Annual Report 2025

Dräger

Technology for Life

Content

Letter to the Shareholders 5
Executive Board 6
Report of the Supervisory Board 9
Report of the Joint Committee 14
The Dräger shares 15

Combined management report 20
Principles of the Group 21
- Group structure 21
- Management, planning, and reporting 21
- Strategy and goals 25
- Research and development 29
- Employees 33

Business performance 36
- General economic conditions 36
- Business performance of the Dräger Group 39
- Cash flow statement 45
- Financial management 46
- Business performance of the medical division 49
- Business performance of the safety division 51

Potential 53
- Risks and opportunities for the future development of the Dräger Group and of Drägerwerk AG & Co. KGaA 53
- Internal control and risk management system in respect of the (group) accounting process 55
- Recognizing trends and taking advantage of opportunities 65
- Overall assessment of risks and opportunities 68
- Outlook 70

Group sustainability statement 73
- General disclosures 73
- Environmental information 91
- Social information 128
- Governance information 154
- Appendix 166

Disclosures pursuant to Secs. 289a and 315a of the German Commercial Code and explanations of the general partner 182
Business performance of Drägerwerk AG & Co. KGaA 185
Declaration/Group declaration of corporate governance (Secs. 289f and 315d of the German Commercial Code [HGB]) 187

Annual Financial Statements Dräger Group 196
Annual Financial Statements 2025 of the Dräger Group 197
- Consolidated Income Statement of the Dräger Group 197
- Consolidated Statement of Comprehensive Income of the Dräger Group 198
- Consolidated Balance Sheet of the Dräger Group 199
- Consolidated Cash Flow Statement of the Dräger Group 200
- Consolidated Statement of Changes in Equity of the Dräger Group 201

Notes of the Dräger Group for 2025 202
The Company's Boards 284
Management compliance statement 290
Independent Auditor's Report 291

Further information 301
The segments over the past five years 301
The Dräger Group over the past five years 302
Financial calendar 2026 303
Imprint 304
Legal note 304

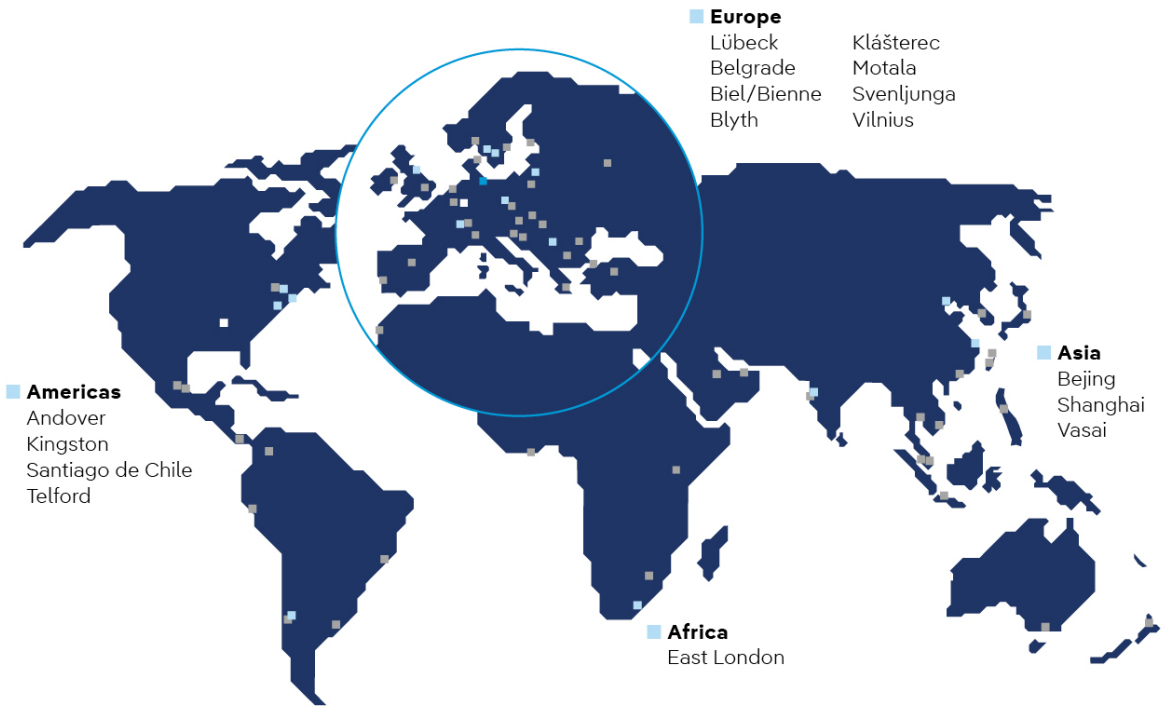
Markets

Dräger offers its customers in the field of medical technology anesthesia workstations, ventilators for intensive and emergency care, patient monitoring solutions as well as neonatal care equipment for premature babies and newborns. With its supply units, operating room IT solutions, gas management systems, technical services and accessories, Dräger is at the customer's side throughout the entire hospital.

In the field of safety technology, fire services, emergency response services, law and regulatory enforcement and industry customers all place their trust in Dräger's integrated hazard management systems, in particular for personal protection and plant safety. This includes respiratory protection equipment, stationary and mobile gas detection systems, professional diving equipment, alcohol and drug detection devices as well as safety-as-a-service offerings based on them. Dräger also develops customized solutions, such as entire fire training systems, training and service concepts as well as workshops, in collaboration with its customers.

Dräger worldwide

Headquarters, sales and service organizations, development and production sites, and logistic centers



Headquarters · Sales and service organizations · Development and production sites · Logistic centers

Technology for Life

Company profile

Dräger is an international leader in the fields of medical and safety technology. The family-run company was founded in Lübeck, Germany, in 1889. Over the past five generations, Dräger has evolved into a publicly traded, worldwide group. The Company's long-term success is based on the four key strengths of its value-driven corporate culture: customer intimacy, professional employees, continuous innovation and a commitment to outstanding quality.

"Technology for Life" is the Company's guiding philosophy. Whether in the operating room, the intensive care ward, the fire department or rescue services: Dräger products protect, support, and save lives.

The Company has 16,687 employees worldwide and is currently represented in nearly every country on every continent. Dräger maintains sales and service subsidiaries in about 50 countries. The relevant development and production sites are located in Germany, Canada, Chile, China, the Czech Republic, India, Lithuania, Serbia, South Africa, Sweden, Switzerland, United Kingdom, and the United States of America.

Selected key figures Dräger Group

				Twelve months
		2025	2024	Change in %
Order intake	**€ million**	**3,569.4**	**3,380.5**	**+5.6**
Net sales	**€ million**	**3,481.9**	**3,370.9**	**+3.3**
Gross profit	**€ million**	**1,574.4**	**1,512.5**	**+4.1**
Gross profit / net sales [1]	%	45.2	44.9	+0.3 pp
EBIT [2]	**€ million**	**233.4**	**194.0**	**+20.3**
EBIT [2] / net sales [1]	%	6.7	5.8	+0.9 pp
Net profit	**€ million**	**140.4**	**124.8**	**+12.5**
Earnings per share				
per preferred share	€	7.48	6.67	+12.2
per common share	€	7.42	6.61	+12.3
DVA [3, 4]	**€ million**	**90.1**	**54.3**	**+66.0**
Free cash flow	€ million	140.2	123.9	+13.1
Net financial debt [5] / EBITDA [3, 6]	Factor	0.33	0.49	
Equity ratio [1, 5]	%	51.5	49.7	+1.8 pp
Headcount as at December 31		16,687	16,598	+0.5

[1] pp = Percentage points
[2] EBIT = Earnings before net interest result and income taxes
[3] Value of the last twelve months
[4] Dräger Value Added = EBIT less cost of capital of average capital employed
[5] Value as at reporting date
[6] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization

Dear Shareholder, dear Employee, dear Reader,

In 2025, we remained on course for success – and generated the highest net sales in our Company's history. Once again, both divisions and all regions contributed to this growth. At around EUR 3.5 billion, net sales were slightly above our last forecast and approximately EUR 75 million above the level of the exceptionally strong year of 2020 during the coronavirus pandemic. This is a new record which, unlike during the pandemic, we have managed to achieve without any special economic conditions.

Our operational momentum helped our earnings before interest and taxes to develop well; despite difficult underlying conditions, the EBIT rose by more than 20% to approximately EUR 233 million. The EBIT margin increased by almost one percentage point to 6.7%, therefore also exceeding our last forecast. This shows that we are making progress in improving our profitability.

Order intake also developed exceptionally. As with net sales, both divisions were able to contribute to growth. This underlines the sustained demand for our "Technology for Life" and gives us a positive outlook for the future.

"Positive" is also the key word with regard to our performance on the stock exchange. In the prior year, our common shares gained more than a third in value. Our preferred shares were up by almost half, and were included in the TecDAX. This means that once again we are one of the 30 largest listed companies in the technology sector in Germany. Being part of the TecDAX increases our visibility on the capital markets and could make us even more attractive to investors.

In line with our dividend policy, we intend to distribute around 30% of net profit to our shareholders and will therefore increase the dividend once again. On behalf of the entire Executive Board, I would like sincerely to thank our employees for what we have achieved.

Our goal remains to further increase profitability. We are also strengthening our innovative capabilities, expanding our expertise in the systems business, and continuing to develop our services. In the medical division one of our areas of focus is to drive forward the marketing of networked solutions, while in the safety division we are consistently investing in new business opportunities in sectors such as cleantech and defense.

For the current fiscal year, we expect an increase in net sales of 2.0 to 6.0% (net of currency effects) and an EBIT margin of 5.0 to 7.5%. Taking into account the non-operating special effects of the past three years, which have had a positive impact on earnings, the expected EBIT margin for 2026 is in line with our target of increasing the EBIT margin by one percentage point each year.

On behalf of the entire Executive Board, I would like to express my gratitude for the trust you, our shareholders, have shown us. I would also like to thank the Supervisory Board for their constructive cooperation. Special thanks go to Maria Dietz, who took over as Chairwoman of the Supervisory Board from Stefan Lauer on January 1, 2025, and has continued to perform her duties with great confidence. Let us continue to work as a team to make our Company sustainably more profitable.

Best regards,

Stefan Dräger

Stefan Dräger

The Executive Board

Forward-looking, responsible leadership has been fundamental to Dräger's corporate culture for more than 130 years. Stefan Dräger and his Executive Board team are dedicated to realizing a sustainable increase in corporate value, pursuing that objective with openness, passion and high standards.

Stefan Dräger
Chairman of the Executive Board

Gert-Hartwig Lescow
Chief Financial Officer and Executive Board member for IT
Vice-Chairman of the Executive Board

Stefanie Hirsch
Executive Board member for Sustainability and Quality

Rainer Klug
Executive Board member for Safety Division

Dr. Reiner Piske
Executive Board member for Sales and Human Resources

Anton (Toni) Schrofner
Executive Board member for Medical Division

Stefan Dräger
joined the Company in 1992 and has been Chairman of the Executive Board since 2005. He is the fifth generation to manage the family-run Company and has been appointed until the end of February 2030.

"In 2025, we continued our successful course and generated the highest net sales in our Company's history. Despite the unfavorable environment, we also improved our earnings before interest and taxes. Our goal remains to further increase profitability. We are also strengthening our innovative capabilities, expanding our expertise in the systems business, and continuing to develop our services."

Gert-Hartwig Lescow
responsible for Finance and IT as Vice Chairman of the Executive Board. He has been with Dräger since 2008, and his term runs until the end of March 2031.

"We increased our operating result and EBIT margin in 2025. Cash conversion remains high, enabling us to generate a strong cash flow. Our equity base and debt remain at a healthy level. The strong results enable the third consecutive dividend increase."

Stefanie Hirsch
is responsible for Sustainability and Quality. She has been a member of Dräger's Executive Board since 2024, and her term runs until the end of June 2031.

"We do not see sustainability and profitability as opposites, rather that they go hand in hand. Often, even small improvements that are implemented consistently can have a big impact while maintaining the same level of quality. Through our actions – such as reducing packaging – we are supporting our customers in achieving their own sustainability goals. By taking responsibility along the entire value chain, we create trust – today and for future generations."

Rainer Klug
is responsible for the Safety division. He has been a member of Dräger's Executive Board since 2015. His term runs until the end of July 2028.

"Safety remains a key topic worldwide, both in everyday working life and in many other areas. Demand for safety solutions remains high despite the unfavorable situation in many industrial sectors. This is also reflected in our business development. Last year, our safety division continued its profitable growth. Our goal remains to expand our position in business areas such as defense and civil protection as well as cleantech, in addition to our core business."

Dr. Reiner Piske
is responsible for the Executive Board function of Sales and Human Resources. He has been with Dräger since 2015, and his term runs until the end of October 2028.

"Despite all the geopolitical challenges, our sales and service organization has achieved great success. Our order intake exceeded the high level of the prior year and reached the second-best figure in the Company's history. Our Dräger Services broke through a strategic barrier with net sales of over one billion euros. Our 'Technology for Life' remains in demand globally."

Toni Schrofner
is in charge of the Medical division. He has been with the Company since 2010, and his term on the Executive Board runs until the end of August 2028.

"Last year, we returned to a growth trajectory in our medical division. We were able to grow particularly in the area of our therapy devices. Our introduction of SDC-enabled system solutions marks an important foundation for further growth and improved profitability. Our goal is to further expand Dräger's position as a pioneer and innovation leader in the field of interoperability, i.e., the networking of medical devices."

Report of the Supervisory Board

In a challenging economic environment marked by considerable external uncertainties, Dräger can look back on a very successful fiscal year. The Supervisory Board closely supported the Executive Board and provided advice on key economic and strategic decisions.

Dear Shareholders,

For Dräger, 2025 was a challenging year with many uncertainties. US import tariffs in particular had a negative impact on the general economic conditions. Dräger had to face an additional hurdle: in 2024, the Company had benefited from positive one-off effects from the sale of a non-strategic business area and the disposal of real estate. This revenue was now missing, therefore making it particularly challenging for Dräger to build on the good earnings performance of the prior year.

Nevertheless, the Company achieved record net sales, significantly increased its operating result, and further improved its profitability. This performance was also very well received on the capital markets. Dräger's share prices rose significantly. The higher corporate profit will also benefit you, as shareholders, in the form of a higher dividend.

At the beginning of the year, Dräger had forecast an increase in net sales of 1.0 to 5.0% (net of currency effects) and an EBIT margin of 3.5 to 6.5%. From October onwards, the Company's performance indicated growth (net of currency effects) of 3.0 to 5.0% and an EBIT margin of 4.5 to 6.5%. The Executive Board attributed this to the very good business performance and the continued high level of order intake. After a very strong year-end business, growth for the year as a whole exceeded expectations at 5.3% (net of currency effects); the EBIT margin was also above the forecast at 6.7%.

For the current fiscal year, the Executive Board expects an increase in net sales of 2.0 to 6.0% (net of currency effects) and an EBIT margin of 5.0 to 7.5%. The Supervisory Board considers these expectations to be realistic.

In fiscal year 2025, the Supervisory Board carefully and regularly monitored the work of the Executive Board of the general partner in accordance with the law and the Articles of Association and advised on the strategic development of the Company and all significant individual measures. The Supervisory Board was involved at all times in all decisions of importance to the Company. The extensive written and verbal reports by the Executive Board formed the basis for these decisions. The Chairwoman of the Supervisory Board was also in regular contact with the Chairman of the Executive Board and individual members of the Executive Board outside of Supervisory Board meetings. In the view of the Supervisory Board, the Executive Board has also fulfilled its responsibilities in 2025.

Meetings

The Supervisory Board held four regular meetings in the reporting year, which took place in person. At these meetings, it dealt in detail with the business and strategic development of the Dräger Group, the divisions and the domestic and foreign subsidiaries, and consulted intensively with the Executive Board. At the meeting on March 20, 2025, one agenda item was discussed without the participation of the Executive Board of the general partner. Beyond this, there was no need to discuss meetings or individual agenda items without the Executive Board. The attendance of the members of the Supervisory Board and the committees is shown in the "Individual participation rate" table.

