report differ from values published previously, without any explanation being provided in the following, this is due to validation of our climate goals by SBTi. A small number of methodological adjustments and corrections were necessary in the course of this process. The GHG emissions from the year 2024 are presented below. The figures from the two previous years can be found in the table on the next page.

Overall, our CCF went up across the individual scopes and categories by 1.8 percent in the reporting year. Further explanations for the reasons are given in the next paragraph. We expect to be able to effectively steer our GHG emissions towards “Net Zero” in the future. To this end, we are pursuing a global transformation plan for our infrastructure. The aim is to gradually replace fossil technologies with renewable ones.

A reduction plan for Scope 3 emissions is an element of the corporate strategy. In specific terms, we are currently developing GHG reduction plans for direct emissions from the combustion of fossil fuels (Scope 1), indirect emissions from the use of electricity and heat (Scope 2), and emissions caused by the production of purchased goods and services (Scope 3.1), emissions caused by procurement and internal logistics (Scope 3.4), and emissions resulting from the use of sold products (Scope 3.11). A role was also played by the introduction of an ISO 50001-compliant energy management system at our production and logistics sites and we also expect positive effects on Scope 1 emissions from this. The validation of our climate targets at the beginning of 2025 by the Science Based Target initiative confirmed the approach we have described.



Greenhouse gas emissions 2024 (Scope 1, Scope 2, and Scope 3) in line with the GHG Protocol (in t CO₂e).

* 3.9 is excluded
** 3.10, 3.13, 3.14 and 3.15 = not relevant

The CCF of Festo comprises the majority of GHG emissions of the entire Festo Group, including all international sales subsidiaries. Limitations and methodological changes are explained below.

In Scope 1, we posted an increase of 2.4 percent to 26,441 tons CO₂e. The reasons for this include a higher attendance rate at our production and office facilities following contact restrictions during the pandemic. Another contributory factor was the easing of energy-saving measures implemented on the back of the energy crisis.

In 2024, we are using the market-based method with a value of zero for reporting the Scope 2 emissions. The key factor for this was expansion of the purchase of certificates of origin for electricity from renewable energy sources at all locations.

Within Scope 3, the categories 1 (purchased goods and services) and 2 (capital goods) are still calculated on the basis of the costs associated with emission factors based on expenditure. We carried out a review for the list of tasks in 2024. This led to shifts between the two

categories and the elimination of double counting. We have therefore corrected the figures for 2022 and 2023 retrospectively in this report. Overall, Scopes 3.1 and 3.2 were virtually unchanged at 361,080 tons CO₂e.

Fuel- and energy-related emissions (Scope 3.3) increased by 10 percent to 25,692 tons CO₂e. The most significant impact here was the change in the emission factors of the International Energy Agency (IEA).

The global emission data for the procurement, intercompany and distribution logistics in the areas of transport with logistics service providers (Scope 3.4) directly commissioned by Festo have been consolidated on a service-provider platform since 2024. This entails a standardized CO₂e calculation method and data structure for the upload of the logistics partners or direct calculation of CO₂e figures. In contrast, we use a proprietary model developed in-house to calculate the emissions from supplier-contracted procurement logistics. In the reporting year, the summarized Scope 3.4 emissions amounted to 77,000 tons CO₂e.

The last time a calculation was undertaken, we calculated the logistics emissions on the basis of the transport volume using a model for the year 2021 that had been developed in-house. These emissions amounted to 121,174 tons CO₂e. The exceptionally strong fall in emissions from 2021 to 2024 is primarily explained by the significant increase in airfreight volume during the pandemic and the global semiconductor shortage in 2021. The decline subsequently dropped from around 16,000 tons to approximately 10,000 tons each year in the following years. The impact on the emissions amounted to approximately 30,000 tons CO₂e. Furthermore, smaller, targeted projects to switch transport volume from air freight to sea freight also contributed to this development (approx. 2,250 tons CO₂e). We attribute the remaining difference of approx. 12,000 tons CO₂e to the change in methods and calculation approach referred to above. The data for 2022 and 2023 are extrapolated from the current value to the past.

GHG emissions caused by business travel (Scope 3.6) increased by 10 percent to 21,751 tons CO₂e owing to catch-up effects following the pandemic years.

The biggest proportion of GHG emissions continues to be generated during the usage phase (Scope 3.11). During the reporting year, this increased by 2 percent to 13,283,347 tons CO₂e. As a result, the GHG emissions returned to the 2022 level, which is partly due to changes in the calculation logic parameters and the electricity mix in our sales markets.

Offset with CO₂e certificates and guarantees of origin
If we are unable to avoid CO₂e emissions in Scope 1 and the estimated heat-related emissions from rented properties (heat-related Scope 3.8) in the short or medium term, we will offset them with CO₂e certificates from international climate protection projects. When selecting projects, we rely on certification systems such as “Gold Standard” and “Verra”.

For the electricity consumption of properties owned by Festo, as well as the partially estimated electricity consumption in rented properties, we purchase guarantees of origin for electricity from renewable sources and retire them. This means we have achieved calculated carbon neutrality in Scopes 1, 2, and 3.8.

Additional details on CO₂e certificates and guarantees of origin are described in the [Sustainability Report 2023](#).

	2022	2023	2024
Scope 1	30,762	25,820	26,441
Scope 2, marketbased ¹⁾	38,688	8,087	0
3.1 Purchased goods and services	393,462	352,401	340,420
3.2 Capital goods	25,173	19,879	20,660
3.3 Fuel- and energy-related emissions	32,013	23,343	25,692
3.4 Transport and distribution	87,931 ²⁾	83,243 ²⁾	77,000 ²⁾
3.5 Waste ³⁾	394	382	387
3.6 Business travel	18,620	19,683	21,751
3.7 Employee commuting	18,330	18,982	19,201
3.8 Rented or leased property, plant and equipment ²⁾	8,422	5,454	4,905
3.11 Use of products sold	13,363,775	12,972,026	13,238,347
3.12 Handling of products sold at the end of the product lifecycle	14,548	13,097	13,536
Summe ⁴⁾	14,032,118	13,542,397	13,788,340

Greenhouse gas emissions (Scope 1, Scope 2, and Scope 3) in accordance with the GHG Protocol (in t CO₂e).

¹⁾ The location-based Scope 2 emissions amounted to 59,703 t CO₂e in the reporting year.

²⁾ Preliminary value, new calculation method.

³⁾ Waste from headquarters and production locations is included. Waste from national subsidiaries (sales offices, etc.) is not included.

⁴⁾ 3.9 = excluded, 3.10, 3.13, 3.14 and 3.15 not relevant.



Since 2024, the entire Festo Group has been CO₂e offset in terms of Scope 1 and CO₂e-neutral in terms of Scope 2 – two years earlier than planned.

SBTi-Targets

In 2024, Festo joined the Science Based Targets initiative (SBTi). In doing so, we commit to reducing our greenhouse gas emissions (Scopes 1 – 3) in line with the Paris Agreement. Festo’s ambitious climate targets were given validation as scientifically sound by the SBTi in 2025.



Short-term targets by 2030

- Reduction of absolute greenhouse gas emissions in Scope 1 and 2 by 64.3 percent compared with the base year 2022
- Reduction of absolute greenhouse gas emissions in Scope 3 by 25 percent compared with the base year 2022

Long-term target by 2040

- Reduction of absolute greenhouse gas emissions in Scope 1 and 2 by 90 percent compared with the base year 2022

Long-term target by 2050

- Reduction of absolute greenhouse gas emissions in Scope 3 by 90 percent compared with the base year 2022

“Net Zero” target by 2050

- Net zero greenhouse gas emissions along the entire value chain

We and the SBTi continuously review our progress toward our targets.



» Fundamentally, we are striving for efficient use of resources throughout all departments in Operations.

This aim has been explicitly expanded by significant aspects such as energy efficiency and CO₂e reduction in order to minimize our footprint. I ensure that these factors are implemented consistently in decisions with strategic relevance. «

Dr. Florian Denz,
Head of Sustainable Operations at Festo

Sustainability at Our Locations

Sustainable energy and resource management plays a key role at our locations across the world. We document and report on initiatives, measures, and key figures each year.

Primary energy consumption and Scope 1 greenhouse gas emissions

In 2024, primary energy demand amounted to 77,206 megawatt hours. This represented an increase of 10 percent compared to the previous year, due to several effects. When the contact restrictions introduced during the pandemic were lifted, and the energy measures taken during the energy crisis were relaxed, buildings in Germany and other European locations were once again subject to intensive use. This resulted in an increased requirement for heat. We also resumed in-house generation of electricity from gas. We present the energy consumption documented under primary energy consumption in chapter 3.2 of the [Sustainability Report 2023](#).

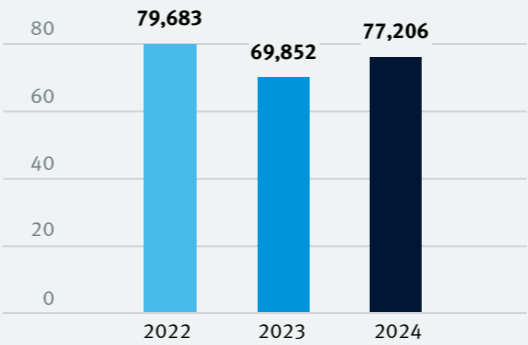
The Scope 1 emissions in the production and logistics network amounted to 13,048 metric tons of CO₂e emissions in 2024. These emissions are taken account of by the measures for CO₂e offset. Details of our offsetting measures are presented in the chapter Corporate Carbon Footprint.