Individual participation rate

	Participation / number of meetings			
Supervisory Board member	**Supervisory Board plenary assembly**	**Joint Committee**	**Audit Committee**	**Nomination Committee**
Maria Dietz (Chairwoman)	4/4	4/4		1/1
Christian Fischer (Vice-Chairman)	4/4	4/4	6/6	
Dr. Peter Bartels (since July 1, 2025)	2/2	2/2	4/4	
Eckard Gesell	4/4			
Andrea Görndt	4/4			
Prof. Dr. Thorsten Grenz	4/4	4/4	6/6	
Henning Groskreutz	4/4	4/4	6/6	
Astrid Hamker	4/4	4/4		
Stefan Lauer	4/4	4/4	6/6	1/1
Laura Pooth	4/4			
Frank Riemensperger	4/4	4/4	2/2	
Marion Schumann (since May 1, 2025)	2/3			
Bettina van Almsick (until April 30, 2025)	1/1			
Dr. Reinhard Zinkann (until June 30, 2025)	1/2	1/2		0/1

Focal points of the Supervisory Board's deliberations

In the past fiscal year, discussions focused on reporting on both the medical and safety divisions, the development of the product portfolio, the Company's long-term strategic targets, as well as earnings trends and cost development.

At the meeting on March 20, 2025, the Supervisory Board dealt intensively with the single entity and Group financial statements. It received a detailed report from the auditor on the audit results and proposed the approval of the single entity financial statements to the annual shareholders' meeting.

A key topic at the meeting on May 9, 2025, was the appointment of new members to the Supervisory Board and its committees, which had been made necessary due to the departure of Dr. Reinhard Zinkann from the Supervisory Board on June 30, 2025. At the annual shareholders' meeting on May 9, 2025, Dr. Peter Bartels was appointed as a member of the Supervisory Board with effect from July 1, 2025. The Supervisory Board appointed Dr. Peter Bartels as a member of the Audit Committee after Frank Riemensperger stepped down from his position on the committee with effect from June 30, 2025. The Supervisory Board appointed Prof. Dr. Thorsten Grenz as Dr. Zinkann's successor on the Nomination Committee. Another topic discussed at this meeting was the renewed implementation of an employee participation program.

At its meeting on September 19, 2025, the Supervisory Board received a detailed report from the person responsible for the Asia-Pacific region on the strategic focus and business performance in the region, with an emphasis on India and China. In intensive discussions, including with the head of the Patient Monitoring business area, the Supervisory Board was able to gain a good impression of the relevance of developments in the region as well as its potential and prospects.

At its meeting on December 11, 2025, the Supervisory Board was informed about the planning for the 2026 fiscal year. The Supervisory Board and the Joint Committee, which is responsible for resolutions on transactions requiring approval, approved the planning after intensive discussion. The Supervisory Board also dealt with the

German Corporate Governance Code (GCGC). Since issuing its last declaration of conformity on December 20, 2024, the Company has complied with the recommendations of the GCGC as amended on April 28, 2022, with two exceptions in the area of Executive Board remuneration. The declaration of conformity from the Supervisory Board and Executive Board pursuant to Section 161 of the German Stock Corporation Act (AktG) is permanently available on the Company website and in the declaration of corporate governance. At this meeting, the Supervisory Board also conducted an internal efficiency review for the 2024/2025 period.

↗ Please refer to the declaration of conformity in the "Declaration of corporate governance" chapter.

"In 2025, Dräger continued on its successful course with purpose. The Company achieved record net sales and significantly improved its earnings and profitability. The measures introduced in recent years and continued in 2025 set the course for this performance at an early stage, even in a difficult environment. The Supervisory Board considers the Executive Board's positive expectations for the current fiscal year to be realistic and welcomes the plans to continue focusing on sustainable profitability by further improving efficiency and resilience."

Maria Dietz
Chairwoman of the Supervisory Board
of Drägerwerk AG & Co. KGaA

Activities of the Audit Committee

The Audit Committee held six meetings in total in the reporting year, of which three were in-person meetings and three were conference calls. The CFO, the Head of the Accounting department, the Head of the Internal Audit department, and representatives of the auditor took part in the meetings. The Audit Committee met "in camera" with the auditor at the beginning of its meetings on March 19, 2025, and December 10, 2025, without any participants from the Company.

At its meetings, the Audit Committee dealt with the single entity and Group financial statements, the quarterly results, the half-year financial report, the audit of the Group sustainability statement, and the proposal for the appropriation of profits. The Committee also reviewed and evaluated the accounting process, the risk reporting system and the auditing activities of the Internal Audit department and the auditors. The segment reporting, the organization of Compliance and its activities, as well as the risk management system and IT security were also discussed at the meetings. The Chairman of the Audit Committee reported to the full Supervisory Board on the outcome of its deliberations.

In several meetings, the Audit Committee dealt with the preparation of the Group sustainability statement and its integration into the management report in accordance with the Corporate Sustainability Reporting Directive (CSRD).

Activities of the Nomination Committee

The Nomination Committee met once in the reporting year, at an in-person meeting on March 20, 2025, to discuss the selection of a candidate for election to the Supervisory Board, which took place at the annual shareholders' meeting on May 9, 2025.

Training and further education

The members of the Supervisory Board are responsible for the training and further education measures required for their duties and are supported in this undertaking by the Company. Internal information events, for example on changes in the legal framework, are provided by the Legal department when required. New members of the Supervisory Board are familiarized with the specifics of the Company when they take office.

Single entity and Group financial statements

The Supervisory Board commissioned KPMG AG Wirtschaftsprüfungsgesellschaft, which was elected by the annual shareholders' meeting, to audit the single entity and Group financial statements for the 2025 fiscal year. Subject of the audit were the single entity financial statements of Drägerwerk AG & Co. KGaA prepared in accordance with the German Commercial Code (HGB), and the Group financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), as well as the combined management report of Drägerwerk AG & Co. KGaA and the Dräger Group. The auditor examined the single entity financial statements of Drägerwerk AG & Co. KGaA prepared in accordance with the German Commercial Code (HGB) and the Group financial statements prepared in accordance with IFRS as adopted by the EU, as well as the combined management report of Drägerwerk AG & Co. KGaA and the Group, and issued an unqualified audit opinion. The auditor confirmed that the Group financial statements and the combined management report conform to IFRS as adopted by the EU. The auditor conducted an audit alongside its engagement for the Group sustainability statement.

The Audit Committee examined and discussed significant asset and liability items and their measurement, as well as the presentation of the financial position and financial performance, and the development of key performance indicators. The Chairman of the Audit Committee reported on the discussions to the Supervisory Board. On this basis, the Supervisory Board reviewed and approved the single entity financial statements and Group financial statements of Drägerwerk AG & Co. KGaA and the combined management report, including the Group sustainability statement.

Representatives of the auditor attended all meetings of the Audit Committee and the Supervisory Board's on March 5, 2026 at which the financial statements were discussed. These representatives reported on the performance of the audit and were available to provide additional information. At these meetings, the Executive Board explained the single entity financial statements of Drägerwerk AG & Co. KGaA and the Group financial statements as well as the risk management system. On the basis of the audit reports on the single entity and Group financial statements and the report of the Executive Board, the Audit Committee came to the conclusion that both sets of financial statements with their respective management reports, including the Group sustainability statement, give a true and fair view of the net assets, financial position, and results of operations in accordance with the applicable financial reporting framework. Further questions by members of the Supervisory Board led to a more detailed discussion of the results. The Supervisory Board was convinced that the dividend proposed by the general partner was appropriate considering the net assets, financial position, and results of operations, and approved it. The liquidity of the Company and the interests of the shareholders were given equal consideration. There were no reservations concerning the economic efficiency of the Executive Board's actions.

The single entity financial statements of Drägerwerk AG & Co. KGaA must be approved by the annual shareholders' meeting. The Supervisory Board agreed with the recommendation made by the general partner to approve the single entity financial statements of Drägerwerk AG & Co. KGaA and supports the proposed appropriation of net earnings.

Changes in the Executive Board

At its meeting on September 18, 2025, the Supervisory Board of Drägerwerk Verwaltungs AG resolved to extend the appointment of Gert-Hartwig Lescow by five years with effect from April 1, 2026. In addition, on December 10, 2025, the Supervisory Board of Drägerwerk Verwaltungs AG resolved to extend the appointment of Stefanie Hirsch by five years with effect from July 1, 2026. There were no other changes to the composition of the Executive Board in the reporting year.

Changes in the Supervisory Board

Dr. Reinhard Zinkann decided to step down from his positions as a member of the Supervisory Board and the Nomination Committee as of the end of June 30, 2025. The annual shareholders' meeting on May 9, 2025, appointed Dr. Peter Bartels as a member of the Supervisory Board with effect from July 1, 2025. Bettina van Almsick retired and stepped down from the Supervisory Board with effect from April 30, 2025. Her successor since May 1, 2025, is Marion Schumann. With effect from July 1, 2025, the Supervisory Board elected Prof. Dr. Grenz as a member of the Nomination Committee and Dr. Peter Bartels as a member of the Audit Committee. Frank Riemensperger resigned from his position on the Audit Committee with effect from June 30, 2025.

Conflicts of interest

There were no conflicts of interest on the part of members of the Executive Board and Supervisory Board that had to be disclosed to the Supervisory Board without delay and about which the annual shareholders' meeting had to be informed.

The Supervisory Board would like to express its appreciation to the Executive Board for its performance and commitment in the reporting year. It would also like to thank all employees for their hard work, and the shareholders for the trust they have placed in the Company in the 2025 fiscal year.

Lübeck, March 5, 2026

Maria Dietz
Chairwoman of the Supervisory Board

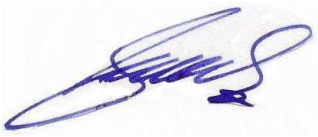
Report of the Joint Committee

Dear Shareholders,

The Company has a Joint Committee as an additional voluntary body that comprises four members of the Supervisory Board of the general partner, as well as two shareholders and two employee representatives from the Supervisory Board of Drägerwerk AG & Co. KGaA.

With regard to the legal form of the Company as a partnership limited by shares, this Committee is responsible for transactions requiring approval (pursuant to Section 111 (4) Sentence 2 AktG). The Joint Committee held four regular meetings in the reporting year, all of which took place in person. These meetings deliberated in detail on the commecial and strategic development of the Dräger Group. The Joint Committee decided on transactions requiring approval after reviewing the Executive Board's proposals. It approved all transactions.

Lübeck, March 5, 2026



Prof. Dr. Thorsten Grenz
Chairman of the Joint Committee

The Dräger shares

The capital market was highly turbulent in 2025. Nevertheless, Dräger shares recorded significant price gains and performed significantly better than the SDAX. Our preferred shares were again listed on the TecDAX.

Development of the Dräger shares

The SDAX initially fell to its low for 2025 of around 13,602 points in mid-January, before rising significantly in the weeks that followed. At the beginning of March the index slumped due to fears of a global trade war. However, the prospect of a billion-euro financial package for the German economy caused it to rise again. From mid-March to early April, the SDAX fell sharply due to the consolidation of stock markets and the announcement of US import tariffs. It then continued its recovery until mid-June, driven by the easing of the tariff dispute and well-received quarterly reports. The index subsequently dropped again due to renewed consolidation and the military conflict between Israel and Iran. At the end of June, the SDAX climbed again, reaching its highest mark for the year of around 18,207 points in mid-July. From late July to early September, the index fell significantly due to concerns about tariffs and the economy in general. In the weeks that followed, it was able to recover somewhat on hopes of lower key interest rates. These gains evaporated from mid-October onward, as tariffs and the high valuations of technology companies unsettled many investors. After a significant drop, the SDAX bottomed out in November and began to rise again at the end of the month. On the last trading day of the year, the SDAX closed at around 17,175 points, an increase of around 25% compared with the year-end level in 2024. The TecDAX closed at around 3,602 points, up around six percent.

Dräger shares rose significantly in the first weeks of trading this year, mainly due to the preliminary figures for the 2024 fiscal year published in mid-January and the forecast for 2025. In February, Dräger shares remained flat. Their prices rose significantly again in the second half of March in the wake of the positive market sentiment. Following the announcement of US tariffs and the publication of preliminary first-quarter results in April, Dräger shares lost some of their gains. They then picked up again at the end of the month as the stock markets calmed down. On May 9, the preferred shares were included in the TecDAX, the index comprising the 30 largest technology companies in the Prime Standard. Dräger shares continued to rise until mid-June, after which prices fell until the beginning of July and then followed a sideways trend. The shares slipped in the second half of September. However, they rose sharply following the announcement of preliminary figures for the third quarter and the revision of the annual forecast in mid-October, with preferred shares reaching their annual high of EUR 77.40 at the end of October. After a brief, significant correction, preferred shares trended sideways until the end of the year. The common shares also corrected, but rose to their annual high of EUR 64.60 at the end of November. They subsequently recorded a significant drop in price until the end of the year.

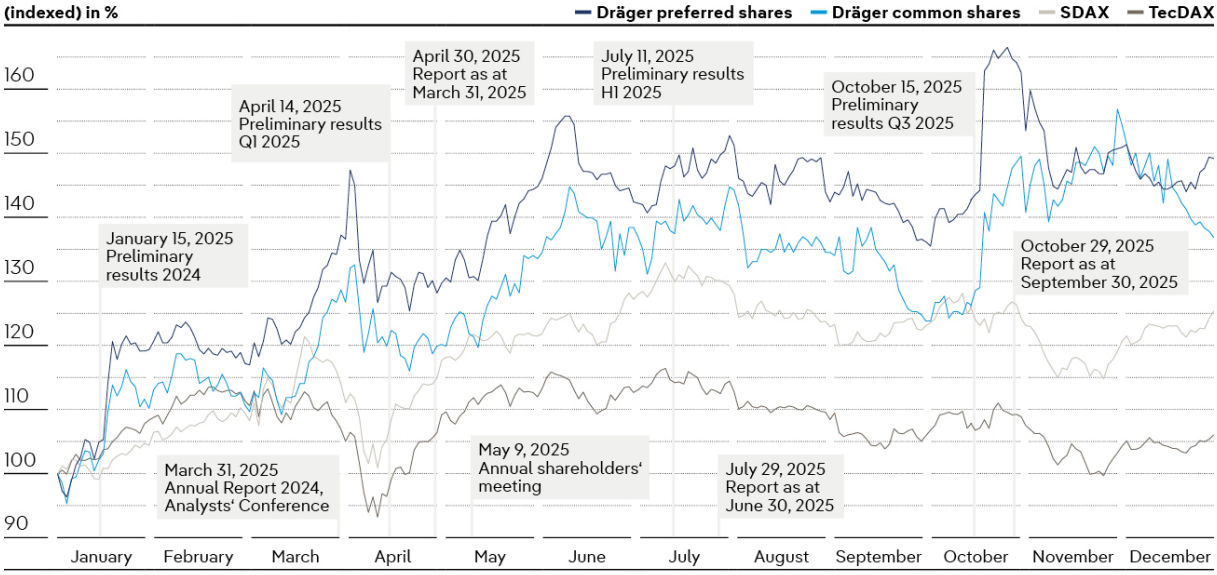
On the reporting date of December 31, 2025, the common shares were trading at EUR 56.40 on Xetra. They were thus around 37% higher than at the end of 2024. Preferred shares were trading at EUR 69.40, representing an increase of around 49%.

↗ Please refer to figure “Share performance of the Dräger shares 2025” on the following page.

Development of the Dräger shares, SDAX, and TecDAX as at December 31, 2025

in %	1 year	3 years	5 years	10 years
Dräger common shares	37	55	-6	-6
Dräger preferred shares	49	66	11	1
SDAX	25	44	16	89
TecDAX	5	23	12	97

Share performance of the Dräger shares 2025



Dividend

The Executive Board and Supervisory Board intend to propose a dividend of EUR 2.27 per preferred share (2024: EUR 2.03) and EUR 2.21 per common share (2024: EUR 1.97) to the annual shareholders' meeting for 2025. This would correspond to a distribution of 30.1% of the net profit.

Dräger intends to continue distributing at least 30% of annual net profit in the coming years, provided that the Group's equity ratio is at least 40%.

↗ Please refer to note 20.

Dräger shares – basic figures

	Common shares	Preferred shares
German securities identification number (WKN) / ISIN [1]	555060/DE0005550602	555063/DE0005550636
Ticker symbol / Reuters / Bloomberg	DRW8/DRWG.DE/DRW8	DRW3/DRWG_p.DE/DRW3
Main stock exchange	Frankfurt/Xetra	Frankfurt/Xetra
Market segment	Prime Standard	Prime Standard
Index	-	SDAX, TecDAX
Initial listing	2010	1979

[1] International Securities Identification Number

Dräger shares indicators

	2025	2024
Common shares		
No. of shares as at the reporting date	10,160,000	10,160,000
High (in €)	64.60	47.70
Low (in €)	39.30	40.10
Share price on the reporting date (in €)	56.40	41.20
Annual share price development (in %)	36.9	-7.8
Average daily trading volume [1]	2,569	1,664
Dividend per share (in €) [2]	2.21	1.97
Dividend yield (in %)	3.9	4.8
Earnings per common share (in €)	7.42	6.61
Preferred shares		
No. of shares as at the reporting date	8,600,000	8,600,000
High (in €)	77.40	53.90
Low (in €)	44.85	42.95
Share price on the reporting date (in €)	69.40	46.50
Annual share price development (in %)	49.2	-10.2
Average daily trading volume [1]	13,163	8,657
Dividend per share (in €) [2]	2.27	2.03
Dividend yield (in %)	3.3	4.4
Earnings per preferred share (in €)	7.48	6.67
Total distribution (in € thousand)	41,976	37,473
Distribution rate (in %)	30.1	30.1
Market capitalization (in € thousand)	1,169,864	818,492

[1] All German stock exchanges (source: designated sponsor)
[2] For the reporting period, subject to approval by the annual shareholders' meeting

Shareholder structure

The capital stock is divided into common and preferred shares. As at the reporting date of December 31, 2025, 71.62% of the common shares were attributable to the Dräger family as defined by Deutsche Börse AG: 68.67% were held by Dr. Heinrich Dräger GmbH and a further 2.95% by members of the Dräger family. The remaining 28.38% were in free float. The free float of the non-voting preferred shares was 100%.

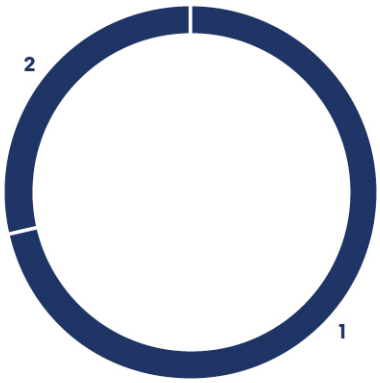
An analysis of the shareholder structure (common and preferred shares) of the shares held outside the Dräger family as at December 31, 2025 showed that institutional investors from the USA held around 29% of the free float of the share capital at that time. The proportion of institutional investors in Germany was around 16% and in the rest of Europe it was 13%. In the rest of the world they held around nine percent. The proportion of private investors worldwide was around 33% (mostly in Germany). Around one percent of shareholders could not be identified.

↗ Please refer to the "Ownership of common shares" and "Shareholder structure" illustrations on this page.

In 2025, Dräger again gave its employees the opportunity to participate in the Company through deferred compensation as part of the employee participation program. The average number of shares purchased per participant was 31 (2024: 38 shares). Around 69% of eligible employees have taken part in at least one such program in the past few years and became shareholders in the Company. With this, employees in all participation programs combined – and assuming that these shares are still held by them – have acquired just under nine percent of the total available preferred shares.

↗ Please refer to note 29.

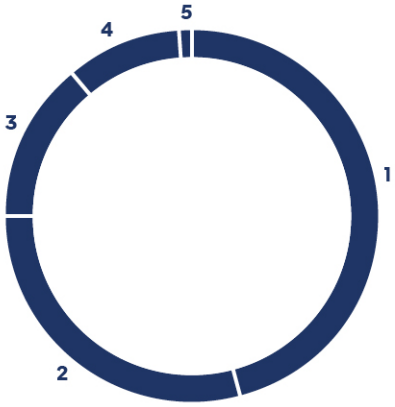
Ownership of common shares[1]



in %	
1. Dräger family	71.62
2. Free float	28.38

[1] As at December 31, 2025

Shareholder structure[1]



in %	
1. Germany	46
2. USA	29
3. Rest of Europe	14
4. Rest of the world	10
5. Unknown investors	1

[1] Common shares (excluding Dräger family interest) and preferred shares; as at December 31, 2025

Sustainability reporting and rating

Dräger is audited annually by respected sustainability rating agencies. Dräger improved slightly to 73 out of 100 points (2024: 72 points) in the CSR assessment carried out by the EcoVadis institute in 2025, again securing a Silver Medal. This puts Dräger among the best 15% of companies assessed by EcoVadis. In addition, Dräger retained the "Prime Label" in ISS' ESG Corporate Rating, taking a top position in the "Health Care Equipment & Suppliers" sector. U.S. financial services provider MSCI awarded Dräger an ESG rating of A on a scale of AAA (leader) to CCC (laggard). Sustainalytics, the sustainability rating agency, gave Dräger an ESG risk rating of "Medium Risk". This puts Dräger in the top 30% of companies in the "Medical Devices" sector. Furthermore, the "Carbon Disclosure Project" (CDP) non-profit organization confirmed out C rating (on a scale from A to D-). The areas assessed were water and climate.

The Group sustainability statement has been prepared in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS). The CSRD is intended to close existing gaps in the reporting regulations and expand sustainability reporting overall. It has already been adopted by the EU, but has not yet been transposed into German law. Until then, the EU "Non-Financial Reporting Directive" (NFRD) continues to apply. Our reporting in accordance with CSRD and ESRS for fiscal year 2025 is therefore on a voluntary basis. Our Group sustainability statement has been audited by the auditing firm KPMG AG Wirtschaftsprüfungsgesellschaft in accordance with the applicable regulations with limited assurance and confirmed accordingly.

↗ Please refer to the chapter "Independent Auditor's Report".

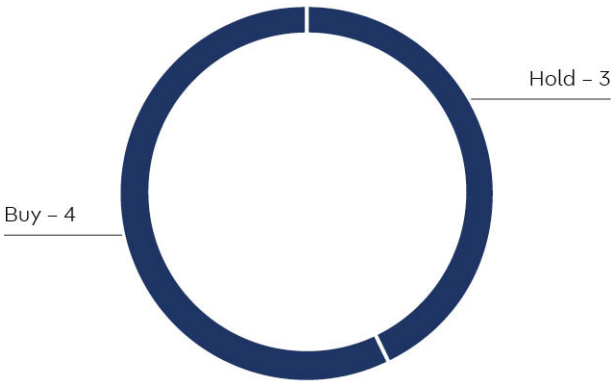
Analyst coverage

At the end of 2025, analysts from seven different institutions (2024: eight institutions) assessed Dräger's corporate development: AlphaValue, DZ Bank, Jefferies, Kepler Cheuvreux, Warburg Research, Metzler and mwb research. Hauck Aufhäuser Investment Banking's (HAIB) equity research activities have been discontinued due to a change in ownership. HAIB is therefore ending its coverage of Dräger shares. A current overview of analyst recommendations can be found at:

www.draeger.com/en-us_us/Investor-Relations/Share.

↗ Please refer to figure "Analyst recommendations".

Analyst recommendations[1]



[1] As at December 31, 2025

02

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Combined management report

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Principles of the Group

Group structure

Drägerwerk AG & Co. KGaA is the parent company of the Dräger Group. Central functions and jointly used services are also bundled here. All affiliated companies with operating activities worldwide are directly or indirectly controlled by the parent company or are under its significant influence. In addition, Drägerwerk AG & Co. KGaA holds interests in some companies that are not part of business operations of the Dräger Group.
↗ Please refer to note 45.

Dräger is represented in nearly every country on every continent and maintains its own sales and service companies in some 50 countries. We have total of 16 development and production sites in Germany (Lübeck), Chile (Santiago de Chile), China (Beijing, Shanghai), Great Britain (Blyth), India (Vasai), Canada (Kingston), Lithuania (Vilnius), Sweden (Motala, Svenljunga), Switzerland (Biel/Bienne), Serbia (Belgrade), South Africa (East London), the Czech Republic (Klášterec) and the USA (Andover, Telford).

Management, planning, and reporting

Organization and management system[1]

We manage our business primarily in accordance with the medical and safety divisions. Due to their different organizational structures, the medical division is made up of business units, while the safety division is comprised of strategic business fields.
↗ Please refer to figure “Executive Board responsibilities” on the next page.

Medical division

In the medical division, we develop and produce system solutions, equipment, and services that work together in acute care. Within the division, we have introduced business responsibility in accordance with the various business units: Therapy (anesthesia devices and ventilators, as well as thermoregulation equipment), Hospital Consumables & Accessories (consumables and accessories), Workplace Infrastructure (supply units, lights, gas management systems), Patient Monitoring (patient monitoring). The Research and Development, Supply Chain Management, and Production functions are integrated into the business units alongside Product Management and Marketing. Quality & Regulatory Affairs manages quality-related activities and implements the regulatory requirements for medical products across all business units. This area is part of the Executive Board department for Sustainability and Quality, but operates within the medical division business area. The service function for the medical division is organizationally located in the area of the Chief Sales and Human Resources Officer (CSO), the service strategy is closely coordinated between the division’s management and the CSO.

Safety division

The safety division develops and produces devices, system solutions, and services for personal protection, gas detection, and comprehensive hazard management. The division comprises the strategic business fields of Manufacturing Industries, Processing Industries, and Emergency & Rescue Services. Research & Development, Production, Supply Chain Management and Quality Management & Quality Assurance are organized on a cross-divisional basis and work for all of the aforementioned strategic business fields. Quality Management & Quality Assurance is part of the Executive Board department for Sustainability and Quality, but operates within the safety division. The service function for safety technology is organizationally part of the CSO; here too, the strategic direction is closely coordinated between the management of the division and the CSO.

[1] This section is also part of the Group sustainability statement in this combined management report.

Executive Board responsibilities[1]

Stefan Dräger Chairman of the Executive Board	**Gert-Hartwig Lescow** CFO, Executive Board member for Finance, IT, and Vice-Chairman of the Executive Board	**Stefanie Hirsch** Executive Board member for Sustainability and Quality	**Dr. Reiner Piske** Executive Board member for Sales and Human Resources	**Toni Schrofner** Executive Board member for Medical Division	**Rainer Klug** Executive Board member for Safety Division
Occupational Health and Safety Basic Research Intellectual Property Mergers & Acquisitions Real Estate Legal, Compliance, and Data Protection Corporate Auditing Corporate Communications and Corporate Identity	Controlling Purchasing (indirect materials and IT) Information Security Information Technology Investor Relations Accounting Taxes Treasury Insurance Customs and Export Control	Sustainability Quality Management	Human Resources Service Sales	Purchasing Research and Development Logistics Marketing Production Product Management Quality	Purchasing Research and Development Logistics Marketing Production Product Management Quality
			Sales and service locations	Production and development locations Medical Division	Production and development locations Safety Division

[1] Simplified representation as at December 31, 2025. This table fulfills the disclosure requirements of ESRS 2 GOV-1 21c regarding the experience of the Executive Board members and is therefore also part of Dräger's Group sustainability statement.

Sales and service

Sales and Service is the interface between the two divisions, which are engaged in product development and production, and our customers. Operational responsibility for the sales and service business lies with management at the country level. In each country with Dräger subsidiaries, the local management team makes all decisions of local importance on the basis of the corporate standards and strategy and reports directly or indirectly to the Executive Board member with responsibility for Sales.

Global functions such as IT, Finance, Human Resources, Quality & Regulatory Affairs (Corporate), Basic Research, and Legal and Compliance are located at the Group headquarters in Lübeck and partially also at other international locations. The global functions provide services to the national companies, set globally applicable Group standards, and are responsible for strategic management.

The responsibilities within a structure that is oriented toward cooperation are therefore clearly allocated. It is also a way of fostering customer focus and entrepreneurial activity at Dräger, and accelerating our decision-making processes.

↗ Please refer to the figure “Executive Board responsibilities” on this page.

We report with the following regional structure:

- Germany region,
- Europe, Middle East, and Africa (EMEA) region,
- Americas region, and
- Asia-Pacific (APAC) region.

Value driven management

In order to achieve long-term success, Dräger has to generate steady growth, as well as stable and sustainable economic performance. We use a value-driven management system to increase Company value in the long term based on the performance indicator Dräger Value Added (DVA). In addition to DVA, we also use net sales growth and the EBIT margin in particular as key performance indicators.

Dräger Value Added (DVA) is the central key management figure at Dräger. It is reported for the two segments (medical and safety divisions). We use DVA to measure the development of the Company's added value and that of its various segments. Not only does Dräger base its strategic decision-making on the development of DVA, the variable remuneration for management and the Executive Board is also aligned with DVA, among other things.

We want to achieve three key goals with the help of management via DVA:

- profitable growth,
- increasing operating efficiency, and
- increasing capital efficiency.

In mathematical terms, DVA is the difference between the EBIT (earnings before interest and taxes) over the preceding twelve months and calculated capital costs. Capital costs are determined using average capital employed in the past twelve months, based on the average cost of equity and borrowed capital before taxes. We define capital employed as follows: Total assets minus deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items. The weighted average cost of capital (WACC) in 2025 was 9.0% (2024: 9.0%).

↗ Please refer to note 39 for further information on capital employed.

Days working capital

		Average balance in € million			Average coverage in days[1]	
		2025	2024		2025	2024
	Trade receivables, contract assets and notes receivables	746.3	709.5	DSO	78.2	76.8
+	Inventories	707.2	715.1	DIH	74.1	77.4
-	Trade payables and notes payables	213.0	201.5	DPO	22.3	21.8
-	Contract liabilities	230.8	224.3	DPR	24.2	24.3
	Working capital	**1,009.6**	**998.8**	**DWC**	**105.8**	**108.2**

[1] Calculation of average coverage: average balance of fiscal year / net sales of fiscal year x 365

Other performance indicators include days working capital (DWC), gross margin, R&D expenses, net financial debt, investment volume, and interest result. Thus, the Group is currently managed on the basis of financial performance indicators.

We use DWC to measure the average coverage of net current assets over twelve months. This is composed of days of sales outstanding (DSO: trade receivables in relation to net sales), days of inventory on hand (DIH: inventories in relation to net sales), days of payables outstanding (DPO: trade payables in relation to net sales), and days of prepayments received (DPR: prepayments received in relation to net sales), which are each measured individually.

Further information on the definition of individual key figures (including what are known as alternative key performance indicators), insofar as no explanations are provided in the footnotes of the annual report, can also be found in the Investor Relations section on our website.

Financial forecast

The financial forecast provides an assessment of the development of net sales, the gross margin, and functional expenses up until the end of the current fiscal year. Current business performance is analyzed on this basis, and appropriate countermeasures are taken whenever performance deviates significantly from plan. We also prepare a detailed plan for the subsequent year in the fourth quarter.

Strategy and targets

Medium-term company targets

Our medium-term company targets are aligned with financial and non-financial targets. While defining our current targets, we determined the following priorities:

Focus on profitability

Profitability is the prerequisite for our long-term survival because it enables us to finance our future investments from our own resources. Our aim is therefore to increase our profitability. In order to do so, we want to increase our EBIT margin by an average of one percentage point per year over the coming years. The environment for this is good despite the current challenging economic context because the global markets for medical and safety technology offer an excellent growth environment for our "Technology for Life". In order to sustainably increase profitability, we will focus on supporting our margins through price enforcement and careful cost management, aligning our activities even more closely with our customers and consistently pushing ahead with our own initiatives. We will also restructure or discontinue unprofitable activities.

Innovation leadership

"Technology for Life" is our guiding philosophy. Technology stands for technological innovation and engineering excellence, which are deeply ingrained in our DNA. We have innovative products that are held in high regard and that are market-leading in certain aspects. These products are developed in close collaboration with customers all over the world, by a highly qualified research and development team. The team utilizes the latest technologies and methods and is always conscious of achieving continuous improvement.

At the same time, we invest in commercial innovations to develop business models that meet the requirements of our existing and future customers. We also support local innovation and added value in different countries, particularly in services, project business, and additional software, by offering engineered solutions where they are utilized.

Competency in the fields of system business and interoperability

To offer our customers even more value, we are strengthening our system business. This means that we understand customer requirements both from a technical and a business perspective. With this system approach, we can achieve a larger share of wallet and share of mind among our customers and are integrated deeply in their value chain. We are developing our business more toward an approach based on system solutions and recurring business. One of the reasons for doing this is to counteract the price war that is to be expected when individual products become increasingly interchangeable in global competition, and are sold in individual transactions under general terms.

Interoperability is the ability of machines, devices, sensors, and people to connect with each other and communicate. This approach supports our customers' decision-making process through greater transparency, by linking up data and providing recommendations. In most cases, these systems run on an infrastructure that we do not develop ourselves and that is not owned by us or the customer. We deliver and procure the components and bear responsibility for system functionality.

Strategic targets in our markets

Strategic targets in the medical division

With our products, system solutions, and services, we are helping hospitals around the world to achieve the best possible treatment outcomes in acute care – despite rising challenges.