Energy consumption and derived Scope 2 emissions

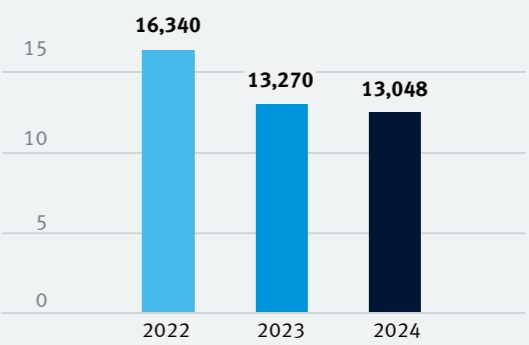
The final energy demand in 2024 amounted to 130,123 megawatt hours, which was 3 percent higher than in the previous year. The greater usage of buildings was also perceptible here. Festo obtains its final energy almost exclusively in the form of green electricity. Two locations are heated by district heating. This causes 322 metric tons of CO₂e emissions. These emissions are also subject to CO₂e offset and are therefore also set to zero. Further information on this is provided in the chapter Corporate Carbon Footprint.

Total energy consumption and sales-related GHG emissions

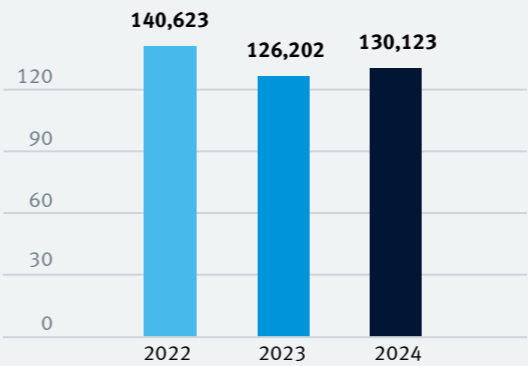
The total energy demand in relation to sales (primary and final energy) went up by almost 12 percent year-on-year to 60.1 megawatt hours per million euros. Scope 1 and 2 sales-related GHG emissions increased year-on-year by 4 percent to 3.8 metric tons of CO₂e per million euros of sales. As a result, emissions have increased to a lesser extent than total energy demand. This is due to the purchase of green electricity and the expansion of in-house power generation with photovoltaics. We reported on the certificates of origin for electricity procurement in the [Sustainability Report 2023](#).



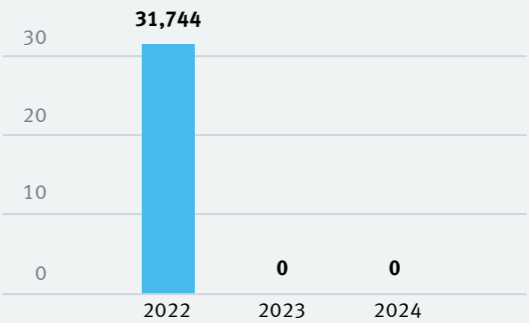
Primary energy (heating oil, diesel, gas, MWh)



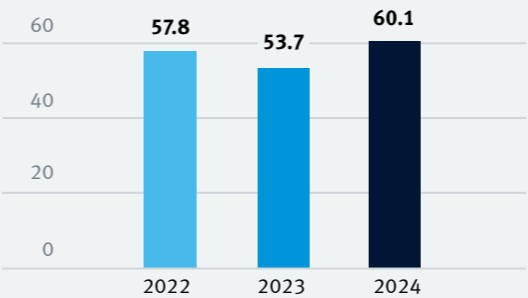
Direct greenhouse gas emissions (Scope 1, t CO₂e)



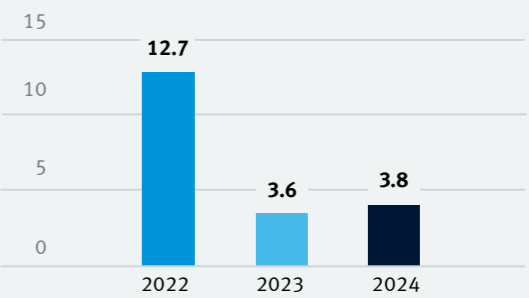
Final energy (electricity, district heating, MWh)



Indirect energy-related greenhouse gas emissions (Scope 2, t CO₂e)



Energy consumption in relation to sales (MWh/million €)



Greenhouse gas emissions (Scope 1 und Scope 2), in relation to sales (t CO₂e/million €)

Expansion of in-house renewable power generation

The Festo Group has been investing in generating its own electricity using photovoltaic (PV) systems since 2004. In 2024, photovoltaic systems were installed at a further five locations. The total PV capacity installed at Festo has thus been increased by a further 13 percent and now amounts to 15.6 megawatt peak. By the end of 2024, all PV installations worldwide generated 14,990 megawatt-hours of electricity. This avoids 7,452 metric tons of CO₂e per year at the plants of the respective electricity suppliers. Own production was 11,399 megawatt-hours in the production and logistics network.

Energy controlling and energy management

With the exception of three smaller plants, our locations are equipped with energy-monitoring systems. They make it possible to monitor energy consumption, to identify causes for excessive consumption and initiate corrective measures at short notice. In 2024, we decided to introduce an energy management system in conformity with ISO 50001 at all production and logistics locations. The first implementation took place at our locations in Esslingen and was confirmed by the German Technical Inspectorate (TÜV). We are planning certification of additional German production sites and international rollout in 2025.

Environmental compliance

Festo did not commit any serious violations of environmental law in the reporting period. However, we cannot rule out the possibility of individual fines having been levied due to minor violations of regulations (e.g. in the transport of hazardous goods).

Waste figures and transport of waste

We strive to avoid waste at all our locations or to recycle materials. Over the past four years, our locations around the world generated an average of 12,824 metric tons of waste per year. By comparison with 2023, the volume of waste therefore increased by 1.26 percent in 2024. About 82 percent was nonhazardous and about 18 percent was hazardous waste. The recycling/reutilization rate across all waste categories is over 92 percent. This level was achieved by measures such as reusable packaging, low-waste manufacturing processes, and raising the awareness of the workforce. In order to be able to achieve further improvements, we introduced a global waste standard in 2024. The [Sustainability Report 2023](#) contains comprehensive information on waste management.

Water consumption and wastewater

Festo is committed to effective water management in order to operate with maximally efficient use of resources. In 2024, the water consumption of Festo was 303,579 cubic meters – rather higher than in the previous year (277,794 m³), but below the consumption in 2022. The increase in consumption occurred in all areas, but was particularly evident in production (+12,769 m³). At around 30 percent, production and sanitary installations accounted for the biggest share of total water consumption. Cooling with evaporative cooling systems made up 19 percent, and the remainder was attributable to processes such as the irrigation of green areas and the operation of the canteen. We present a detailed account of our approach to water and wastewater management in the [2023 Sustainability Report](#).

Sustainable packaging concept

Our packaging concept has been designed for lower resource consumption and it was further optimized in 2024. Measures included the replacement of single-use pallets/cardboard containers with reusable shuttle boxes

and a switch to thinner stretch film containing recycled material. The latter provided material savings of approximately 15 percent. Process-related reasons meant that the use of Euro Pool pallets announced in the previous year’s report could not yet be implemented and is still under review.

We are continuing to work on achieving the highest possible proportion of packaging made from renewable materials such as wood, paper, cardboard, and corrugated board. In 2024, this amounted to more than 97 percent of the weight of all packaging materials at our largest distribution warehouse. We also aim to limit the amount of packaging we use in shipments. This was just under 23 percent in 2024 – also for Germany. Our Low Paper concept saves nearly 170 metric tons each year by placing user documentation online.

Our future goal is to reuse transport packaging from previous shipments within Festo’s international logistics network. Calculations and pilot products are already running at our Asia hub in Shanghai (China).

Nonhazardous and hazardous waste

According to disposal procedure	2022	2023	2024
Nonhazardous recycling	10,500 t	10,003 t	9,879 t
Nonhazardous disposal	422 t	522 t	611 t
Hazardous recycling	1,712 t	1,666 t	1,890 t
Hazardous disposal	311 t	352 t	353 t

Water discharge and water withdrawal

Water discharge by quality and destination	2022	2023	2024
Production wastewater	75,329 m ³	73,737 m ³	80,336 m ³
Sanitary wastewater	103,682 m ³	82,846 m ³	90,243 m ³
Indoor air-conditioning	20,862 m ³	19,277 m ³	20,011 m ³
Other	17,119 m ³	18,182 m ³	25,912 m ³
Water withdrawal by source: public water supply and groundwater withdrawal			
Groundwater	6,946 m ³	5,971 m ³	6,916 m ³
Public water withdrawal	301,624 m ³	271,824 m ³	296,663 m ³

Material Use in Our Products and the Product Carbon Footprint (PCF)

Material use and the Product Carbon Footprint

The Product Carbon Footprint (PCF) shows how many greenhouse gas (GHG) emissions are generated over the entire lifecycle of a product. It also identifies potential for effective savings.

PCF: from cradle to gate

The PCF accounts for all GHG emissions that occur during the manufacturing phase for material, energy, and transport from cradle to gate. We evaluate the usage phase separately because these emissions can vary depending on the area of application of the product. For comprehensive information on the calculation method, see chapter 3.3 of the [Sustainability Report 2023](#). Continuous further development enables us to show details of the PCF right through to the level of the part number. Our aim is to collect these data for our entire product portfolio.

Festo CO₂e: practical tool for our customers

We have developed the Festo CO₂e as an interim solution until detailed PCF data are available for our entire product portfolio. This covers all relevant GHG emissions from manufacture. Furthermore, our customers can use

the Festo CO₂e to estimate the proportion of the Festo components in the CO₂e footprint of their machine. This is a practical tool supporting our customers in calculating their Corporate Carbon Footprint (CCF). In 2025, we will refine the calculation methods further.

Sustainable product development

Developing products to be maximally low emission right from the start is also part of our corporate strategy. On the basis of internal guidelines, we adhere to the following principles:

- CO₂e-saving product design.
- Material-saving design and CO₂e-saving material selection (e.g. recyclates).
- Optimum lifetime through easy repairability and maintenance.
- Integration of CO₂e reduction targets in the product development process.
- Avoidance of critical and environmentally harmful content.

You can find more information at www.festo.com/material-compliance

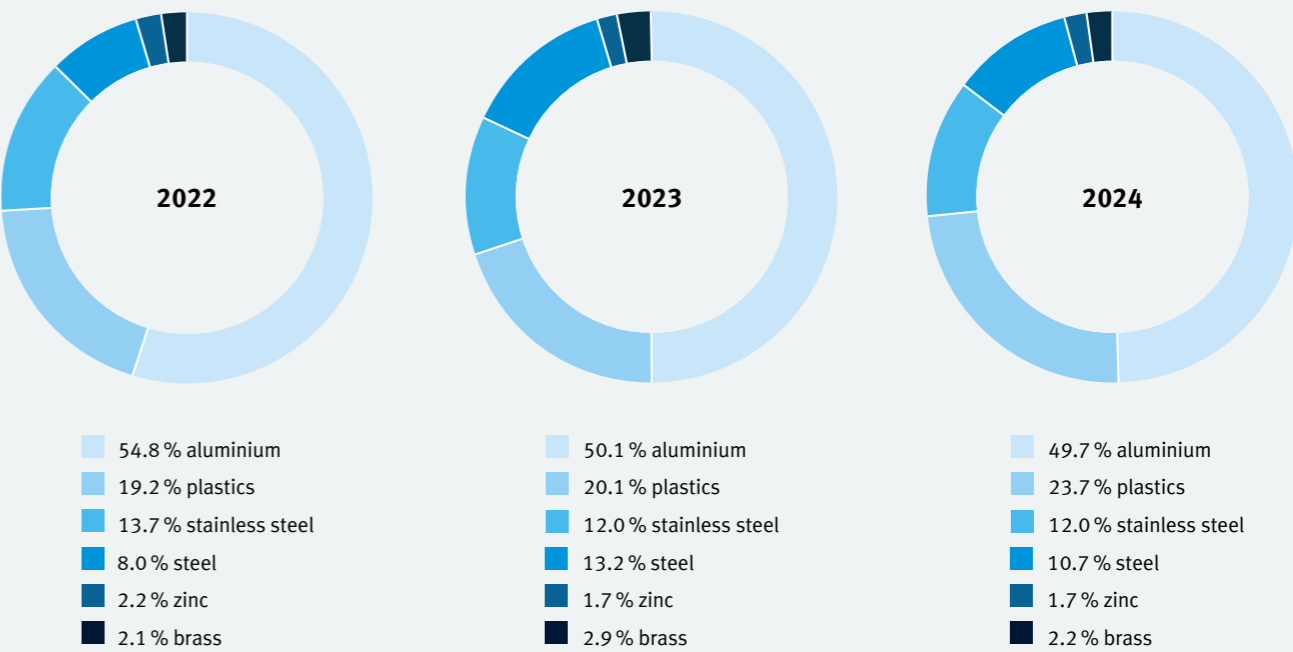
Sustainable procurement

Alongside the product design, our supply chain is a key area where we have to take account of greenhouse gas emissions. Plastics, aluminum, and (stainless) steel are among the most important materials for our production. In 2024, Festo purchased a total of 26,136 metric tons of raw materials. But resources are finite and the GHG emissions from the extraction of raw materials exert a negative impact on the climate. It is therefore important to develop holistic concepts in order to reduce the consumption of materials and GHG emissions.

A focus here is aluminum. Bauxite is the starting material for the production of aluminum and a critical raw material exerting substantial impacts on the environment. One approach is to increasingly replace primary aluminum

with secondary aluminum. The procurement of secondary aluminum enables us to save a significant proportion of emissions that are attributable to the extraction of bauxite. When calculating the aluminum CO₂e footprint, we take into account whether it is primary or secondary aluminum, the countries of origin, and supplier-specific information to the extent that this is available. Festo has currently attained a secondary aluminum share of 74.3 percent.

We go one step further in Hungary. Aluminum waste is directly smelted there into the required raw materials, and consequently bypasses several intermediate steps. This enables us to continue reducing CO₂e emissions. At present, we are testing an expansion of the technology to German sites.



Distribution of the purchase volume by material.

Use of the Products Sold

At Festo, we are committed to climate protection and focus in particular on reducing our corporate carbon footprint (CCF). The biggest proportion of our CCF is made up by greenhouse gas (GHG) emissions, which are generated by customers when they use our products. In 2024, we continued to work on our solutions. These were directed toward making usage of Festo products in customer applications maximally energy efficient and thereby keeping their GHG emissions as low as possible.

In focus: GHG emissions in the usage phase

In 2024, the focus of our work was on analyzing and evaluating the measures designed to reduce the product carbon footprint (PCF) of our products in the manufacturing and usage phase. On the basis of the results, we received 2025 validation of the Science Based Target initiative (SBTi) for our target of reducing the Scope 3 emissions. The target also includes emissions during the usage phase. Information on the SBTi validation and our climate targets is provided in the chapter Sustainability Strategy and in the section SBTi goals.

Energy-efficient automation

We support our customers in designing their systems to be cost-effective and energy-efficient. A key factor for energy efficiency is selection of the correct drive technology. Depending on the application, pneumatic, electric or hybrid solutions can be the optimum choice. The correct dimensioning and the pressure level play a big role for pneumatic systems in particular. Advanced control technologies are also helpful in continuing to reduce energy consumption.

Our goal is to find the most energy-efficient solution for each customer application. This is facilitated by our offer of innovative technologies and comprehensive consul-

tancy offerings. In order to support sustainable decision-making, we provide our customers with digital tools to calculate and visualize energy savings and GHG emissions. These tools allow costs and environmental impacts to be compared over the entire product life cycle.

Our support encompasses:

Information offerings at the Festo Experience Centers for energy-efficient automation.

- **Training sessions and workshops** for raising awareness of sustainable technologies from Festo Didactic.
- **Comparative calculations** on total cost of ownership and GHG emissions for pneumatic and electric drive systems.
- **PCFs** for the relevant customer application on request.
- **Energy-efficiency audits** for analyzing and optimizing production plants with the Festo Energy Saving Services.

Extract from our sustainable products for GHG reduction

We offer products in three categories which reduce GHG emissions through their design and their functionality:

- **More sustainable in manufacture:** Cylinders like ADN-S and DSNU-S save up to 50 percent material and CO₂e in production.
- **More sustainable in operation:** Intelligent technologies like the energy-efficiency module MSE6 and the vacuum generator OVEM reduce the energy consumption of compressed air by up to 90 percent compared with the previous state of the art, and they improve the cycle time.
- **More sustainable at the end of the usage phase:** A resource-conserving method of construction and recycling concepts allow reuse and professional disposal.

Optimization of compressed-air efficiency

Our Festo Energy Saving Services support companies in energy-efficient optimization of compressed-air usage. Certified specialists perform compressed-air energy-efficiency audits in conformity with DIN EN ISO 11011 and analyze the compressed-air generation, the supply network, and the final consumers. Any potential savings identified are documented and prioritized so that companies can implement measures in a targeted approach.

Digital Energy Saving Services portal

Festo offers customers a web-based portal for efficient support of energy-saving measures. Customers have access to digital management of their audit results and

potential energy savings, they are able to document leakages and optimization measures, calculate CO₂e savings, and monitor the status of their improvements in real time. Companies wishing to carry out their own inspections can acquire a license for the portal and efficiently manage their own audits. In addition, we also offer workshops where customers learn to identify and exploit potential energy savings in their systems.

More information on our sustainable solutions is available here, www.festo.com/energyefficiency



In Festo Experience Centers across the world, customers and Festo experts cooperate to create pioneering solutions with the latest technologies.

Social People at Festo

Festo is the work of many hands. Our international success is based on the passion, the commitment, and the innovative strength of the people who work for us. Continuous training of our employees for future assignments is therefore particularly important to us. Lifelong learning is a core element of our corporate culture. We put people at the center and create the foundations for a secure and trusting relationship. We offer our employees fair and performance-related pay, as well as flexible working models. We set high benchmarks for occupational health and safety. Moreover, we are committed to upholding human rights and we also require our business partners to comply with social and environmental standards.



Employee Development

Committed, qualified, and adaptable employees are one of the prerequisites for business success at Festo. That is why we strive to attract, retain, and develop the very best employees.

In 2024, the Festo Group employed a total of 20,596 people worldwide. This figure covers the entire workforce including interns, students, and temporary staff.