Improving acute care through therapy support and automation

Higher case numbers and growing medical complexity, coupled with an increasing shortage of skilled workers, are an ever-greater burden on hospital staff. Pandemics and chronic illnesses, and the need to maintain military readiness, present major challenges to healthcare systems around the world, especially in intensive care units. To ensure that all patients can continue to be treated well, solutions are needed to reduce the workload on staff and to support clinical processes. Our aim is to improve acute care through therapy assistance systems and the automation of clinical and administrative processes.

Connected medical technology

With such a wide variety of equipment and sensors attached to patients in operating rooms and intensive care units, therapy assistance systems and automation require medical technology to be connected securely and in a standardized and manufacturer-independent manner. That is why we have been closely involved in the further development and implementation of international standards for device connectivity in medical technology over the past few years and will continue to do so in the future. We support our customers in connecting their systems to the cloud to improve security and functionality, and we advise them on cybersecurity issues. At the same time, we are seizing the opportunities of connectivity in our own portfolio. To do so, we are focusing on the following areas.

Modernization of the product portfolio

We are continuously working on updating our product portfolio to make our medical devices fit for the requirements of digitalization in hospitals. In areas where we cannot bring our own developments to market maturity quickly enough, we enter into targeted development and sales partnerships. We offer OEM products in the areas of patient monitoring and transport ventilation, and will continue to do so in the future. In addition to interconnectivity, our target portfolio is also about reducing hardware variants and increasing scalability through software functionality.

Development of digital applications

We are developing a digital ecosystem based on the ISO/IEEE 11073-SDC communication standard that will allow secure interoperability of medical equipment and clinical information systems at workstations. By combining and analyzing data from different systems, we develop new digital applications to support clinical decisions, improve workflows, and automate therapeutic applications.

Strengthening offers along the product life cycle

Over the coming years, we will continue to expand our profitable range of accessories, consumables, and services.

When developing and producing our consumables, we place great importance on reducing our environmental impact. Seemingly small measures often have a major impact. For example, we save several tons of material every year by making the plastic housing of our new breathing gas filters just one gram lighter while maintaining the same product quality.

In terms of service, we are increasingly focusing on digital solutions that not only enable remote diagnosis and maintenance of our medical devices, but also provide new applications for analyzing device data. These applications include dashboards for monitoring the consumption of anesthetics in the operating room, evaluating the frequency of alarms in the intensive care unit, and analyzing the usage times of all the different devices. By connecting our device portfolio to “Dräger Connect”, we create the basis for the continuous expansion of our range of digital services and tools.

Strategic targets in the safety division

In the safety division, our portfolio of products and solutions includes stationary and mobile gas detection systems, personal protective equipment, alcohol and drug testing devices, and a varied range of training and services.

Our goal is to continuously improve the safety and productivity of industrial processes and employees in companies through this portfolio of hardware, software, consulting, and services.

In our target markets

- fire and rescue services, as well as national defense with civil protection and disaster control,
- raw material extraction,
- energy transformation,
- the chemical industry, and
- oil and gas,

we work with our customers to develop integrated safety approaches and solutions that are tailored to the individual situation based on our application understanding, outstanding service orientation, and global on-site presence.

We focus on the following strategic issues in order to develop the safety division's market position:

Focused expansion of rental and safety services
Our rental and safety services ensure occupational health and safety, and avert risk in relation to industrial plant shutdowns or inspections. Based on our strong market presence particularly in Germany, we will continue to expand our successful business offering to selected focus markets.

Strengthening of the light respiratory protection for the industrial sector
Today we are seen as a trusted advisor and supplier regarding safety issues for occupational safety. We want to also hold this position for light respiratory protection in the industry sector in the future. We plan to continuously expand our respiratory protection portfolio and increasingly focus on the requirements resulting from the megatrends of an aging society and a more diverse workforce. We endeavor to systematically develop our supplier network specifically for respiratory protection applications in industry.

Further development of our position in the defense sector
In the defense sector, we supply NBC protective masks, diving equipment for soldiers, and filter and gas protection systems for armored vehicles, among other things. We are going to systematically develop this market on the basis of our trusting relationships with important defense authorities and public sector customers and position ourselves as a partner and provider of solutions for strategic defense programs.

Realization of growth ambitions in the cleantech sector
The topics of sustainability and the energy transition are becoming increasingly important in the industry. The introduction of clean technologies (cleantech) is also opening up new growth opportunities for our product portfolio, for example in the areas of electromobility and hydrogen infrastructure. Even though the momentum of climate change mitigation is currently being slowed down by a combination of political, economic, and geopolitical factors, the global energy transition remains intact. Hydrogen remains the goal, but the ramp-up requires time, and investments are being diverted to "bridging technologies" such as LNG. We pursue our growth targets both in our established core markets such as oil and gas and chemicals, and by developing new customer and application areas, such as battery production. With our "Technology for Life", we provide support to our customers in achieving their ESG targets more efficiently.

Digitalization and data-supported services
The increasing digitalization and networking of operating procedures and technical devices is advancing the convergence of physical and digital worlds. Our products' connectivity and interoperability allow us to provide our

customers with tailored solutions consisting of hardware, a combination of hardware and software, or a purely data-based software solution, all while paying particularly close attention to cybersecurity.

Research and development

We attach a great deal of importance to our research and development (R&D) activities. In fiscal year 2025, research and development costs rose by EUR 4.5 million year on year to EUR 337.6 million (2024: EUR 333.1 million). This equates to 9.7% of net sales (2024: 9.9%).

As of December 31, 2025, 1,865 employees worked in our development departments worldwide (December 31, 2024: 1,827). Over the course of the fiscal year, patent and trademark offices around the world issued 236 new patents to Dräger (2024: 212). We applied for another 73 patents at international patent and trademark offices (2024: 94). During the past year, our technology development experts analyzed 94 new technologies (2024: 93) in 23 fields (2024: 24) and evaluated their relevance to Dräger. In a number of projects, these new technologies laid the foundations for future product innovations.

Research and development

R&D cost in € million	2025	2024	2023	2022	2021
Dräger Group [1]	337.6	333.1	325.4	343.5	328.6
in % of net sales	9.7	9.9	9.6	11.3	9.9
Headcount	1,865	1,827	1,759	1,756	1,668

[1] In fiscal year 2025, EUR 3.8 million, or approximately one percent, of R&D costs were capitalized (2024: 0.0%).

Medical division

In fiscal year 2025, we brought ten (2024: nine) new and further developed medical technology products to the market. Our R&D activities focus on expanding our product portfolio for intensive care medicine and operating rooms. Activities are centered on developing system solutions.

In fiscal year 2025, our focus was on introducing solutions based on the new international communication standard IEEE 11073 SDC (service-oriented device connectivity). The standard defines a system architecture that enables interoperability between medical devices at the point of care and seamless data exchange with HL7-compatible hospital information systems. SDC enables medical devices from different manufacturers to exchange data and information bidirectionally, securely, and dynamically. Open information exchange can help improve clinical outcomes and workflows, thereby reducing staff workload and healthcare costs. SDC also increases data security by ensuring that all medical devices use uniform data encryption in a shared network. In addition, we use SDC to transmit high-resolution, medical quality real-time data from medical devices; in other words at a quality that meets stringent clinical requirements. This data is used in clinical applications.

We introduced the Dräger Silent Care Package in 2025, the world's first manufacturer-independent clinical application based on the SDC standard. The system integrates products and solutions from three manufacturers; it combines modern intensive care ventilation and monitoring systems from Dräger with continuous drug delivery from B. Braun's SpacePlus infusion pumps and the alarm distribution system from Ascom. The Silent Care Package can significantly reduce noise pollution in intensive care units by reliably forwarding alarms to the ward control center and to the mobile devices of the responsible nursing staff, while the connected devices in the patient's room remain silent. Reducing noise pollution can significantly help prevent cognitive impairment in patients while also improving workflows for nursing staff through the targeted distribution of alarms.

Major new functions and monitoring parameters were added to our digital SDC-compliant system solution, the Dräger Access and Control Package (ACP) in 2025. The ACP allows users to access the monitoring parameters of the M540 SA and to control monitor settings such as alarm limits or when to start a blood pressure measurement from outside the patient's room. A "Far View" option also allows monitoring from a greater distance, enabling nursing staff to keep an eye on several beds at the same time. Remote access to the patient monitor from a PC outside the patient's room means less disturbance for the patient and can help protect staff in the case of highly infectious patients. Since SDC also potentially enables access to other medical devices, remote access can be extended to other modalities in the future.

The range of functions offered by the Dräger Infinity Acute Care System (IACS) patient monitoring system was also expanded in 2025. The IACS now has the ability to mute and forward alarms at the patient's bedside, in addition to offering a wider range of monitoring functions. The new parameters and algorithms enable critical patient conditions to be quickly and reliably detected and displayed, particularly in patients with cardiovascular risks.

Thanks to a new software version in the Dräger Connectivity Converter CC300, it is now possible to integrate Dräger therapeutic devices that do not yet have a native SDC interface into the SDC ecosystem. This enables the provision of high quality and unfiltered data, for example to be transferred to the hospital information system. The Connectivity Converter CC300 supports anesthesia machines, ventilators and heat therapy devices from Dräger, for example the Atlan, Evita and Babyleo/Babyroo product ranges.

Another new product in 2025 was the third version of our clinical software application Dräger Mobile Patient Watch (MPW). MPW enables healthcare professionals to access clinical patient information in real time, anytime, anywhere – via mobile devices, tablets, or desktop PCs. The solution can be used across wards, from the emergency department to the operating room or the intensive care unit, and can be adapted to the needs of the respective care area. MPW supports a wide range of Dräger medical devices, including patient monitors, ventilators, and anesthesia machines, which provide their data via the Infinity network.

The MPW software update to version 3.0 not only introduced optimizations and new features for our Infinity Monitoring customers, but also saw the launch of the new Mobile Patient Watch Pro (MPW Pro) version. MPW Pro utilizes real-time data from SDC, establishing the groundwork for cross-manufacturer, medical-grade data usage for a wide range of new use cases. This includes the targeted evaluation of emergency situations outside the patient's room and other cases in which the availability of information reduces walking back and forth in the hospital and optimizes workflows.

In addition to SDC solutions, we introduced other relevant new developments and innovations, including, in particular, the Dräger Polaris surgical light. This uses the latest LED and camera technologies and enables surgeons to individually adjust the light to the requirements of the surgical procedure while illuminating the operating field in a way that is gentle on the eyes. Polaris' 3D shadow compensation ensures uniform lighting, even when surgeons bend over the operating field. Polaris generates significantly less heat than conventional surgical lights, which makes work much more pleasant for the surgical team.

In the area of patient monitoring, we launched the Dräger Vista T100, a portable telemetry monitor for the reliable, continuous monitoring of mobile patients. The flexible platform enables secure monitoring of the cardiovascular status throughout the hospital. Changes can be detected at an early stage – for example, in the ECG, respiratory rate, oxygen saturation, pulse, temperature, and noninvasive blood pressure. It also supports efficient integration into workflows. Thanks to its combination of mobility, connectivity, and reliable performance, the Vista T100 meets the specific demands of cardiology and other clinical areas. It is also available in a smaller version as the Vista T100S.

In addition, we released the fundamentally revised version 4.0 of the Dräger SmartPilot View software for our anesthesia machines. SmartPilot View calculates and visualizes the complex synergies of various anesthetic drugs based on pharmacodynamic models for both the current status and the further course of anesthesia. The software therefore supports well-founded decisions for more precise and patient-specific dosing of anesthetics. The new version 4.0 of SmartPilot View is compatible with most new models from well-known syringe pump manufacturers and can now also be installed on a server.

Safety division

In fiscal year 2025, we brought 14 (2024: 15) new and further developed safety technology products to the market. The focus of innovation is on expanding our product portfolio and developing systems as complete customer solutions.

In the area of gas detection, one of the products we launched in 2025 was the Dräger Sensor XD-IR CO2 for our mobile multi-gas detector Dräger X-am 5800. With its extremely low drift and humidity sensitivity as well as its low detection limit, it is ideally suited for measuring carbon dioxide both indoors and for monitoring CO_2 in the workplace. Due to its design, the sensor is very robust and insensitive to shock loads. Its low power consumption means that the Dräger X-am 5800 has a battery life of up to 50 hours. In addition, the sensor is characterized by low maintenance requirements, high long-term stability and poisoning resistance. As its measuring principle is independent of oxygen, it can also be used for measurements in an inert atmosphere.

We added two new products to our portfolio of gas detection controllers: the REGARD 1000 and REGARD 3000 plus. The Dräger REGARD 1000 is a versatile gas detection controller for up to four transmitters, equipped with three freely configurable alarm relays. It is intuitively operated via a six-button concept. It can be mounted in a control cabinet or on the wall, allowing it to be flexibly adapted to the application environment. The data logging function makes it easy to collect and analyze a wide range of data from the gas detection system. The Dräger REGARD 3000 plus provides users with an even more powerful, flexible controller system that reliably monitors hazardous locations in gas detection systems and triggers alarms. The modular design adapts to different system sizes and can be configured centrally or locally. A user-friendly dashboard and clear warnings ensure transparency and safety. The REGARD 3000 plus is suitable for small stand-alone systems as well as for larger decentralized gas detection systems. It is also possible to expand a REGARD 3000 or REGARD 7000 with elements from the REGARD 3000 plus. Thanks to its flexibility and connectivity, the REGARD 3000 plus helps our customers reduce engineering and installation costs. The already integrated alarm systems can also reduce financial expenditure.

Another innovation in the field of gas detection is Dräger X-meas. This software system helps users to plan and perform measurements. It locates known measurement locations, transmits measured values directly to the cloud, interprets the data according to the respective measurement task, and securely documents the results. The system is suitable for open and leakage measurements, as well as rounds and inspections, with all data being recorded digitally.

We also launched the Dräger Edge Device, a gateway that forwards data to our Gas Detection Connect (GDC) software solution and seamlessly connects our REGARD gas detection systems to the cloud. Together with GDC, the gateway provides live data and historical analyses on various end devices, as well as automatic warning notifications via email. This enables the Edge Device to assist users in monitoring their gas detection system anytime, anywhere, and in efficiently planning maintenance remotely.

We also introduced new developments and improvements in the area of occupational safety equipment in 2025. This includes the Dräger X-plore 8300, the smallest and lightest powered air-purifying respirator in its class, which provides reliable respiratory protection against harmful particles without noticeable breathing resistance or restriction of movement. The respirator fits seamlessly into the X-plore 8000 family and can be combined with various X-plore 8000 headpieces and tubes, as well as with carrying options and accessories.

Another new product is the Dräger respiratory protection starter set for target groups who have little experience with personal protective equipment. Among other things, it includes a half mask, full-face goggles as well as bayonet filters, FFP2 masks, cleaning cloths and earplugs. The set is supplied in a robust and reusable box for easy storage and transport.

In addition, we launched the Dräger FireGround System, which is designed to monitor the respiratory protection of firefighters. The system transmits vital information in real time, giving the incident commander more time for tactical decisions. This increases safety. FireGround creates a closed-circuit network that is independent of existing communication networks and power supplies. The system includes a portable hub, an app, a web application, and a repeater. The hub connects our PSS AirBoss Connect and BG ProAir respiratory protection devices to the app and to the web application via LTE. This means that FireGround can be used both on-site and

remotely from the operations control center. The repeater increases the range between the AirBoss and hub over longer distances.

In the area of personal and respiratory protection, the Dräger FPS-Com Voice communication unit for our FPS 7000 full-face respirator was one of our new products in 2025. Attached to the mask, the FPS-Com Voice significantly improves verbal communication when using respiratory protection by means of optimized voice recording and output. The communication unit is easy to operate, uncomplicated to retrofit to the mask and completely maintenance-free.

We also introduced the Dräger DiveSorb 100, another soda lime for professional divers. DiveSorb 100 absorbs acid gases such as carbon dioxide from the breathing air. It was developed for use in closed and semi-closed rebreathers and is characterized by its high CO_2 absorption rate and abrasion resistance.

Against the backdrop of a rising number of flood disasters, in 2025 we introduced a new water rescue helmet, the Dräger HPS AquaRescue. The HPS AquaRescue has been specially designed for the demanding challenges of water rescue operations. The robust helmet shell is made of lightweight ABS plastic and features integrated foam padding to protect against impacts. Coverable ventilation slots ensure that water can drain away quickly and that a comfortable climate is maintained inside the helmet. The skin-friendly, quick-drying padding increases comfort while wearing the helmet. It can optionally be equipped with a waterproof front lamp that improves visibility in the dark or in bad weather.

Furthermore, our PSS AirBoss and BG ProAir respiratory protection devices also received approval for the important North American market in 2025. The PSS AirBoss is a very powerful self-contained breathing apparatus for firefighting operations. It offers exceptional comfort while worn and is also one of the lightest pieces of equipment in its class. The BG ProAir is a positive pressure closed-circuit breathing apparatus that has been specially developed for longer operations and combines high levels of safety with comfort.

We also enlarged our product portfolio in the area of alcohol and drug measurement technology in 2025. The Dräger DrugCheck 3000 7-Panel is a new version of the DrugCheck 3000 rapid drug test available in Australia. The redesigned version is available in more than ten countries and offers a wider range of functions. For the first time, the DrugCheck 3000 can now test for seven different substances simultaneously: cocaine, opiates, cannabis, amphetamines, methamphetamines, benzodiazepines, and oxycodone. Its compact design makes the DrugCheck 3000 easy to transport and quick and easy to set up.

We also introduced the Alcotest 1000, a new alcohol testing device for private and commercial use. It is offered as an affordable, compact entry-level device and is sold exclusively through digital channels. The Alcotest 1000 includes six mouthpieces, two AAA batteries (for up to 500 breath tests), and a protective storage bag. The device is also dust and drip-proof and can be used at temperatures between 5°C and 45°C. The measurement result is displayed exclusively in per mil.

New features have also been added to the Dräger add app – an application for documenting and evaluating alcohol and drug tests. The updates include a redesigned user interface and an improved user menu. In addition, unregistered users can now choose between three different standard workflows that cover a wide range of applications: from pure statistical data collection to complex workflows with laboratory confirmation. The app can now also record and document the new 7-panel DrugCheck. Another advantage is that thanks to the introduction of dynamic PDF logic, test reports for documented tests now only contain the information that was recorded during the workflow.

Employees

Our employees continue to be the foundation of our Company's success. Their commitment every day and identification with our mission allows us together to turn technology into "Technology for Life" – something we have been doing for more than 130 years.

Our strategy and areas of action in Human Resources (HR)

In fiscal year 2025, we continued to advance our HR strategy in the four key areas of action:

- Attracting and retaining the right people:
  We identify critical personnel requirements early on through strategic personnel planning and we recruit suitable talent both internally and externally. We train skilled workers and offer focused development opportunities to retain employees in the long term.
- Creating attractive and healthy working conditions:
  We offer flexible working models tailored to all stages of life, competitive remuneration, and numerous benefits. Our top priorities are the health and resilience of our employees and a healthy working environment.
- Living effective leadership and collaboration:
  We are continuously developing the "WeLead" mission statement. Plurality, the power of implementation, equal opportunities, and diversity are central components of our strategy.
- Tackling change – taking people with us:
  We are constantly adapting the organization to current market and customer needs. HR provides impetus and develops pragmatic solutions to upcoming changes together with the specialist departments.

Our HR vision: We are guided by our corporate culture and our values. We reinforce this culture and actively support the organization in its ongoing development. As an employer, we offer meaningful work that motivates people to give their best every day and turn technology into "Technology for Life."

In 2025 we were able to make further progress in the areas of action mentioned above. The building of a long-term HR social media presence for Dräger as an employer on LinkedIn, Facebook, and Instagram was expanded to include the TikTok platform, specifically for school students and trainees in Germany. In addition, we are investing specifically in the skilled workers of tomorrow with our university marketing and have supported student teams such as HULKS e.V. (Hamburg University of Technology), the Seagulls (Lübeck University of Applied Sciences), and the KA-RaceIng e.V. team (Karlsruhe Institute of Technology). This is our way of helping young talented individuals to realize their ideas in areas such as humanoid robotics and hydrogen propulsion. At the same time, we are promoting the exchange of ideas between theory and practice, establishing early contact with ambitious and talented young people, and positioning ourselves as an attractive employer.

In 2025, we updated our mission statement for leadership and cooperation: WeLEAD 2.0 focuses on the guiding principle of "I achieve results" and places particular emphasis on entrepreneurial thinking and implementation strength. The balance between results and people remains an integral part of our culture, underpinned by clear positions on anti-discrimination, our international program "Vision Zero – a world without work-related accidents and illnesses", and employee participation. Managers worldwide were invited to a virtual launch presentation and called upon to actively engage with WeLEAD 2.0. The global employee survey showed that WeLEAD 2.0 has already been well received within the organization. The high degree of identification with Dräger is also reflected in the new Dräger Engagement Index, which serves as an indicator of our culture of leadership and cooperation. This change is supported by the integration of WeLEAD 2.0 into management and HR tools.

Furthermore, we are continuously developing our occupational health and safety management system and intensifying the implementation of "Vision Zero." Part of the program included expanding the existing network of experts and organizing a regular exchange of ideas between managers.

Employee participation program

Our employee participation program, which we launched in 2013, gives employees at our German sites the opportunity to invest in the Company and thus directly participate in its success. In this way, we want to increase the interest of our workforce in the development of the business and ensure that everyone identifies even more with the Company.

As part of the participation program carried out in November 2025, our employees once again had the opportunity to acquire up to 60 preferred shares each and receive one bonus share for every three preferred shares purchased. The Executive Board was not eligible to participate due to the regulations on share-based compensation.

Altogether, our employees acquired 54,040 preferred shares in Drägerwerk AG & Co. KGaA (previous participation program: 77,316 preferred shares). Of these, 1,290 employees (previously: 1,543 employees) acquired 40,530 preferred shares (previously: 57,987 preferred shares). On average, 31 shares were purchased per person (previously: 38 shares). Dräger additionally contributed 13,510 bonus shares (previously: 19,329 bonus shares). The average number of shares per participant was therefore 42 (previously: 50 shares). The lower participation rate is likely due to the fact that many employees had already used most of the annual tax allowance for employee participations under Section 3 (39) of the German Income Tax Act (EstG) through the previous program, which began in 2024 and ran until 2025. As a result, many employees are likely to have exhausted most of their tax allowance for 2025 for this program rather than for its successor.

↗ Please refer to note 29.

Employees in numbers

Workforce trend

		Headcount as at the balance sheet date		Headcount (average)	
		December 31, 2025	December 31, 2024	2025	2024
Germany		7,768	7,722	7,737	7,708
Abroad		8,919	8,876	8,913	8,779
Dräger Group total		**16,687**	**16,598**	**16,650**	**16,487**
Women		5,091	4,988	5,050	4,905
Men		11,592	11,606	11,597	11,582
Non-binary employees [1]		4	4	4	0
Dräger Group total		**16,687**	**16,598**	**16,650**	**16,487**
Personnel development costs	**€ million**	**17.3**	**16.1**		
thereof training expenses	€ million	7.3	7.3		

[1] This number of employees was recorded for the first time as at December 31, 2024.

As of December 31, 2025, the Dräger Group employed 16,687 people worldwide, 89 more than in the prior year (December 31, 2024: 16,598); this equates to a 0.5% rise in the workforce. The number of employees in Germany was 46 more than in the same period of the year prior (+0.6%). Outside Germany, the number of employees rose by 43 (+0.5%). As of December 31, 2025, 53.4% of our employees worked outside Germany.

In Germany, the number of employees increased in General Administration (+32) and in Research and Development (+27). In sales-related functions, we employed 22 more people than in the prior-year period. In Production, Quality Assurance, Logistics and Purchasing, we employed 35 persons fewer than in December 2024.

Outside Germany, the number of employees rose by 62, particularly in the area of Sales, Marketing and Service. The number of employees in Research and Development increased by eleven, and in General Administration by eight people. In Production, Quality Assurance, Logistics and Purchasing, we employed 38 persons fewer than in the prior-year period.

Of the 16,687 employees worldwide, 59.0% worked in Sales, Marketing, and Service functions (December 31, 2024: 58.8%), 17.6% in Production, Quality Assurance, Logistics, and Purchasing functions (December 31, 2024: 18.2%), 11.2% in Research and Development (December 31, 2024: 11.0%), and 12.2% in General Administration (December 31, 2024: 12.0%).

Personnel expenses within the Group, including compensation for the Executive Board, rose by 3.1% year-on-year (net of currency effects: 4.3%) to EUR 1,425.5 million. The rise in personnel expenses is due to both an increase in the number of employees and higher average costs per employee. Costs per employee rose by an average of 1.9% (net of currency effects: 3.1%). This was due, in particular, to the collective agreement pay rise in the metal and electrical industries in Germany, and higher wage and salary expenses abroad. The personnel expenses ratio in fiscal year 2025 was 40.9% (2024: 41.0%).

Key workforce trend figures

		Headcount as at the balance sheet date	
		December 31, 2025	December 31, 2024
Number of employees		16,687	16,598
Percentage of female employees	%	30.5	30.1
Part-time employees		1,209	1,141
Average years with Dräger in Germany	years	14	14
Average age of employees	years	44	44
Turnover of employees worldwide	%	9.5	8.8
Turnover of employees in Germany	%	4.9	3.4
Sick days of work days in Germany	%	5.9	6.2
Accidents in Germany (accidents at work and while commuting to work), Time off sick > 3 days		55	46

Business performance

General economic conditions

Slow growth – high level of uncertainty due to trade conflict

The economic environment remains challenging. According to the International Monetary Fund (IMF), global economic growth has slowed somewhat after a robust trend in the first half of the year. US import tariffs imposed since spring 2025 did not affect the economy as severely as expected. However, uncertainty remains high since tensions in the trade conflict could flare up again due to tariff-related price increases. Additionally, other factors such as developments in the US labor market and exchange rates make it difficult to provide a clear outlook.

The IMF forecasts global economic growth of 3.3% for both 2025 and 2026 (2024: 3.3%) in its January 2026 report.

Easing of monetary policy – lower interest rates

In view of declining inflation, several major central banks gradually eased their monetary policy over the course of 2025. The US Federal Reserve lowered its key interest rate range from 4.25% to 4.5% down to 3.5% to 3.75% in the period from September to December. The European Central Bank reduced its key interest rate from 3.0% to 2.0% in the period from February to June.

Inflation rates declining – unfavorable exchange rate development

Inflation rates continued to fall in 2025. The inflation rate in the eurozone was 2.0% in December 2025. This was below the December 2024 figure (2.4%). In Germany, the inflation rate was 1.8% in December 2025 (December 2024: 2.6%).

The year 2025 was marked by significant shifts in the global currency markets. Declining inflation rates in Europe, increased economic uncertainty in the US, and geopolitical tensions led to a significant appreciation of the euro against the US dollar. The euro also appreciated significantly against other foreign currencies relevant to Dräger. As a result, the impact of exchange rate fluctuations on earnings increased significantly year on year. We recorded negative exchange rate effects for the Indian rupee, the Mexican peso, and the Saudi riyal, among others. Positive exchange rate effects were immaterial in the context of all currencies.

↗ Please refer to the “Major currency changes and their impact on Dräger’s earnings” table.

Major currency changes and their impact on Dräger's earnings

Average rates compared to the euro	Twelve months 2025	Twelve months 2024	Change in %	Impact on Dräger's earnings (EBIT) [1]
Indian rupee	98.84	90.46	9.3	↓
Mexican peso	21.64	20.01	8.1	↓
Saudi riyal	4.24	4.05	4.7	↓
Chinese yuan	8.11	7.77	4.4	↓
Australian dollar	1.75	1.64	6.7	↓

[1] Please refer to the comments on the earnings of the Dräger Group and the segments for further details on the effects of changes in exchange rates on earnings.

Market and industry performance

Market positioning of the Dräger Group

Dräger is an international leader in the manufacture of medical and safety technology. In the medical division, we are one of the leading suppliers in the product areas of anesthesia, intensive care ventilation and thermoregulation, and in the safety division in the product ranges of gas detection, respiratory protection and alcohol and drug detection.

Medical division

According to the German Medical Technology Association (BVMed), the German market for medical technology was under pressure in 2025. Although BVMed member companies expected net sales to increase in 2025 compared to the prior year, their optimism was dampened by sharply rising costs for bureaucracy, certifications, staffing, logistics, transport, and energy. As a result, companies anticipate a deterioration in their profit situation compared to the prior year. Their main political demand is the reduction of bureaucracy.

According to Germany Trade and Invest – Gesellschaft für Außenwirtschaft und Standortmarketing mbH (GTAI), the market for medical technology developed positively in the Europe, Middle East, and Africa (EMEA) region in 2025. This also applied to Europe when considered in isolation. In the United Kingdom, the market grew thanks to the government's continued investment policy. In Spain, an aging society, immigration, and robust economic growth led to rising demand for medical technology products. The industry also performed well in France, although the unstable government and high cost pressure affected companies' planning certainty. In the Gulf states, new hospitals and rising budgets boosted demand.

According to GTAI, the American market for medical technology also developed positively. Demand in the US increased in parallel with rising patient numbers; digital health applications were also used more frequently. Demand for medical technology also increased in Latin America; in Brazil, growth was due to higher public investment and demographic change.

In the Asia-Pacific (APAC) region, the market for medical technology grew overall, according to GTAI, but with some reservations. China remains a difficult market for foreign manufacturers. Market conditions for imported medical technology products are becoming increasingly difficult. For example, China has excluded EU companies from major public tenders for medical technology – a response to similar EU restrictions, which in turn were justified on the grounds of discrimination against European manufacturers. In Australia, the market for medical technology grew last year due to the aging population, overall rising healthcare spending, and the growing acceptance of telemedicine.

Safety division

The market for safety technology in Germany was a difficult one in 2025. According to the German Chemical Industry Association (VCI), the German chemical industry remains under pressure. In the third quarter, it recorded a further decline in production, prices, and sales. Capacity utilization was far below the profitability threshold. On foreign markets, the German chemical industry is suffering from its weak competitive position, with higher tariffs exacerbating the situation.

In the EMEA region, the market for safety technology developed disparately. According to the European Chemical Industry Council (Cefic), the economic environment in which European chemical companies operated was characterized by uncertainty. CEFIC expected chemical production in the EU27 countries to decline in 2025. Due to weak demand and uncompetitive energy prices, the competitiveness of the European chemicals sector remains well below the level of the period before the coronavirus crisis (average 2014–2019). According to GTAI, the Gulf states are also suffering from falling global market prices, weaker demand from Asia, and increasing competition from the US. However, following a decline in the prior year, stable development of industry net sales was expected for 2025. The oil and gas industry in the Gulf states remains a key economic driver; investments increased despite the weak oil price.

The US market for safety technology developed positively to a limited extent. According to GTAI, the mood in the US chemical industry was gloomy, with the industry anticipating only slight growth in 2025 due to economic

uncertainty under President Donald Trump. Many companies are hesitant to invest, which is causing demand for chemicals to stagnate. The US mining industry recorded a positive development and can expect accelerated permit procedures and less stringent environmental regulations in the coming years. The mining industry in Latin America also developed positively. High prices for raw materials are causing a surge in investment in Brazil and Chile, both of which are important raw material countries.

In the APAC region, the market for safety technology remained stable. According to GTAI, the Chinese chemical industry grew despite weak domestic demand, high export risks, and falling prices. In India, according to VCI, growth momentum remained weak, continuing the low growth trend of the last five years.

According to Data Insight Markets, the global firefighting market performed well. This was due in particular to growing awareness of fire safety regulations, increasing construction activity, and the rising fire risk worldwide. New technologies are also playing an increasingly important role.

Overall assessment of the underlying conditions

Despite the growing global economy and declining inflation, the general economic conditions remain challenging. Above all, the trade conflict between the US and other countries is causing high levels of uncertainty. In addition, currencies that are weaker than the euro are negatively affecting the results of many companies.

The market for medical technology was under pressure in Germany, but proved robust overall thanks to the positive performance in the EMEA, Americas, and APAC regions. The market for safety technology developed differently from region to region. The difficulties in Germany and EMEA were offset by a positive development in the Americas and APAC regions.

Business performance of the Dräger Group

Overall management assessment of business performance

Our business developed very positively in 2025. We achieved record net sales of around EUR 3.5 billion. All key performance indicators exceeded our expectations: net sales growth (net of currency effects), the EBIT margin, and Dräger Value Added (DVA). The main reason for the positive business performance was the strong operational momentum, which more than balanced out the positive one-off effects in the prior year and the negative currency and tariff effects in 2025.

Demand for our products and services remained high in 2025. Order intake increased by 7.7% (net of currency effects; nominal: 5.6%). Both divisions contributed to this development.