Employees by region

	2022	2023	2024
Total number of employees	20,817	20,545	20,596
Africa	109	104	114
Americas	2,407	2,376	2,386
Asia	3,570	3,762	3,900
Australia	79	78	76
Europe, excluding Germany	6,070	5,878	5,891
Germany	8,582	8,347	8,229

Employees and management bodies by age and gender

	2022	2023	2024		2022	2023	2024
Total number of employees	20,276	20,068	20,092	Total management bodies	1,190	1,171	1,172
Employees by gender				Management bodies by gender			
Male	70 %	70 %	70 %	Male	89 %	89 %	88 %
Female	30 %	30 %	30 %	Female	11 %	11 %	12 %
Employees by age				Governance bodies by age			
< 29 years	14 %	13 %	13 %	< 29 years	0 %	0 %	0 %
30 – 49 years	57 %	57 %	57 %	30 – 49 years	48 %	48 %	47 %
> 50 years	29 %	29 %	29 %	> 50 years	52 %	52 %	53 %

Permanent and temporary employment relationships

The table below shows the total number of permanent and temporary employment relationships. In addition, there are activities carried out by trainees and students that are not covered by these two categories. There were 541 interns and students in 2022. The number fell to 477 in 2023 and rose to 504 in 2024.

New employees and staff turnover

Both the total number of new employees and the fluctuation by gender, age group, and region are shown below. Employee turnover increased in 2022 and fell again in 2023 and 2024.

Employment relationships by gender and region

	2022	2023	2024		2022	2023	2024
Permanent and temporary employees	20,276	20,068	20,092				
Permanent by gender				Temporary by gender			
Male	64 %	65 %	65 %	Male	6 %	5 %	5 %
Female	26 %	27 %	28 %	Female	4 %	3 %	2 %
Permanent by region				Temporary by region			
Total	18,262	18,404	18,696	Total	2,014	1,658	1,396
Africa	104	99	106	Africa	0	0	0
Americas	2,383	2,344	2,356	Americas	2	6	8
Asia	2,451	2,627	2,865	Asia	1,109	1,116	999
Australia	73	73	74	Australia	6	5	2
Germany	7,820	7,768	7,694	Germany	435	287	249
Europe, excluding Germany	5,431	5,493	5,601	Europe, excluding Germany	462	244	138

New employees and staff turnover

	2022	2023	2024		2022	2023	2024
Total hires	2,341	1,934	1,834	Total departures	2,678	2,342	1,950
New entries by gender				Departures by gender			
Male	67 %	64 %	68 %	Male	68 %	66 %	67 %
Female	33 %	36 %	32 %	Female	32 %	34 %	33 %
New entries by age				Departures by age			
< 29 years	51 %	44 %	46 %	< 29 years	35 %	27 %	31 %
30 – 49 years	41 %	49 %	46 %	30 – 49 years	45 %	46 %	45 %
> 50 years	8 %	7 %	8 %	> 50 years	20 %	26 %	24 %
New entries by region				Departures by region			
Africa	0 %	1 %	1 %	Africa	0 %	1 %	0 %
Americas	16 %	15 %	15 %	Americas	12 %	14 %	14 %
Asia	20 %	25 %	22 %	Asia	15 %	15 %	17 %
Australia	1 %	1 %	1 %	Australia	1 %	1 %	1 %
Germany	28 %	19 %	22 %	Germany	27 %	28 %	30 %
Europe, excluding Germany	35 %	39 %	38 %	Europe, excluding Germany	44 %	41 %	37 %

Festo as an Employer



» For the past 100 years, our employees have shaped the success of Festo. Our ideas, diversity, and innovative force are the driver – for sustainable solutions and a strong community. «

Martin Kimmich,
Head of Global HR Center of Expertise at Festo

Festo as an employer

Our goal is to entice new talent and offer our existing employees an attractive working environment. Our corporate culture at Festo plays a key role here. It forms the foundation for respectful interaction, lifelong learning, and collaborative growth within the company. Our ongoing project is to continuously develop this culture by implementing targeted programs. Mobile working, a modern digital infrastructure, and innovative, collaborative room concepts empower our employees to organize their work individually with a high level of self-determination, and in consultation with their line managers. This approach allows us to respond to the needs of our employees in the different phases of their lives by offering flexible working hours, such as part-time working, parental leave, or care leave. These options extend beyond the models regulated by law in some countries. Our working model helps employees to reconcile work and private life, and it promotes a forward-looking work environment in the digital age.

Remuneration and benefits

In addition to fair overall remuneration, Festo offers all employees in Germany – regardless of whether they work full-time or part-time – attractive benefits. In 2024, we structured these benefits in the revised Festo Benefits Framework under the slogan “Be.Well Do.Well”. They comprise the following:

- Remuneration and benefits
- Company pension scheme
 - Programs for permanent or temporary changes of job location within Festo global
 - Subsidized canteens or meal allowances at our branch offices
 - Discount on public transport in Esslingen
 - Bicycle leasing with an employer subsidy
 - Leasing of an (electric) company car for employees not covered by collective wage agreements
 - Price reductions for various discount portals and from regional partners

Work-life balance

- Self-determined and flexible working
- Special leave (e.g. wedding, moving home, or birth of a child)
- Social benefit fund for special financial burdens (“rainy day fund”)
- Family services and social counseling from external consulting partners
- Places in nurseries for children of employees
- Holiday childcare for employees’ children

Health

- Workplace health promotion with a wide range of preventive services
- Company sports clubs and leisure groups

Lifelong learning

- Training (in-person and online) and innovative learning opportunities
- Development programs for management
- Scholarship programs for students (e.g. IT scholarship, women pursuing technical master’s degree)
- Student loyalty scheme for former interns

Team culture

- Comprehensive onboarding program
- Networking events for employees (e.g. after work)
- Creative spaces



Appreciation for people in their uniqueness is part of Festo’s vibrant corporate culture.

Diversity

Diversity as a Success Factor

People from 98 countries successfully work together at Festo. Diversity is not simply a concept for us, but an important factor for success. We appreciate the uniqueness of individuals and we believe that teams with a diverse make-up enable us to expand our horizons and enhance our innovative strength.

A key area of activity

We perceive diversity, equal opportunity, and inclusion as a key area of activity. That is why “Diversity, Equity & Inclusion” (DE&I) have been firmly anchored in our corporate strategy since 2025. We intend to significantly expand our measures to promote diversity within the company.

Counteracting discrimination

Festo is committed to a working environment free from discrimination. All our employees deserve to be given equal opportunities – irrespective of their age, ethnicity

and nationality, gender and gender identity, physical and mental abilities, religion, faith and beliefs, sexual orientation, and social origin. We encourage our employees to address and report discrimination at an early stage. In the [Sustainability Report 2023](#), we provided a comprehensive description of the reporting pathways and complaint channels available for reporting. In 2024, two cases involving violations of the General Act on Equal Treatment (AGG) in Germany were reported, reviewed, and resolved.

Promoting inclusion

The inclusion of people with a disability in working life – particularly severely disabled people and people of equivalent status – is not simply a statutory obligation in our eyes but a social responsibility. This commitment is reflected in the Code of Conduct of the Festo Group. In 2024, we employed additional apprentices with severe disabilities.

Women at Festo

In 2024, we pushed forward our “Female Empowerment Program”. The aim of this program is to support female leaders and high-potential women in their individual development and career planning. Since the reporting year, the participants have also been able to swap ideas following the conclusion of the program in an alumni network. Beyond the scope of the program, we are working on further improving the framework employment conditions for women at Festo with initiatives like flexible working time models and mentoring offers. In 2024, we also launched our first cross-company pilot project in the region around our headquarters in Esslingen.

Raising awareness

- An important lever for developing the potential of diversity is to expand the knowledge of our employees. The following actions were taken.
- Keynote speeches were offered across the world on the topic of “Unconscious Biases”. The keynotes provided insights into how unconscious biases might be identified in the workplace and thereby help to prevent discrimination.
 - In 2024, we carried out a diversity training course for managers.
 - In Germany, we also participated in the “Diversity Day” organized by the “Diversity Charter” initiative through an get-involved event.
 - We offered a “Marketplace for Diversity” at our Esslingen and Scharnhausen sites as part of our “Local Learning Week”.

Leveraging diversity as a strength

DE&I is an important element of employer appeal at Festo. In 2024, we carried out analyses in the context of our “Employer Attractiveness” project so as to gain a better understanding of how we can anchor diversity even more firmly within the company. With this end in mind, we also reviewed our HR processes in recruiting, talent management and employer branding during the course of the reporting year. The objective was to further optimize processes in order to give all employees fair access to the opportunities for growth.

Employee networks: promoting communication

Our employees are able to communicate with each other in employee networks. These include Proud@Festo, the LGBTQIA+ network (lesbian, gay, bisexual, transsexual/ transgender, queer, intersexual and asexual), and Woman@Festo – the network of women for women. We described the goals and activities of the networks in the [Sustainability Report 2023](#).

More information on the topic of diversity, equity, and inclusion can be found at www.festo.com/diversity



Nationalities at Festo

98

Total Festo Group

30

Americas

28

Asia

73

Europe (without Germany)

69

Germany

Diversity by nationality in 2024.

Education and Training

Vocational Training

Festo is committed to providing our trainees and students with knowledge and skills that are important for the future success of manufacturing industry. Digitalization and sustainability are top priorities at Festo. Our objective is to prepare the next generation of skilled workers by giving them optimum skills for an increasingly virtual and resource-efficient working environment. This will sharpen our competitive edge as a company and as an employer.

Forward-looking vocational training

We are continuing to deploy substantial investment worldwide in training the skilled workers of the future. In 2024, we allocated a total of 10.9 million euros for this purpose. Graduates of a vocational training program in Germany are generally offered permanent employment and this helps us to retain skilled employees over the long term. We continuously develop and adapt our training and study programs. In 2024, we introduced the training vocation “Immersive media designer (M/F/NB)” at our headquarters in Germany and set up a collaborative degree program in the field of biomechanics.