Net sales increased by 5.3% (net of currency effects; nominal: 3.3%) driven by both divisions and all regions. We had originally forecast growth of 1.0 to 5.0% (net of currency effects). From October 2025 onward, we anticipated net sales growth of 3.0 to 5.0% (net of currency effects) due to the very good business performance and the continued high level of order intake.

Gross profit increased, thanks in particular to the positive net sales trend. The gross margin also rose slightly to 45.2%, placing it at the upper end of our target range (44.0 to 46.0%).

Earnings before interest and taxes (EBIT) rose significantly by 20.3% to EUR 233.4 million (2024: EUR 194.0 million). The EBIT margin increased to 6.7% (2024: 5.8%). Initially, we had expected a value within the range of 3.5 to 6.5%. From October 2025, we forecasted growth of 4.5 to 6.5% for the reasons mentioned above. Thanks to year-end business exceeding expectations, we were even able to exceed this higher figure.

Due to the positive earnings development, DVA increased significantly by more than half to EUR 90.1 million (2024: EUR 54.3 million). The significant improvement in EBIT was offset by only a slight increase in the cost of capital. The weighted average cost of capital (WACC) remained unchanged at nine percent. In our original plans, we had estimated a DVA of EUR -30 to 80 million. From October 2025, we were expecting from EUR 10 to 80 million. The DVA actually achieved also placed us above the forecast top end of the range here.

Research and development costs were in line with our forecast with a slight increase.

Our net financial debt decreased significantly in 2025 and performed much better than expected. The reason for this was the increase in cash and cash equivalents, which was higher than the increase in financial liabilities as a result of the strong free cash flow.

At EUR 103.1 million, the investment volume – excluding company acquisitions, financial investments, and the capitalization of right-of-use assets in accordance with IFRS 16 – was significantly above the prior year's level (2024: EUR 76.0 million), but below our original forecast of EUR 110 to 130 million. From October 2025 onward, we expected a figure of between EUR 90 and 110 million.

At EUR -17.7 million, the interest result was at the upper end of our expectations (EUR -17 to -23 million). The reason for this was higher interest income.

At around 106 days, the number of days working capital was at the lower end of the forecast range.

↗ Please refer to the tables "Business performance of the Dräger Group" and "Comparison of forecast figures and actual figures" on the following pages.

Business performance of the Dräger Group

		Fourth quarter [1]			Twelve months		
		2025	2024	Change in %	2025	2024	Change in %
Order intake	**€ million**	**975.3**	**960.0**	**+1.6**	**3,569.4**	**3,380.5**	**+5.6**
Net sales	**€ million**	**1,138.4**	**1,075.8**	**+5.8**	**3,481.9**	**3,370.9**	**+3.3**
Gross profit	**€ million**	**517.7**	**494.0**	**+4.8**	**1,574.4**	**1,512.5**	**+4.1**
Gross profit / net sales [2]	%	45.5	45.9	-0.4 pp	45.2	44.9	+0.3 pp
EBITDA [3]	**€ million**	**202.4**	**159.4**	**+27.0**	**377.6**	**339.9**	**+11.1**
EBIT [4]	**€ million**	**156.3**	**113.9**	**+37.2**	**233.4**	**194.0**	**+20.3**
EBIT [4] / net sales [2]	%	13.7	10.6	+3.1 pp	6.7	5.8	+0.9 pp
Net profit	**€ million**	**94.9**	**75.4**	**+25.9**	**140.4**	**124.8**	**+12.5**
Earnings per share							
per preferred share	€	5.06	4.06	+24.5	7.48	6.67	+12.2
per common share	€	5.05	4.05	+24.6	7.42	6.61	+12.3
DVA [5, 6]	**€ million**	**90.1**	**54.3**	**+66.0**	**90.1**	**54.3**	**+66.0**
R&D cost	€ million	88.4	82.8	+6.9	337.6	333.1	+1.4
Equity ratio [2, 7]	%	51.5	49.7	+1.8 pp	51.5	49.7	+1.8 pp
Free cash flow	€ million	123.7	88.8	+39.3	140.2	123.9	+13.1
Net financial debt [7]	€ million	123.0	165.0	-25.4	123.0	165.0	-25.4
Investments	€ million	73.3	47.3	+54.9	166.8	126.2	+32.2
Capital employed [7, 8]	€ million	1,660.7	1,601.0	+3.7	1,660.7	1,601.0	+3.7
Net working capital [7, 9]	€ million	754.8	741.2	+1.8	754.8	741.2	+1.8
Working capital [10, 11]	€ million	1,009.6	998.8	+1.1	1,009.6	998.8	+1.1
Days working capital (DWC) [12]	days	105.8	108.2	-2.1	105.8	108.2	-2.1
EBIT [4, 5] / capital employed [7, 8] (ROCE) [2]	%	14.1	12.1	+1.9 pp	14.1	12.1	+1.9 pp
Net financial debt [7] / EBITDA [3, 5]	Factor	0.33	0.49		0.33	0.49	
Gearing [13]	Factor	0.08	0.11		0.08	0.11	
Headcount as at December 31		16,687	16,598	+0.5	16,687	16,598	+0.5

[1] The quarterly figures have not been audited by the auditor.
[2] pp = Percentage points
[3] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[4] EBIT = Earnings before net interest result and income taxes
[5] Value of the last twelve months
[6] Dräger Value Added = EBIT less cost of capital of average capital employed
[7] Value as at reporting date
[8] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[9] Net working capital = Trade receivables and inventories less trade payables, customer prepayments, short-term operating provisions and other short-term operating items
[10] Working capital = Trade receivables, contract assets, notes receivables and inventories less trade payables, notes payables and contract liabilities
[11] Average balance of the last twelve months
[12] DWC = average reach of working capital of the last twelve months
[13] Gearing = Net financial debt / equity

Comparison of forecast figures and actual figures

	Forecast 2025 according to annual report 2024	Forecast 2025 last published	Results achieved in fiscal year 2025
Net sales (net of currency effects)	1.0 to 5.0%	3.0 to 5.0%	5.3%
EBIT margin	3.5 to 6.5%	4.5 to 6.5%	6.7%
DVA	EUR -30 to 80 million	EUR 10 to 80 million	EUR 90.1 million
Gross margin	44.0 to 46.0%	confirmed	45.2%
R&D costs	EUR 330 to 350 million	confirmed	EUR 333.8 million
Net financial debt	EUR 180 to 210 million	confirmed	EUR 123.0 million
Investment volume [1]	EUR 110 to 130 million	EUR 90 to 110 million	EUR 103.1 million
Interest result	EUR -17 bis -23 million	confirmed	EUR -17.7 million
Days working capital (DWC)	105 to 110 days	confirmed	105.8 days

[1] Excluding acquisitions, investments in financial assets, and the capitalization of right-of-use assets pursuant to IFRS 16

The following section covers Dräger's business performance in detail.

Order intake

Order intake

	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Medical division	551.1	555.6	-0.8	+2.2	2,046.6	1,924.1	+6.4	+8.9
Safety division	424.2	404.3	+4.9	+7.2	1,522.8	1,456.4	+4.6	+6.1
Total	**975.3**	**960.0**	**+1.6**	**+4.3**	**3,569.4**	**3,380.5**	**+5.6**	**+7.7**
thereof Germany	222.2	225.1	-1.3	-1.3	809.9	811.8	-0.2	-0.2
thereof EMEA	391.6	376.4	+4.0	+4.5	1,422.0	1,299.9	+9.4	+9.5
thereof Americas	216.1	202.1	+6.9	+12.4	807.6	723.9	+11.6	+17.3
thereof APAC	145.5	156.4	-7.0	+1.5	529.9	544.9	-2.8	+2.5

[1] The quarterly figures have not been audited by the auditor.

Our order intake rose by 7.7% in fiscal year 2025 and by 4.3% in the fourth quarter (both figures net of currency effects). Both divisions were able to contribute to growth in both reporting periods. The largest drivers were the Americas and Europe, Middle East, and Africa (EMEA) regions.

In the medical division, order intake rose by just under nine percent (net of currency effects) in fiscal year 2025. All regions contributed to this positive development. Demand saw particularly strong growth in EMEA and Americas, where we received a major order for hospital infrastructure systems from Mexico in April. The order volume is in the mid double-digit million euro range and will be realized over several years. The first sales were generated in the fourth quarter of 2025. However, even without this order, demand in the medical division was higher than in the prior year. In the fourth quarter of 2025, order intake increased by 2.2% (net of currency effects). The decline in the APAC and EMEA regions was more than offset by significant growth in the Americas region. Demand also rose in Germany.

In the safety division, order intake rose by more than six percent (net of currency effects) in fiscal year 2025 due to significant growth in the EMEA and Americas regions and the positive development in APAC. Demand fell in Germany. In the fourth quarter, order intake increased by 7.2% (net of currency effects). In addition to the significant increase in EMEA and APAC, growth in Americas also contributed to this trend. Demand in Germany was below the prior-year level.

Net sales

Net sales

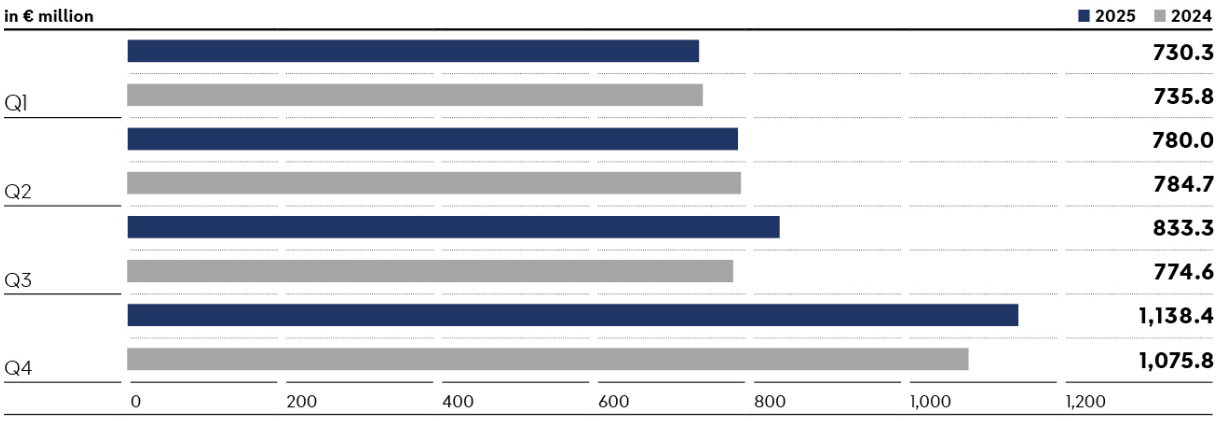
	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Medical division	673.2	614.4	+9.6	+13.0	1,995.6	1,899.7	+5.0	+7.4
Safety division	465.2	461.4	+0.8	+2.9	1,486.3	1,471.2	+1.0	+2.6
Total	**1,138.4**	**1,075.8**	**+5.8**	**+8.7**	**3,481.9**	**3,370.9**	**+3.3**	**+5.3**
thereof Germany	244.7	239.8	+2.0	+2.0	804.3	775.8	+3.7	+3.7
thereof EMEA	470.2	406.1	+15.8	+16.2	1,396.7	1,310.5	+6.6	+6.7
thereof Americas	244.7	237.2	+3.1	+9.6	737.4	736.8	+0.1	+5.0
thereof APAC	178.9	192.7	-7.2	+0.1	543.4	547.8	-0.8	+4.4

[1] The quarterly figures have not been audited by the auditor.

Our net sales rose by 5.3% in fiscal year 2025 and by 8.7% in the fourth quarter (both figures net of currency effects). Both divisions and all regions were able to contribute to growth in both reporting periods. The largest drivers were the EMEA and Americas regions.

At around EUR 3.5 billion, net sales in fiscal year 2025 reached the highest level in the Company's history. The main reasons for this achievement were the high order intake and strong year-end business with record net sales in December.

Development of net sales by quarter



Earnings

In fiscal year 2025, our gross profit rose by 4.1% to EUR 1,574.4 million (2024: EUR 1,512.5 million) due to the positive net sales development. The gross margin increased by 0.3 percentage points to 45.2% (2024: 44.9%). The improvement in margins was more pronounced in the medical division than in the safety division. In the fourth quarter, gross profit rose as a result of the growth in net sales by 4.8% to EUR 517.7 million (Q4 2024: EUR 494.0 million). However, at 45.5% the gross margin was below the prior year's level (Q4 2024: 45.9%).

Functional expenses

in € million	2025	2024	Change in %
Research and development expenses	333.8	333.1	+0.2
in % of net sales	9.6	9.9	
Marketing and selling expenses	729.5	731.8	-0.3
in % of net sales	21.0	21.7	
General administrative expenses	285.0	275.9	+3.3
in % of net sales	8.2	8.2	
Selling and general administrative expenses	1,014.5	1,007.7	+0.7
in % of net sales	29.1	29.9	
Other operating result	-2.1	-34.4	+94.0
Total functional expenses	**1,346.3**	**1,306.4**	**+3.0**
in % of net sales	38.7	38.8	

Our functional expenses increased by 4.6% in fiscal year 2025 (net of currency effects; nominal: 3.0%), after the positive one-off effects of around EUR 32 million in the prior year. These effects included the sale of a non-strategic business area in the Netherlands and the disposal of real estate. Excluding one-off effects, the increase in functional expenses in fiscal year 2025 was 2.1% (net of currency effects; nominal: 0.5%). This increase can be attributed to higher personnel expenses, which rose due to factors including collective wage increases in Germany and a higher headcount. In the medical division, functional expenses rose (net of currency effects: 5.7%; nominal: 4.0%) more sharply than in the safety division (net of currency effects: 2.9%; nominal: 1.7%) due to the one-off effects and the higher headcount. In the fourth quarter, the increase in functional expenses was 2.0% (net of currency effects; nominal: decline of 0.4%). Excluding the one-off effects of the prior year, functional expenses rose by 1.1% in the fourth quarter; in nominal terms, they were down 1.2%.

Research and development expenses (R&D expenses) increased by 1.2% in fiscal year 2025 (net of currency effects; nominal: 0.2%). The increase is primarily due to higher personnel expenses. This was offset by a reduction of approximately EUR 4 million due to capitalized development costs. The share of R&D expenses to net sales (R&D ratio) was slightly below the prior-year level at 9.6% (2024: 9.9%).

The financial result (before interest result) amounted to EUR 5.3 million (2024: EUR -12.0 million). The year-on-year difference is mainly attributable to two factors relating to measurement. Firstly, the positive result is mainly due to income from the fair value measurement of a miscellaneous investment. Secondly, the prior year's result had been affected by an unscheduled valuation allowance on an associate.

Our earnings before interest and taxes (EBIT) rose significantly by 20.3% to EUR 233.4 million (2024: EUR 194.0 million). The EBIT margin increased by 0.9 percentage points to 6.7% (2024: 5.8%). The improvement in earnings and margins was notably stronger in the medical division than in the safety division. In the fourth quarter, the Group EBIT of EUR 156.3 million was 37.2% higher than the prior year's figure (Q4 2024: EUR 113.9 million). The EBIT margin rose by 3.1 percentage points to 13.7% (Q4 2024: 10.6%).

The main reasons for the positive development in earnings and margin in fiscal year 2025 were the strong order and net sales momentum, the improved gross margin, and the strong year-end business. This was offset by, among other things, a negative earnings impact of around EUR 25.5 million due to US import tariffs, of which around EUR 20.7 million was attributable to the medical division and around EUR 4.8 million to the safety division.

Moreover, EBIT was undermined by currency effects of around EUR 45 million, of which around EUR 28 million related to the medical division and around EUR 16 million to the safety division.

The interest result improved slightly during fiscal year 2025 by EUR 0.9 million to EUR -17.7 million (2024: EUR -18.6 million) against the background of increased interest income.

At 34.9%, the tax rate was significantly higher than the prior-year figure (2024: 28.9%). The increase is the result, firstly, of the fact the measurement of deferred taxes takes into account the tax rate reduction in Germany from 2028 onwards. Secondly, the effects of differing foreign tax rates have become relatively smaller, primarily due to higher earnings occurring in Germany. Both effects together increased the tax ratio by 5.4 percentage points. Earnings after income taxes amounted to EUR 140.4 million (2024: EUR 124.8 million).

Investments

Investments / depreciation and amortization

	2025		2024	
in € million	Investments	Depreciation/ amortization	Investments	Depreciation/ amortization
Intangible assets	9.5	-14.3	4.1	-8.2
Property, plant and equipment	93.6	-84.2	71.9	-90.1
Subtotal without Right-of-use assets	**103.1**	**-98.4**	**76.0**	**-98.3**
Right-of-use assets	63.6	-48.1	50.2	-47.5
Total	**166.8**	**-146.6**	**126.2**	**-145.8**

At EUR 166.8 million, the investment volume in fiscal year 2025 was 32.2% higher than in the prior year (2024: EUR 126.2 million). We invested EUR 93.6 million (2024: EUR 71.9 million) in property, plant and equipment, EUR 9.5 million (2024: EUR 4.1 million) in intangible assets, and EUR 63.6 million in capitalized right-of-use assets pursuant to IFRS 16 (2024: EUR 50.2 million). The depreciation and amortization amounted to EUR 146.6 million in the reporting year (2024: EUR 145.8 million). They amounted to 87.9% of total investments, meaning that non-current assets increased by EUR 20.2 million.

Cash flow statement[1]

Financial position of the Dräger Group

in € million	2025	2024	2023	2022	2021
Cash flow from operating activities	238.3	167.3	189.7	-144.2	384.9
Cash flow from investing activities	-98.1	-43.4	-67.3	36.8	-109.9
Free cash flow	140.2	123.9	122.3	-107.4	275.0
Cash flow from financing activities	-84.0	-161.4	-154.6	-29.4	-334.6
Change in liquidity (excluding exchange rate effects)	56.2	-37.5	-32.2	-136.8	-59.7

In fiscal year 2025, the Dräger Group's cash inflow from operating activities amounted to EUR 238.3 million (2024: cash inflow of EUR 167.3 million). The increase in cash inflow is mainly due to the EUR 40.2 million improvement in earnings before income taxes and the EUR 5.3 million reduction in income tax payments. Despite the significantly improved operating result, trade receivables fell by EUR 1.7 million and trade payables rose by only EUR 6.0 million. In addition, other liabilities increased by EUR 16.7 million in fiscal year 2025 (2024: decrease of EUR 1.4 million), while inventories decreased by EUR 2.9 million (2024: increase of EUR 6.2 million). It must also be noted that the prior-year result included special items amounting to EUR 26.6 million from the sale of assets, which were attributable to cash flow from investing activities.

Cash outflow from investing activities rose by EUR 54.8 million to EUR 98.1 million in fiscal year 2025. The higher cash outflow is mainly due to a supplier loan of EUR 20.6 million, and the purchase of additional shares of EUR 9.6 million in an investment. At the same time, investments in property, plant and equipment increased by EUR 11.9 million to EUR 71.8 million, whereas cash inflows from the sale of property, plant and equipment (in particular real estate) remained almost unchanged at EUR 12.8 million (2024: EUR 11.2 million). Furthermore, funds from the sale of business areas amounting to EUR 15.4 million were received in the prior year.

Free cash flow – the sum of the change in cash flow from operating and investing activities – amounted to EUR 140.2 million in fiscal year 2025 (2024: EUR 123.9 million).

The cash outflow from financing activities amounted to EUR 84.0 million (2024: EUR 161.4 million). Of this, EUR 1.4 million related to net cash inflows for bank loans and current account liabilities (2024: net payments of EUR 78.4 million), and EUR 48.3 million related to payments under leases (2024: EUR 46.1 million). The dividend payment resulted in a cash outflow of EUR 37.5 million (2024: EUR 33.2 million). The employee participation program launched in fiscal year 2024 could not be implemented until fiscal year 2025. Therefore, the payments from the purchase of treasury shares totaling EUR 5.9 million include not only the share purchases for the 2025 program amounting to EUR 3.7 million, but also the remaining share purchases for the 2024 program amounting to EUR 1.1 million, as well as additional share purchases of EUR 1.1 million. The proceeds from the sale of treasury shares amounting to EUR 6.5 million accordingly include transfers to employees of EUR 2.7 million for the 2025 program and EUR 2.6 million for the 2024 program, as well as the sale of the remaining shares amounting to EUR 1.1 million.

Cash and cash equivalents amounted to EUR 282.1 million as at the balance sheet date of December 31, 2025, up EUR 51.5 million on the prior year (December 31, 2024: EUR 230.6 million). Cash and cash equivalents consisted exclusively of liquid funds; these were subject to restrictions on their use in the amount of EUR 16.0 million (December 31, 2024: EUR 7.1 million).

Unused credit lines amounted to EUR 601.6 million as at the balance sheet date (December 31, 2024: EUR 601.5 million). The credit lines are subject to standard market restrictions.

[1] Due to the elimination of exchange rate effects, the underlying changes recognized in the cash flow statement cannot be directly reconciled with the items of the published balance sheet.

Financial management

Borrowing

The Dräger Group uses a framework credit agreement for existing bilateral credit lines for the medium-term financing of working capital, which runs until November 2030. These credit lines were utilized as sureties in Germany and abroad and as cash facilities.

Bilateral credit lines under the master loan agreement

Type of credit	€ million	Intended use	Lender
Cash	375.0	Secure working capital requirements (limited until November 30, 2030)	BNP Paribas, Commerzbank, Deutsche Apotheker- und Ärztebank, Deutsche Bank, Helaba, HSBC, SEB, Sparkasse zu Lübeck
Sureties	165,0	Within the context of conducting business activities (limited until November 30, 2030)	BNP Paribas, Commerzbank, Deutsche Bank, Helaba, HSBC
Total	**540.0**		

Outside the framework credit agreement, there are a further bilateral guarantee credit lines with DZ Bank for EUR 5.0 million, with Euler Hermes for EUR 20.0 million, and with SEB for EUR 2.0 million.

Internal Group cash pools exist in several different currencies through which liquidity is balanced within the Group. On December 31, 2025, the Dräger Group's short-term loans amounted to EUR 18.7 million (December 31, 2024: EUR 67.4 million).

In addition to bilateral credit lines, we use promissory note loans totaling EUR 100.0 million with maturity dates in 2026 and 2028. The interest rates of the promissory note loans are linked to Dräger's ESG rating by EcoVadis, which is updated every two years. We also have an investment loan from the European Investment Bank (EIB) for ongoing research projects of EUR 100 million with a remaining term until January 26, 2028 and a loan with DZ Bank of EUR 50 million with a remaining term until September 30, 2030. Both loans have a fixed five-year interest rate. We also have a commitment for a loan from the EIB of EUR 100 million with a term of up to six years, which has not yet been disbursed and is available to be drawn down until March 24, 2027. We currently do not have a rating from agencies such as Standard & Poor's, Moody's or Fitch.

In addition, we have cash credit lines abroad amounting to EUR 111.6 million and bank guarantee credit lines amounting to EUR 98.3 million, which are of secondary importance for Group financing.
↗ Please refer to note 24 for further information on factoring.

Liquidity forecast

The Dräger Group's liquidity came to EUR 282.1 million as at the end of 2025 (December 31, 2024: EUR 230.6 million). On the basis of its forecast business performance, Dräger expects a stable cash flow from operating activities in fiscal year 2026. The Dräger Group's short- and medium-term liquidity is secured by existing cash in hand and bank balances, as well as the existing credit lines with a term of more than one year.

Derivative financial instruments

We generally use derivative financial instruments for hedging purposes and not to optimize earnings, although the principles of economic efficiency are also applied to such decisions. Transactions of this type are selected and concluded in a uniform manner throughout the Group.

Net assets

Financial figures

in € million	December 31, 2025	December 31, 2024	Change in %
Total assets	3,163.1	3,093.4	+2.3
Equity	1,628.7	1,536.8	+6.0
Equity ratio	51.5%	49.7%	
Capital employed [1]	1,660.7	1,601.0	+3.7
Net financial debt	123.0	165.0	-25.4

[1] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest-bearing liabilities and other non-operative items

The Dräger Group's equity increased by EUR 91.9 million to EUR 1,628.7 million in fiscal year 2025. The equity ratio as of December 31, 2025 was 51.5%, up on the prior year (December 31, 2024: 49.7%).

The increase in equity is primarily attributable to the higher net profit for the year and to positive valuation effects from pension plans. This was lessened by the payment of dividends in fiscal year 2025 amounting to EUR 37.5 million, and changes in the adjustment item from the currency translation of foreign subsidiaries.

Net assets of the Dräger Group

		2025	2024	2023	2022	2021
Non-current assets	€ million	1,248.5	1,208.7	1,222.8	1,203.9	1,186.6
Current assets	€ million	1,914.6	1,884.8	1,868.3	1,902.6	1,991.7
thereof cash and cach equivalents	€ million	282.1	230.6	272.0	311.6	445.7
Equity	€ million	1,628.7	1,536.8	1,409.2	1,319.4	1,260.5
Debt	€ million	1,534.4	1,556.6	1,685.3	1,787.1	1,917.8
thereof liabilities to banks	€ million	272.4	271.7	350.3	245.8	225.9
Total assets	€ million	3,163.1	3,093.4	3,094.5	3,106.6	3,178.3
Long-term equity-to-fixed assets ratio [1]	%	247.7	237.1	225.8	201.2	235.9

[1] Long-term equity-to-fixed assets ratio = Total equity and long-term debt divided by intangible assets and property, plant and equipment, and right-of-use assets

On the assets side, non-current assets increased by EUR 39.8 million during the reporting period. This was primarily due to the increase in other non-current assets of EUR 49.5 million almost entirely as a result of an available excess of fund assets for defined benefit pension plans. Our other non-current financial assets increased by EUR 36.0 million, mainly due to the granting of a loan and participation in the capital increase of another investment. Right-of-use assets increased by EUR 10.3 million, primarily due to a new logistics center in Australia and a new tenancy in Spain that was entered into following the sale of a local property.

In contrast, deferred tax assets decreased significantly by EUR 52.9 million. The main reasons for this decrease were the change in deferred taxes on actuarial gains and losses on pension provisions, and the change resulting from the utilization of tax loss carryforwards in Germany. Furthermore, intangible assets recorded a decline of EUR 6.7 million, primarily attributable to the impairment of a technology in the medical division that is not yet ready for use.

Current assets rose by EUR 29.8 million in the reporting period, driven mainly by the increase in cash and cash equivalents of EUR 51.5 million. Due to the strong net sales in the fourth quarter, trade receivables also increased by EUR 19.2 million in the reporting period. In contrast, we were able to reduce inventories by EUR 33.5 million compared with the same period in the prior year. Other current financial assets fell by EUR 16.2 million. The main reason for this was the receipt of the purchase price claim in connection with the sale of the property in Spain in fiscal year 2024.

The change on the liabilities side, in addition to the change in equity, resulted from the increase of EUR 11.9 million in non-current liabilities and of EUR 34.1 million in current liabilities.

There were two offsetting factors in current and non-current liabilities. In October 2025, a loan was repaid from current bank liabilities (EUR -50 million), which was refinanced by taking out a long-term loan. This is reported under non-current bank liabilities (EUR +50 million). In addition, one note loan was due for repayment in January 2026, resulting in its reallocation from non-current note loans to current note loans as of December 31, 2025. As a result, changes to total financial liabilities were immaterial.

Another change arose due to the reallocation of a repayment obligation to the minority shareholder of Draeger Arabia LLC, Riyadh, Saudi Arabia, from other current financial liabilities to other non-current financial liabilities, since a payment is not expected in fiscal year 2026. The obligation is valued at EUR 27.4 million as of December 31, 2025.

In addition, the increase in right-of-use assets resulted in an increase in lease liabilities in other non-current financial liabilities. Conversely, the valuation of provisions for pensions and similar obligations as of December 31, 2025 (EUR -28.2 million) had a negative impact on non-current liabilities.

A reallocation was made within current liabilities as of December 31, 2025. Provisions for outstanding invoices were therefore reallocated from other current provisions to trade payables (EUR 42.8 million). This led to a significant change in both items compared with the prior-year figures. Other provisions decreased by EUR 21.9 million, excluding outstanding invoices. This mainly concerned decreases in provisions for quality measures and for uncertain liabilities.

Dräger Value Added

Our value-oriented performance indicator, Dräger Value Added (DVA), increased significantly in fiscal year 2025 by EUR 35.8 million to EUR 90.1 million (2024: EUR 54.3 million). The increase in DVA was mainly due to higher EBIT, which rose by EUR 39.4 million to EUR 233.4 million. The improvement in DVA and the EBIT was notably higher in the medical division than in the safety division.

With a slight growth in average capital employed (EUR +39.3 million) and an unchanged weighted average cost of capital of nine percent, the cost of capital employed rose by EUR 3.5 million compared to the same period of the prior year.

Compared with the same period of the prior year, average working capital remained virtually stable, while net sales increased significantly. As a result, days working capital (range of working capital) decreased by 2.3 days to 105.8 days compared with the prior-year figure.

Business performance of the medical division

Business performance of the medical division

		Fourth quarter [1]				Twelve months			
		2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Order intake	**€ million**	**551.1**	**555.6**	**-0.8**	**+2.2**	**2,046.6**	**1,924.1**	**+6.4**	**+8.9**
thereof Germany	€ million	122.8	121.1	+1.4	+1.4	441.1	426.0	+3.6	+3.6
Net sales	**€ million**	**673.2**	**614.4**	**+9.6**	**+13.0**	**1,995.6**	**1,899.7**	**+5.0**	**+7.4**
thereof Germany	€ million	128.7	115.2	+11.7	+11.7	435.0	406.8	+6.9	+6.9
Cost of goods sold	**€ million**	**-371.9**	**-336.0**	**+10.7**		**-1,124.7**	**-1,082.4**	**+3.9**	
Gross profit / net sales [2]	%	44.8	45.3	-0.6 pp		43.6	43.0	+0.6 pp	
EBITDA [3]	**€ million**	**105.6**	**77.2**	**+36.7**		**130.4**	**96.3**	**+35.4**	
EBIT [4]	**€ million**	**79.6**	**56.4**	**+41.1**		**57.0**	**28.3**	**> +100**	
EBIT [4] / net sales [2]	%	11.8	9.2	+2.6 pp		2.9	1.5	+1.4 pp	
Capital employed [5, 6]	€ million	921.5	899.9	+2.4		921.5	899.9	+2.4	
EBIT [4, 7] / capital employed [5, 6] (ROCE) [2]	%	6.2	3.1	+3.0 pp		6.2	3.1	+3.0 pp	
DVA [7, 8]	€ million	-22.9	-50.1	+54.2		-22.9	-50.1	+54.2	

[1] The quarterly figures have not been audited by the auditor.
[2] pp = Percentage points
[3] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[4] EBIT = Earnings before net interest result and income taxes
[5] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[6] Value as at reporting date
[7] Value of the last twelve months
[8] Dräger Value Added = EBIT less cost of capital of average capital employed

Order intake

Order intake

	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Germany	122.8	121.1	+1.4	+1.4	441.1	426.0	+3.6	+3.6
EMEA	198.3	202.1	-1.9	-1.1	725.3	674.2	+7.6	+7.8
Americas	141.9	128.9	+10.1	+15.3	550.5	481.1	+14.4	+20.5
APAC	88.1	103.6	-15.0	-6.7	329.7	342.8	-3.8	+1.4
Total	**551.1**	**555.6**	**-0.8**	**+2.2**	**2,046.6**	**1,924.1**	**+6.4**	**+8.9**

[1] The quarterly figures have not been audited by the auditor.

Our order intake in the medical division increased by almost nine percent in fiscal year 2025 (net of currency effects). The main driver was the high demand for our anesthesia and ventilation devices, services, and consumables. In addition, we received a major multi-year order for hospital infrastructure systems from Mexico, which significantly supported the above-average growth in the Americas region. Demand also developed positively in the other regions, particularly EMEA.

In the fourth quarter, order intake increased by 2.2% (net of currency effects). A decline in APAC and EMEA was offset by significant growth in Americas. Demand also rose in Germany.

Net sales

Net sales

	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Germany	128.7	115.2	+11.7	+11.7	435.0	406.8	+6.9	+6.9
EMEA	260.4	222.9	+16.8	+17.4	733.4	678.6	+8.1	+8.3
Americas	174.9	154.3	+13.4	+20.5	493.3	474.1	+4.1	+9.3
APAC	109.2	121.9	-10.4	-3.1	333.9	340.2	-1.8	+3.3
Total	**673.2**	**614.4**	**+9.6**	**+13.0**	**1,995.6**	**1,899.7**	**+5.0**	**+7.4**

[1] The quarterly figures have not been audited by the auditor.

Our net sales in the medical division rose by 7.4% in fiscal year 2025 (net of currency effects), with growth in all regions. In the fourth quarter, net sales increased significantly by 13.0% (net of currency effects), driven by strong growth in the EMEA, Americas, and Germany regions. Net sales in the APAC region were below the prior-year level.