Our training programs focus on a balance between theory and practical application. We also support this approach through the Festo Sustainability Award, which salutes creative and sustainable projects carried out by trainees every two years. 19 teams including a total of 50 apprentices took part in the Award 2024. In November, the five winning teams from various national subsidiaries presented their projects in Esslingen. The projects ranged from innovative systems for energy-efficient compressed-air generation to AI-powered devices for cleaning photovoltaic systems.

Trainees worldwide

In 2024, Festo trained 409 apprentices worldwide. The fall in numbers is attributable to fluctuations in demand (e.g. changes in job profiles) and because Germany upholds a commitment to permanent employment.

Trainees	2022	2023	2024
Total	491	432	409
Germany	238	221	205
China	112	94	104
Hungary	68	62	48
India	36	34	33
Switzerland	27	21	19
Bulgaria	10	0	0

Number of apprentices in the years 2022 to 2024 by countries.

Further training

As an independent family-owned company, Festo thinks and acts on the basis of a long-term perspective and with a sense of responsibility. The philosophy of lifelong learning is an important cornerstone of our corporate culture. A broad array of training opportunities enables us to provide our employees with the scope to develop their skills and prepare for future demands.

Digitalized working environment: Capability Shift initiative

Digitalization in industry is undergoing rapid development. As part of the Capability Shift strategic initiative, which is part of our corporate strategy, we have equipped our employees with skills focused on the future so that they are ideally prepared for the digitalized workplace. The Capability Shift initiative was put into operation at the beginning of 2025. In future, the measures will be taken forward on a decentralized basis within the responsible departments.

- As part of the initiative, the following measures were launched:
- We use the qualification program in sales for electric automation to coach our employees in technology, and product training and sales methods. Since the global launch of the training course, we have reached approximately 2,500 employees.
 - The Festo Spring School offers targeted advanced training in software, AI, electric automation, and digitalization. The program covers practice-driven learning, peer learning, and external initiatives like keynotes, university visits, and startup centers. Participants benefit from content geared to the future, global networking, and new perspectives for their daily work.
 - The advanced qualification in software development runs in cooperation with Esslingen University of Applied Sciences as a part-time course over four semesters. It offers training geared to practical skills with a direct link to Festo.

Learning focus for 2024: artificial intelligence
Our advanced training opportunities also take up the latest pioneering trends. For example, in 2024 nearly 15,000 participants from almost all Festo national subsidiaries upskilled their knowledge of AI at more than 60 events during the “Focus Month Artificial Intelligence (AI)”. Theoretical knowledge, practical applications, and case studies helped to give participants a better understanding of how AI operates and how it can be used in our daily work at Festo.



In 2024, Festo set up a collaborative degree program in biomechanics.

Our learning opportunities: increasing user numbers

The learning opportunities at Festo are extremely popular. This is demonstrated by the rising user figures. The user base Festo Learning Campus is the central learning platform for employees and the take-up grew by nearly 7 percent to 18,004 users in 2024 (2023: 16, 835 users). Almost 18 percent more employees (2023: 5,951, 2024: 7,011) attended our global Expert Talks offered across the world. The LinkedIn Learning courses integrated within our Learning Campus also attracted a high level of interest: approximately 5,700 users completed a total of more than 15,000 learning hours (2023: approx. 5,000 users completed 9,000 hours).

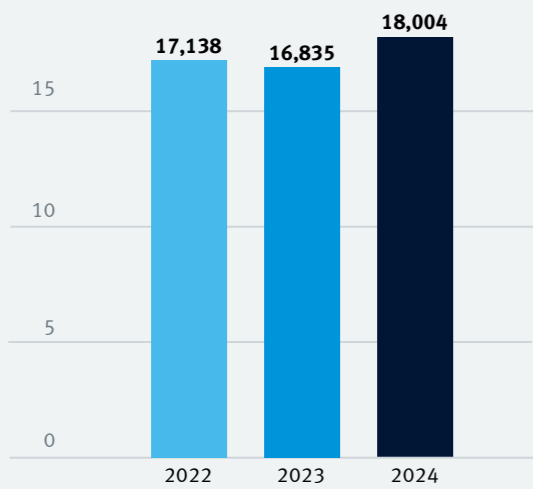
The Festo Learning Week is a global event addressing the topic of learning and it was complemented by an inspiring platform for keynotes, specialist talks, and lively discussions, reaching more than 12,000 participants.

The aim of our **Talent Management Process** is to identify high-potential individuals and develop them in a targeted approach. This is designed to safeguard our innovative strength and competitive edge over the long term. As part of this approach, a tailored development plant is being drawn up to link individual goals with the strategic corporate goals.

Well-trained and expert managers are a key foundation for the sustainable success of Festo. In 2024, we continued and expanded our offer of development programs for managers.



Festo apprentices rotate through a wide range of diverse departments within the company to gain the best possible qualification.



Number of Learning Campus users worldwide.

Expert talks	2022	2023	2024
Total	92	90	67
Global expert talks	37 %	46 %	46 %
German expert talks	63 %	54 %	54 %
Subscribers			
Total	5.172	5.951	7.011
Global expert talks	52 %	52 %	54 %
German expert talks	48 %	48 %	46 %

Distribution of number and participants of expert talks.

- The **First Leadership Level Program** for employees working at the first leadership level is available worldwide in eight languages. The program focuses on developing the personal Leadership Brand, dealing with complexity, communication, and feedback models.
- The **Advanced Leadership Program** for middle managers was launched in 2024. The program focuses on content like understanding values and purpose, impact in conversations, inspiring leadership, and entrepreneurship.
- The multi-year **Executive Development Program** focuses on topics such as decision-making when subject to uncertainty and high levels of stress / decision biases, storytelling, and cultural topics. The program develops leadership skills for tackling future challenges.
- Following on from the pilot phase, we have been able to offer the virtual **Leadership Essentials event series** in Germany and on the international stage.
- We continued the process of **360° feedback** for different management levels in 2024 and completed the first international rollout.
- The AI-supported training platform **Festo DialogueGPT** continues to support the communication skills of our managers across the world.

Technical Education



» I’m proud that we at Festo Didactic can work together with our customers to make a contribution to the topic of sustainability. Our products enable us to support people in developing the necessary capabilities in order to make the right decisions and play a proactive role in shaping a sustainable future. «

Nicola Bauer,
Head of Factory Automation and Fluid Power at Festo Didactic

Sustainability and Artificial Intelligence in Technical Education and Training

Our contribution to high-quality technical education and a future-proof industry

A future-proof industry needs well-trained, skilled workers, who are able to address global challenges like sustainability and digitalization in a professional approach based on a high standard of training. The right skills empower employees to play a proactive role in structuring future changes. We contribute to upskilling in technical education and training through our comprehensive learning solutions. These are specifically tailored to the needs of our customers.

Our MPS learning solutions: structuring the future through education and training

Since 1965, we have been offering the latest learning systems in the area of technical education and training. Our customers include vocational training schools, universities, research centers, and industrial companies across the world. Our MPS stations (Modular Production System) play a particular role here. They permit modular, structured didactic learning that is above all based on a practical approach. We complement the technical stations with supplementary course programs on the digital learning portal Festo Learning Experience (Festo LX). We continue to develop these learning environments and integrate new sector-relevant topics in our systems. The topics of sustainability and artificial intelligence (AI) in production are a particular focus.

Sustainability in production: focus on energy efficiency

The challenges that industry needs to address in the transition to a more sustainable economy include energy as a top priority. The main goal is to bring down electricity consumption in production, save resources, and hence reduce greenhouse gas emissions. Our course “Energy Efficiency in Production” uses our MPS stations

to cover topics such as energy efficiency, and the appropriate measurement techniques. Participants learn to understand energy flows and load profiles, identify leaks, and develop measures for production based on maximal conservation of resources.

Artificial intelligence in production: efficiency through technology

Alongside sustainability, AI is one of the most high-profile topics for many of our customers. The objective is to make use of the opportunities presented by AI for efficiency enhancements, cost savings, improved quality-control checks, and competitiveness. Appropriate learning solutions enable us to introduce participants to the application of AI in industrial production. Examples of practical applications such as optical quality inspection allow employees to learn how to make effective use of AI technologies to optimize production processes and increase their efficiency. Our MPS stations are complemented by the learning software developed in-house in order to teach topics such as training an algorithm.

Promotion of technical education for a sustainable future

Our learning solutions provide support for our customers on their journey to future-proof and efficient production focused on conserving resources. This approach enables us to strengthen the technical expertise of employees and also contributes to the sustainable development goals of the United Nations, particularly to Goal 4 “Quality Education”. The promotion of technical education and training – also with our sponsorship of WorldSkills, the WorldSkills Competition for apprentices and trainees – is a significant contribution to further development of technical training and to creating an industry ready for the future.



In 2024, the prestigious WorldSkills Competition was held in Lyon. Two mechatronics technicians from Festo participated, representing Germany in the skill Industry 4.0.



Sustainable Practice Award

Sustainability award at the WorldSkills Competition

From September 10 to 15, 2024, the WorldSkills Competition held in Lyon, France, focused on the vocational skills of young technical skilled workers. Around 1,400 apprentices from more than 70 countries in 59 disciplines competed against each other over a total of four competition days.

Festo Didactic has been a global industry partner of WorldSkills for many years. We provide training and educational materials and develop innovative solutions for training skilled workers. In Lyon, we participated as the official equipment provider for the disciplines of Mechatronics, Industry 4.0, Water Technology, Renewable

Energy, Industrial Mechanics, and Industrial Control. We also joined forces with Adiro Automatisierungstechnik GmbH to award a sustainability prize “Sustainable Practice Award” in the skills 04 Mechatronics and 55 Water Technology.

The challenge for the participants was not simply to deliver premium quality within a short period of time but to work in such a way as to make the most efficient use of resources and to protect the environment. The aim is to anchor sustainable working practices more firmly within the awareness of the participants and in training practices overall.

Using green technologies sustainably

The Skill 55 “Water Technology” has been part of the WorldSkills Competition since 2015 and was designated as its first “green” skills competition in 2017. Sustainability and environmental goals naturally play an important role in water technology. The aim of the Sustainable Practice Award was to demonstrate how typical tasks in this field can be carried out in an environmentally friendly way.

As a consequence, our experts have applied methods for measuring the environmental performance provided. For example, they documented the waste generated during the installation of pipes and electrical wiring, as well as water consumption. Optimum use of chemicals, such as precipitants, was monitored during laboratory work. Furthermore, an assessment was carried out in order to establish whether the participants spilt liquids, kept their workplaces clean, and used the correct amounts of cleaning agents.

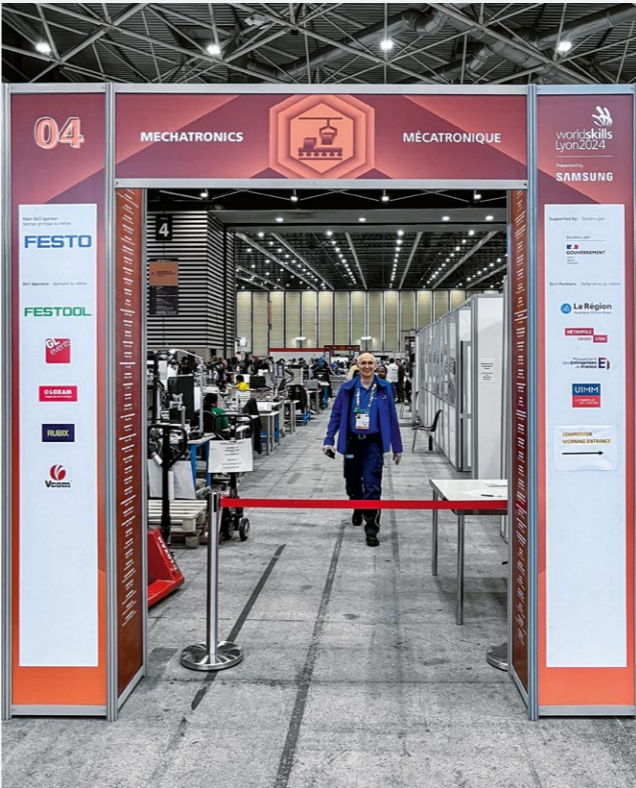
Ultimately, the team from China came out in front in the overall standings. Singapore followed in second place and Germany was ranked third.

Energy-saving approach with compressed air

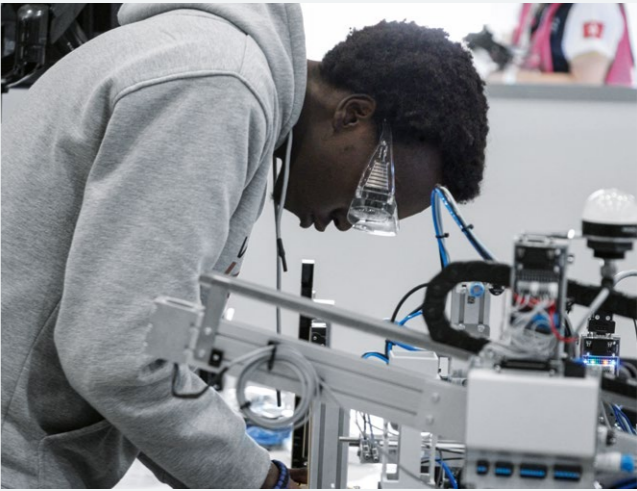
Mechatronics is an interdisciplinary field, combining mechanical engineering, electrical engineering, and computer science. Festo Didactic offers a wide range of training systems and learning platforms. They cover these disciplines and help the participants to be successful in international competition.

A key parameter for sustainability assessment in the skill 04 “Mechatronics” was compressed-air consumption. This metric was measured for the entire duration of the competition across the workplace – at system level and at the workbench system where modules were prepared and tested.

First place was taken by an apprentice duo from Switzerland, the second place went to India, and the third place to China.



Young people demonstrated their practical skills in various disciplines.



Occupational Safety and Comprehensive Health Promotion

Looking after the health and safety of our employees is a top priority for us. Occupational safety and health protection are key elements of our corporate philosophy. A broad array of measures is used to promote the safety awareness and health literacy of our employees.

Prevention in action

The avoidance of accidents is one of our most important concerns in the area of occupational health and safety (OHS). We are committed to a security culture which is based on the corporate guidelines and the relevant statutory requirements. The occupational safety department cooperates intensively with all the Group business units at all the Festo locations in order to promote the culture of health and safety. As part of this networking, the department draws on our global occupational safety network and promotes knowledge sharing.

Certified management system

We use an ISO 45001-certified occupational health and safety management system to manage our OHS processes. The level of implementation for this system varies according to the different locations. More information on our OHS management system can be found in chapter 5.5 “Occupational Health and Safety” in our Sustainability Report 2023.

Main measures from 2024

- Completion of the process map for occupational health and safety: It offers an overview of all OHS processes at Festo. This assists us in identifying potential for improvement and addressing this across all levels of the Group.
- Expansion of occupational health and safety standards to other operational areas: We have integrated our OHS management systems fully into our Festo production system. Our aim here is to structure the application of safety requirements to be more uniform and comprehensive.
- Improved and detailed OHS indicators: We now apply our OHS key performance indicators (KPIs) at all operational locations and systematically record all commuting accidents and near misses.
- Follow-up of occupational safety audits: The results have been used to identify critical areas and drive forward continuous improvements.
- Introduction of a global standard for risk assessments at the workplace (RA): The group-wide risk assessment standard allows us to determine and assess workplace risks in a more structured and uniform way, and to reduce hazards.

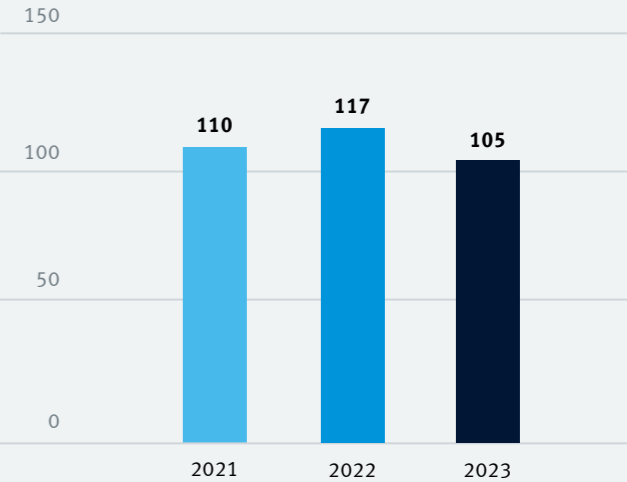
Preventive measures based on risk assessments

Prevention demands forward-looking action. Risk assessments for our workplaces constitute an important building block for this approach. Chapter 5.5 Occupational Health and Safety in our Sustainability Report 2023 shows how we organize and implement risk assessments. The results lead to the introduction of evidence-based improvements. In 2024, one of the measures we took at our plants in Scharnhausen and Rohrbach was to replace manual lever presses used for repetitive assembly operations in product manufacture with an ergonomically adjustable model. The new model requires less physical effort, and exerts less load on an employee’s shoulder joint than the previous model. It should therefore reduce risks to health and the sickness rate.

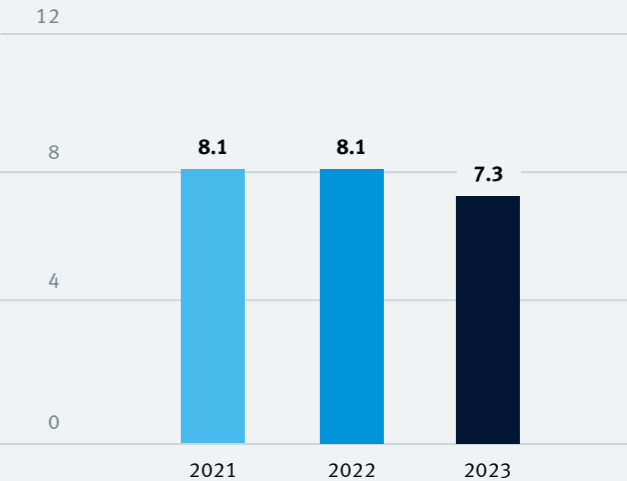
Raising awareness

It is important that our employees are familiar with our OHS standards. The following measures we introduced in the reporting year were directed toward this purpose:

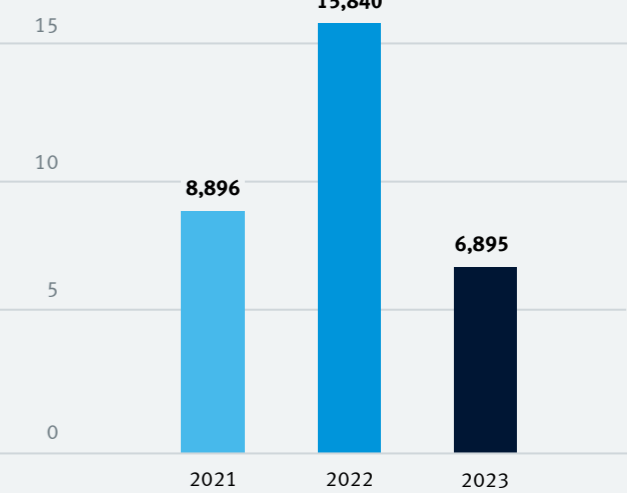
- Bangalore, India: As part of our National Safety Week 2024, we held safety training sessions and campaigns at the location. For example, employees were able to have their sight tested. Good vision is an important factor for employees to work safely with machinery and also for quality assurance.
- Seoul, South Korea: We improved the visibility of our health and safety notices by projecting messages on the floor. This alerts employees to them while they are walking along and raises awareness for the messages. At the same time, the prompts highlight our safety culture for customers and visitors from government agencies who come to our facilities.



Occupational accidents with an absence of at least one day. *)



Accident frequency rate, worldwide.



Lost hours worldwide.

*) Due to changes in the calculation methodology, there are deviations in the previous year's values.

Making accidents transparent and systematically avoiding them

Festo strives to reduce accidents to a minimum. Accident statistics are therefore continually monitored and the causes are carefully evaluated. All our locations must report accidents and near misses to their local occupational safety department. This unit investigates incidents in cooperation with the individuals involved and their superiors. The accident statistics are forwarded to senior management.

Key control indicators for occupational safety worldwide

Our accident statistics include all occupational accidents that involve at least one lost working day (Lost Time Incident – LTI). Gender-specific differences are not documented. We also record the accident frequency rate, known as the Lost Time Incident Rate (LTIR). This is one of our key occupational safety indicators. The LTIR provides information about the number of occupational accidents with at least one lost working day per million working hours. In 2024, we recorded all the accidents in Germany for this purpose and accidents at all international production and logistics locations (indirect and direct areas).

Fewer serious accidents

Most accidents only exerted minimal impacts. There were no serious or fatal accidents. The main causes of occupational accidents were injuries resulting from cuts and accidents due to falls, tripping, or slipping. In 2024, we included all the plants in our reporting system. We retrospectively adjusted figures from previous years to facilitate comparability. The evaluation for 2024 revealed that we were unable to succeed in reducing the absolute number of occupational accidents and the LTIR, although there were fewer lost working days than in previous years. This demonstrates that we succeeded in mitigating the severity of accidents. We believe that one of the reasons for this positive change was continuous improvement in occupational safety processes and the proactive integration of all employees. The objective for 2025 is to further reduce the number of accidents.

Comprehensive health promotion

Alongside the avoidance of accidents and health hazards in the workplace, we want to actively promote the health of our employees. Our drive to achieve this has involved developing our program of occupational health promotion in 2024 and bundling it under the “Stay.Well” umbrella. This comprises a well-established program of courses for fitness and relaxation, as well as numerous analog and digital health offerings. These include nutrition workshops, check-ups, and online talks about health topics. More than 4,500 employees participated in measures initiated by occupational health promotion.

Focus week mental health

Health is also a question of awareness. In 2024, we held another focus week on mental health to provide a tangible representation of this aspect. It complemented the annual courses on stress management and mindfulness. 1,500 employees took part in the focus week. They listened to keynote speeches, took part in digital initiatives, and visited exhibition stands to gather insights on topics like resilience, mindfulness, and mental strength.

Stay healthy through running

As in previous years, we once again invited our employees to take part in a fun run together in 2024. A lot of employees from Saarland and the region around Esslingen took part in the challenge. A complementary program was offered with running training, individual performance assessments, and gait analyses.

Health affects everybody

The measures in our occupational health promotion are designed for all age classes. In April 2024, a health day was held specifically for apprentices. Around 30 apprentices in their second training year participated in interactive information events and exercises focused on the topics of “Health Nutrition” and “Healthy Spine and Neck”. Since our apprentices work in various departments and areas, we also prepared them for a role as multipliers in communicating information on these topics to colleagues. In addition, we provided our trainers with the skills to promote physical and mental health as part of our train-the-trainer courses.

International health promotion

In an all-time first, our program of occupational health promotion went beyond national borders in 2024. We launched a total of six activity initiatives to promote health as part of the global Learning Week. The centerpiece focused on physical and mental stress relief and relaxation. The series of initiatives reached more than 700 people.

Upholding Human Rights

Systematic and global: our approach on respecting human rights

Our global approach to the due diligence obligations for human rights is based on operational risk management. The Human Rights Officer of the Festo Group is responsible for this. The officer also chairs our quarterly Human Rights Committee, composed of experts from the field of Strategic Purchasing, Corporate Compliance, Internal Control Systems and Risk Management, Global Health and Safety, Human Resources, and Sustainability. The committee monitors implementation and continuous improvement of our approach consisting of:



The chart shows the systematic approach to respecting human rights and related environmental rights.

1. Declaration of principles and voluntary commitment to protect human rights and related environmental rights within our own business unit and with our direct and indirect suppliers and prevent violations of legal rights. It was updated in 2024.

2. Annual risk analysis of aspects in our value chain related to human rights and the environment. On the basis of the results, we investigated a total of 44 suppliers in countries subject to high and medium risk for potential human rights violations in 2024. We provided additional details on risk analysis in chapter 6.3 of the [Sustainability Report 2023](#).

3. Complaint mechanism based on a whistleblower portal for anonymous reports, as well as the Sustainability and Compliance Office for direct reports. In 2024, 15 reports were recorded through the whistleblower portal. The cases were reviewed, where necessary worked through, and resolved in collaboration with the relevant department.

4. Annual reporting on risk analysis and derived preventive measures. This is reported to the Management Board and the relevant authorities. We also provide information in the current Sustainability Report on our activities relating to implementation of the German Supply Chain Act (LkSG). You can find other details in our report to the German Federal Office for Economic Affairs and Export Control (BAFA), which is available on our corporate website www.festo.com/ethics-and-governance.

Other supplier-management tools to monitor the environmental requirements

In 2024, nine suppliers were audited as part of supplier qualification or within the scope of regular review. We are currently planning the introduction of additional decision-making criteria and in future we also want to make a selection in accordance with their specific greenhouse gas emissions.

Risk-based supplier review in conformity with the approach of the German Supply Chain Due Diligence Act (LkSG)

Every year, we carry out a risk analysis of our supplier risks. In 2024, we analyzed around 2,000 suppliers during the course of this process. On the basis of the results, around 800 of them have to submit a specific self-assessment aligned with the German Supply Chain Due Diligence Act (LkSG), assessing the protected legal positions defined by the act. The issues covered in the assessment include the impact on social and environmental aspects and the risk arising from the individual countries. Approximately 98 percent of the purchasing volume is covered by the self-assessment. Sustainability audits were carried out in 2024 as a preventive measure relating to potentially high-risk suppliers in Bulgaria, Brazil, Hungary, India, and Turkey. These audits revealed individual violations of environmental requirements, which were swiftly remedied. Social requirements were not breached. At the same time, we used the findings to facilitate continuous improvement of the risk analysis.

During the reporting year, we launched a comprehensive training campaign on the LkSG as an additional preventive measure for employees involved in purchasing and for suppliers. The campaign also encompassed other protected goods relevant to the environment. The training sessions can also be deployed as part of the support measures to help suppliers.

Enhancing transparency for conflict minerals

We expect all our business partners to comply with all the applicable regulations relating to conflict minerals. We review which smelters produce the raw materials for our products so that we are in a position to assess this. This process involves using the methods defined by the Responsible Minerals Initiative. As part of the supplier self-assessment, we also require our business partners to provide us with information about the use of potential conflict minerals. Furthermore, we complete the “Conflict Minerals Reporting Template” (CMRT) drawn up by the Responsible Minerals Initiative so as to create transparency. This is intended to increase the proportion of certified smelters across the world.

Compliance with legal requirements

We also review purchased products in conformity with an internal standard. The aim is to comply with the required substance bans and declaration obligations. Key regulations in this area include the European Chemicals Regulation on the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) and the EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS).

More information on this is provided in the [Compliance section](#) on the sustainability pages of our Group website.

Upholding Human Rights

In 2024, we purchased around 55,000 different products from some 2,200 direct suppliers. We require our suppliers to comply with social and environmental standards. Festo is committed to the values of the United Nations Charter of Human Rights. The same dedication is expected from our business partners.

Commitment by business partners

All suppliers must provide written confirmation that they comply with our Code of Conduct for business partners. Signing this document also commits them to require compliance from the suppliers they source products and services from. The Code of Conduct for business partners is continuously updated with additional requirements that apply to all existing suppliers.

Furthermore, all new suppliers are evaluated and reviewed with respect to environmental and social standards in the context of the supplier qualification process. Suppliers identified as posing a risk of violations will not be approved in the qualification process. We also analyze whether our existing suppliers may deviate from our standards, classify them according to this risk and regularly review the extent to which they comply with the requirements.

Supplier evaluation based on environmental certifications

All our suppliers are subject to structured evaluation processes aligned with a range of objectives for environmental and climate protection. We distinguish here between suppliers with higher environmental impacts and those with average impacts. If suppliers’ manufacturing processes are associated with a higher level of environmental impacts, for example industry-specific use of chemicals, we require certification in conformity with ISO 14001 or validation in accordance with the “Eco-Management and Audit Scheme” (EMAS). We draw on appropriate certification from the actual manufacturer for evaluation of distributors. Certification in conformity with ISO 14001 or EMAS is optional for suppliers with average environmental impacts.

Reducing risks by means of preventive measures

Alongside updating the declaration of principles and operation of the complaint procedure, we concentrated on preventive measures derived from the risk analysis in the reporting year. Raising the awareness of our employees was continued in order to increase the profile of our complaint mechanism across the company. We integrated the legal regulations of the LkSG that are relevant to environmental concerns in our ISO 14001 environmental management system and launched a training and communication campaign on LkSG. We informed skilled workers and managers in all purchasing units of the Festo Group about the applicable due-diligence guidelines and the new regulations in the pipeline. At the same time, we continued the basic LkSG training sessions from previous years.

Focus on the construction industry

Our risk analysis identified specific human-rights and environmental risks in relation to construction projects commissioned by us across the world. Over the course of the reporting year, we therefore amended our contracts with the specialist trades working for us on international construction sites in order to address specific shortcomings, such as occupational health and safety, and environmental protection. We also amended our own Code of Conduct in 2024 to take account of the risk assessment. The aim was to increase the awareness for human rights in our supply chain among our employees and alert them to dealing transparently with violations.

Ensuring independent effectiveness monitoring

In 2024, we carried out an audit with the group auditing department. The aim was to review implementation of the due diligence obligations pursuant to the LkSG in order to assess the effectiveness of operational risk management. The mission of the group auditing department is to carry out independent and objective audits. The objective is to continuously improve the effectiveness of operational risk management, internal controls, and the management and monitoring processes. The findings of the audit revealed that the Festo Group complies with its due diligence obligations pursuant to LkSG.

We also participate in the sustainability ratings of EcoVadis, NQC Supplier Assurance, and Integrity Next with the aim of having our sustainability performance independently assessed. Their rating platforms allow you to ask a question about the assessment of Festo SE & Co. KG.

Regional distribution of purchasing volume

Festo’s direct and indirect purchasing volume (production materials and non-production materials) continued to fall back slightly from 1.558 billion euros (2023) to 1.527 billion euros (2024). This is partly due to the economic situation.

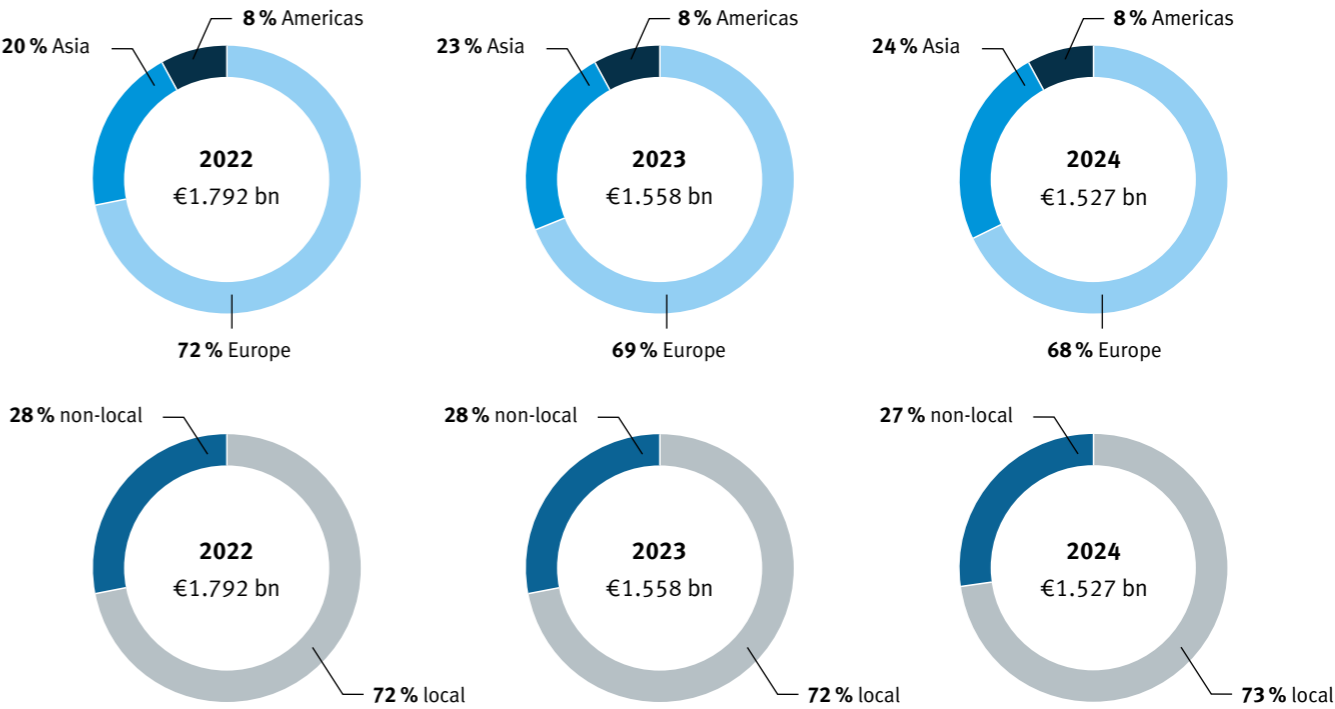
The non-production materials relate to all production sites (Festo Global Production Center, GPCs for short) as well as the distribution companies. The production materials cover all production sites.

Festo is constantly expanding its global supplier network, which consists of local and non-local suppliers. By “local” we mean procurement within the region of the respective national subsidiary. Compared to the previous year, the number of local suppliers rose slightly in 2024.

The “local-for-local” strategy was also continued in 2024 in order to facilitate positive changes like shorter delivery times throughout the entire supply chain and shorter transport routes.

Efforts continue to be made to procure more goods from those countries and regions in which production takes place.

The diagrams below show the regional distribution of the direct and indirect purchasing volume of the Festo Group, and the proportion of local and non-local suppliers.



Regional distribution of the direct and indirect purchasing volume of the Festo Group.

Governance

In order to achieve the goals of sustainable development, binding ethical and governance standards must be defined and maintained worldwide. That is why we are committed to always acting fairly and in accordance with laws and applicable regulations, standards, and guidelines. Legally compliant business processes and conduct based on integrity also play a key role, as do respect for human rights defined and upheld by the UN, and ensuring corporate due diligence.



Compliance



» At Festo ESG-Compliance is not simply a project with an expiration date. Our mission extends far beyond merely complying with regulatory requirements. ESG topics at Festo are deeply embedded in decision-making pathways and workflows – with a long-term perspective, high impact, and a strong sense of purpose. «

Jessica Weber,
Corporate Sustainability Development at Festo

Compliance means ensuring adherence to laws and internal rules. For Festo, maintaining integrity and responsibility toward people and the environment is fundamental. At all of our locations, we therefore attach great importance to acting ethically and in accordance with the law and regulations.

Compliance management system

In order to provide safeguards against legal and reputational risks, Festo has set up a compliance management system (CMS) focused on the areas of anti-corruption, anti-fraud, antitrust, and management culture. This is implemented globally and is continuously improved.

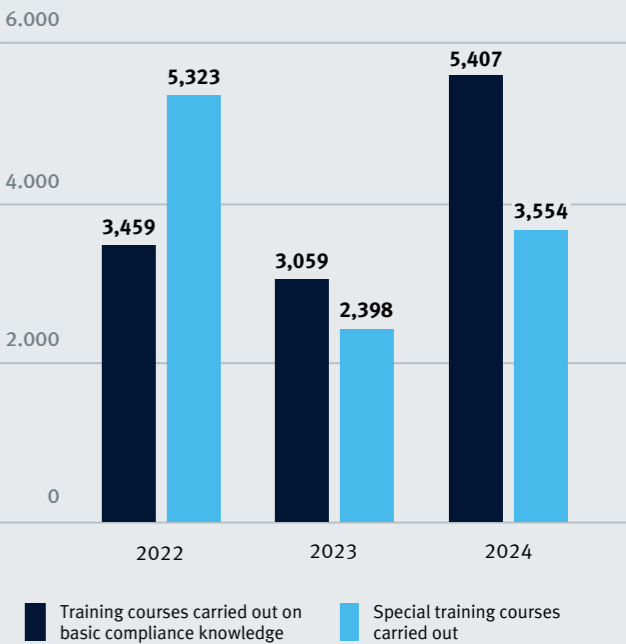
Our compliance guidelines are a major element of the CMS. The Festo Code of Conduct defines the fundamental requirements for all our employees. The Code of Conduct for Business Partners sets out Festo’s expectations toward our business partners. We also have an Anti-Corruption Guideline which defines rules for dealing with gifts and potential conflicts of interest, and an Antitrust Guideline that sets out conduct in relation to competitors.

All employees throughout the world received appropriate training to raise their awareness of these issues in 2024. Moreover, Festo implements a zero-tolerance approach. This means that no infringement goes without an appropriate sanction. Employees and business partners across the world are able to report any misconduct anonymously in our whistleblower portal, without having to fear any negative consequences.

Observance and implementation of the CMS processes are the subject of regular audits by the group auditing department. Independently of these internal checks, our CMS has been regularly audited by external auditors since 2015 based on the IDW PS 980 auditing standard. In 2022, the auditor verified the system’s unrestricted suitability and effectiveness. There are no known legal proceedings initiated due to anticompetitive behavior or antitrust or monopolistic practices.

Compliance-Guidelines 2024

- 1. Code of Conduct
- 2. Code of Conduct for Business Partners
- 3. Anti-Corruption Policy
- 4. Antitrust Directive
- 5. Sector Exclusion List



Information and training in anti-corruption strategies and measures.

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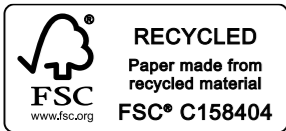
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EU Ecolabel: AT/011/001



Materials
Transports
Production

kg CO_{2e}
1
packaging



In 2025, Festo celebrates its 100th company anniversary.

Automation for a world in motion.



www.festo.com/sustainability

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