Earnings

Our gross profit in the medical division rose by 6.6% to EUR 870.9 million in fiscal year 2025 (2024: EUR 817.3 million). The main reasons were higher net sales, and lower scrapping and quality costs. Despite adverse currency effects and higher customs expenditures, the gross margin improved by 0.6 percentage points to 43.6% (2024: 43.0%) due to a favorable product and country mix. In the fourth quarter, gross profit rose by 8.2% to EUR 301.3 million (Q4 2024: EUR 278.4 million), primarily due to the significant growth in net sales. The gross margin decreased by 0.6 percentage points to 44.8% (Q4 2024: 45.3%) due to higher write-downs on inventory.

Functional expenses increased by 5.7% in fiscal year 2025 (net of currency effects; nominal: 4.0%), after the positive impact in the prior year from one-off effects of around EUR 15 million arising from the sale of real estate and the adjustment of a put option. Adjusted for these effects, the increase in 2025 amounted to 3.7% (net of currency effects; nominal: 2.0%). Higher personnel expenses were the main driver of this increase. In the fourth quarter, functional expenses increased by 5.1% (net of currency effects; nominal: 2.5%).

Following a decline in the prior year, EBIT for the medical division rose significantly in fiscal year 2025, up 101.4% to EUR 57.0 million (2024: EUR 28.3 million). The EBIT margin increased by 1.4 percentage points to 2.9% (2024: 1.5%). In the fourth quarter, EBIT also increased significantly by 41.1% to EUR 79.6 million (Q4 2024: EUR 56.4 million) as a result of strong year-end business. The EBIT margin improved by 2.6 percentage points to 11.8% (Q4 2024: 9.2%).

Dräger Value Added for the division increased by EUR 27.2 million to EUR -22.9 million year on year as of December 31, 2025 (December 31, 2024: EUR -50.1 million). This improvement resulted from a corresponding increase in EBIT (EUR +28.7 million), while cost of capital rose only slightly by EUR 1.5 million.

Business performance of the safety division

Business performance of the safety division

		Fourth quarter [1]				Twelve months			
		2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Order intake	**€ million**	**424.2**	**404.3**	**+4.9**	**+7.2**	**1,522.8**	**1,456.4**	**+4.6**	**+6.1**
thereof Germany	€ million	99.3	104.0	-4.5	-4.5	368.8	385.8	-4.4	-4.4
Net sales	**€ million**	**465.2**	**461.4**	**+0.8**	**+2.9**	**1,486.3**	**1,471.2**	**+1.0**	**+2.6**
thereof Germany	€ million	116.0	124.5	-6.9	-6.9	369.4	369.0	+0.1	+0.1
Cost of goods sold	**€ million**	**-248.8**	**-245.9**	**+1.2**		**-782.8**	**-776.0**	**+0.9**	
Gross profit / net sales [2]	%	46.5	46.7	-0.2 pp		47.3	47.3	+0.1 pp	
EBITDA [3]	**€ million**	**96.8**	**84.0**	**+15.2**		**247.1**	**243.5**	**+1.5**	
EBIT [4]	**€ million**	**76.6**	**57.5**	**+33.4**		**176.4**	**165.7**	**+6.4**	
EBIT [4] / net sales [2]	%	16.5	12.5	+4.0 pp		11.9	11.3	+0.6 pp	
Capital employed [5, 6]	€ million	739.2	701.0	5.4		739.2	701.0	5.4	
EBIT [4, 7] / capital employed [5, 6] (ROCE) [2]	%	23.9	23.6	+0.2 pp		23.9	23.6	+0.2 pp	
DVA [7, 8]	€ million	113.0	104.3	+8.3		113.0	104.3	+8.3	

[1] The quarterly figures have not been audited by the auditor.
[2] pp = Percentage points
[3] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[4] EBIT = Earnings before net interest result and income taxes
[5] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[6] Value as at reporting date
[7] Value of the last twelve months
[8] Dräger Value Added = EBIT less cost of capital of average capital employed

Order intake

Order intake

	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Germany	99.3	104.0	-4.5	-4.5	368.8	385.8	-4.4	-4.4
EMEA	193.3	174.3	+10.9	+11.0	696.7	625.7	+11.3	+11.3
Americas	74.2	73.3	+1.2	+7.3	257.1	242.8	+5.9	+11.0
APAC	57.4	52.8	+8.8	+17.6	200.2	202.1	-0.9	+4.4
Total	**424.2**	**404.3**	**+4.9**	**+7.2**	**1,522.8**	**1,456.4**	**+4.6**	**+6.1**

[1] The quarterly figures have not been audited by the auditor.

The safety division continued to see growth in orders in fiscal year 2025. Order intake rose by more than six percent (net of currency effects). The largest drivers were custom solutions and gas detection. Demand for respiratory and personal protection products, as well as alcohol and drug measurement technology, also increased. The EMEA and Americas regions recorded a significant increase in orders, and the APAC region also performed well. Demand declined in Germany after we had received a large order for NBC protection filters in the prior year.

In the fourth quarter, order intake increased by 7.2% (net of currency effects). In addition to the significant increase in the EMEA and APAC regions, growth in Americas also contributed to this trend. Demand in Germany was below the prior-year level.

Net sales

Net sales

	Fourth quarter [1]				Twelve months			
in € million	2025	2024	Change in %	Net of currency effects in %	2025	2024	Change in %	Net of currency effects in %
Germany	116.0	124.5	-6.9	-6.9	369.4	369.0	+0.1	+0.1
EMEA	209.8	183.2	+14.5	+14.7	663.3	631.9	+5.0	+4.9
Americas	69.7	82.9	-15.9	-10.7	244.1	262.7	-7.1	-2.6
APAC	69.6	70.8	-1.6	+5.8	209.5	207.6	+0.9	+6.2
Total	**465.2**	**461.4**	**+0.8**	**+2.9**	**1,486.3**	**1,471.2**	**+1.0**	**+2.6**

[1] The quarterly figures have not been audited by the auditor.

In the safety division, our net sales in fiscal year 2025 rose by 2.6% (net of currency effects). This was due to positive developments in the EMEA and APAC regions. In Germany, net sales were roughly on par with the prior year. The Americas region recorded a decline. In the fourth quarter, net sales rose by just under three percent (net of currency effects). The decline in Americas and Germany was more than offset by growth in EMEA and APAC.

Earnings

Our gross profit in the safety division rose by 1.2% to EUR 703.5 million in fiscal year 2025 (2024: EUR 695.1 million). The main reasons for this were the positive net sales development and lower scrapping expenses. Despite adverse currency effects and higher customs expenditures, the gross margin remained stable at 47.3% (2024: 47.3%) due to a more favorable product mix and price adjustments. In the fourth quarter, gross profit rose by 0.3% to EUR 216.3 million (Q4 2024: EUR 215.6 million). The gross margin declined slightly by 0.2 percentage points to 46.5% (Q4 2024: 46.7%).

Functional expenses increased by 2.9% in fiscal year 2025 (net of currency effects; nominal: 1.7%), after the positive impact in the prior year from one-off effects of around EUR 17 million arising from the sale of a non-strategic business area and the sale of real estate. Excluding these effects, functional expenses declined by 0.4% (net of currency effects; nominal: -1.6%). The capitalization of development costs led to a reduction in functional expenses in the reporting year. In the fourth quarter, functional expenses were down 2.7% year on year (net of currency effects; nominal: -4.7%).

The EBIT of the safety division increased in fiscal year 2025 by 6.4% to reach EUR 176.4 million (2024: EUR 165.7 million). The EBIT margin increased by 0.6 percentage points to 11.9% (2024: 11.3%). In the fourth quarter, EBIT increased significantly by 33.4% to EUR 76.6 million (Q4 2024: EUR 57.5 million) as a result of strong year-end business. The EBIT margin also improved significantly by 4.0 percentage points to 16.5% (Q4 2024: 12.5%).

Dräger Value Added for the division increased by EUR 8.6 million to EUR 113.0 million year on year as of December 31, 2025 (December 31, 2024: EUR 104.3 million). Our EBIT rose year on year by EUR 10.7 million. The cost of capital rose by EUR 2.0 million due to higher capital employed.

Potential

Risks and opportunities for the future development of the Dräger Group and of Drägerwerk AG & Co. KGaA

Our risk management system (RMS) pursues several objectives: To identify risks at an early stage, to counteract them with specific actions, and to consistently exploit opportunities. With this approach, we aim to permanently increase the value of our Company.

We regularly update our risk assessments, especially with regard to developments that could threaten the existence of the Company. Our risk and opportunity management comprises both short-term and medium-term perspectives, as well as strategic long-term developments.

We take relevant opportunities and risks into consideration in our strategic corporate planning. Together with knowledge of our strengths and weaknesses, it is the basis for the development of products and their market positioning.

In the following, we discuss our RMS, our internal control system (ICS), the evaluation of risks, the material risks we face, and our opportunities and opportunity management. We will end the chapter with a SWOT assessment.

Identifying, managing, and reporting risks

An essential element of Dräger's RMS is the early identification of strategic and operating risks, determining the scope and probability of occurrence of these risks, and assessing the potential impacts on the achievement of Group targets. The basis of our risk assessment system is corporate planning: Our risk reporting process is integrated into the planning process and the financial forecast. In the planning stage, we specify potential uncertainties in our assumptions; the planning reviews of the respective business units report on both potential negative (risks) and positive (opportunities) deviations from the plan or from the financial forecast.

All operating areas of the Company report bottom-up from the corporate units, divisions, and regions at least twice a year on risks and opportunities using specified criteria; Group Controlling then summarizes the risks and opportunities at Group level and allocates them to a risk matrix. The Company uses risk management software to support the risk reporting process. Using it allows us to determine the key risks for the Group. The integrated Monte Carlo simulation makes it possible to draw up both correlating risks as well as an aggregated overall risk, which act as the basis for a reliable review of sufficient risk coverage. This risk reporting process is complemented by ad hoc reporting so that we can respond to significant risks as quickly as possible. Controlling and our Risk Management Board (RMB) support the responsible risk owners, usually the managers of the functional areas, in assessing and managing risks. Controlling in the respective functional areas mainly helps to quantify risks and opportunities and ensure that they are presented transparently in the system. In addition, the management teams from the divisions and regions discuss the respective risks and opportunities and ensure that they are correctly recorded and evaluated. The RMB is the final link between the Chief Risk Officer (CFO) and the divisions, regions, and corporate units. It is tasked with improving the RMS by monitoring it across all departments. Its members – the department heads or financial experts from the functional areas – know the specialist areas and the risk situation of their areas of responsibility in the Company in detail. The RMB invites experts who discuss relevant individual risks and the resulting issues in detail. This information serves as a basis for subsequent discussions and presenting risks in the report.

The risk report produced as a result of the RMB meetings, which also includes information on the Company's risk-bearing capacity, is presented to the Executive Board by the Chief Risk Officer. It is also sent to the Supervisory Board and discussed in the Audit Committee. The regulations on this are also documented in a separate risk policy.

Essentially, risks may not be entered into if they threaten the existence of Dräger, if they could result in significant damage to Dräger's reputation, or if the risk is greater than the associated opportunity. In terms of risk recording, EBIT risks are given priority, but significant cash flow risks and strategic or reputational risks, compliance risks, and legal and sustainability risks that are difficult to quantify are also included.

Thanks to the continuous exchange of information on risks and opportunities between the respective responsible managers and the Executive Board and Supervisory Board, countermeasures can be taken at short notice when required if new risks occur or if risks become acute. On behalf of the Executive Board and in collaboration with the Audit Committee, the Internal Audit department reviews the appropriateness and effectiveness of risk management regularly as part of a multi-year audit plan. As our early risk identification system is an element of our accounting-related RMS, it is also subject to the annual audit by the auditor.

Recognizing and taking advantage of opportunities

Dräger possesses great diversity. This means that, as a rule, no single customer makes up more than one percent of net sales at Dräger, and that no single product accounts for more than three percent of the Company's net sales. No more than five percent of purchasing volume should be attributed to a single supplier. This increases our resilience and can open the door to opportunities. It enables us to react quickly and flexibly to changing market requirements. Furthermore, Dräger could benefit from the fact that health is becoming increasingly important in emerging and industrialized countries, where it is seen as a hallmark of a "good life." In connection with this, countries could make greater investments in intensive care equipment for their healthcare systems in the future. Dräger's solid equity base also opens up opportunities and gives us the leeway to make decisions, including countercyclical investments: For example, we made a decision early on to build the "Factory of the Future". During the coronavirus crisis, it was this "Factory of the Future" that allowed us to practically quadruple production of ventilators at short notice. Current market developments are opening up opportunities for us in the cleantech and defense sectors.

↗ Please refer to the "Recognizing trends and taking advantage of opportunities" section.

Internal control and risk management system

Definition and elements of the internal control system[1]

The German Corporate Governance Code (Deutsche Corporate Governance Kodex – DCGK) provides for disclosures on the internal control and risk management system that exceed the statutory requirements for management reports and are therefore excluded from the audit of the management report by the auditor of the financial statements (management report-atypical disclosures). These disclosures are separated from the information to be audited and are designated accordingly.

The internal control system (ICS) at the Dräger Group comprises controls and monitoring activities to guarantee the effectiveness and efficiency of business processes, correct accounting, and the compliance of our activities with laws and regulations. The ICS covers all material business processes, as well as controls beyond the accounting process.

Our ICS is designed in line with the internationally recognized framework for internal control systems of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and is continuously being enhanced. It provides for both process-integrated and process-independent measures, which include automated and manual controls using methods such as:

- separating executive and authorization functions,
- consideration of four-eyes principle,
- controlling access to sites and departments,
- IT authorization concepts and workflows, and
- downstream controls by risk owners.

In addition, committees such as Internal Audit and the Corporate Compliance Committee ensure process-independent monitoring. In accordance with the three-line model, the aim is to manage risks as effectively as possible by connecting the ICS, RMS, and Compliance Management System (CMS).

Internal Audit prepares a risk-oriented audit plan each year. It performs random checks to determine whether the internal policies for the Group's entire control and risk management system are observed. This monitoring function also includes reviewing the functionality and effectiveness of the defined controls. Standardized risk-control matrices are used and continuously enhanced. With regard to Group-wide key controls, we also use a structured self-assessment that is specifically verified by Internal Audit. The auditing activities of Internal Audit form the basis for measuring the maturity of our control and risk management system.

The Executive Board and the Supervisory Board, and in particular the latter's Audit Committee, are involved in the regular audit of the ICS and the RMS by Internal Audit and receive regular reports on the current status of the audit findings. The same applies to reviews conducted by Internal Audit as part of compliance audits. This approach takes into account the fact that a large number of checks performed during ICS audits also relate to the CMS.

Internal Audit carried out audits at selected subsidiaries and Group functions in fiscal year 2025 on the basis of the risk-oriented audit plan. In addition, the regular RMS audit was carried out in 2025. Specific measures for enhancing the control system were agreed with the audited areas. The implementation of these measures is continuously monitored by Internal Audit. In addition, the following steps and others contributed to strengthening the ICS in 2025 with:

- validation and update of existing risk-control matrices of subsidiaries and Group functions,
- expansion of the standardized auditing of key controls to other subsidiaries and Group functions.

To strengthen and further develop the RMS, ESG reporting requirements continued to be implemented as part of a project in addition to the audit by Internal Audit, the regular implementation of risk reporting processes, and the discussion of significant risks at RMB meetings. Most ESG data relevant to reporting is collected quarterly and

[1] The disclosures in this section were not audited by the auditor.

validated internally. The specialist contacts in the countries and the persons with local responsibility for collecting and transmitting ESG data are trained both annually and whenever there are changes in the collection process and when new employees are inducted.

The CMS helps the process of continuously enhancing the ICS with regard to its requirements and of adapting the control environment accordingly. The CMS comprises certain legal risk categories and is based on a comprehensive internal framework. Appropriate management and enhancement measures, as well as training concepts, are aimed at ensuring that compliance principles are known and upheld throughout the Group and that the CMS is aligned with the Company's current risk position. Regular reports are provided to the Executive Board on this subject.

The measures and concepts mentioned above include:

- compliance risk management as well as compliance audits and reviews,
- the Sales Channel Partner Integrity Assessment (SCPIA),
- the provision of consultation and training with regard to compliance for employees, and
- the "Speak Up" initiative and our web-based Dräger Integrity Channel whistleblower platform available to all employees as well as third parties.

↗ For further information on the CMS, please refer to the "Compliance" section in the "Declaration of corporate governance" chapter.

For information on the appropriateness and effectiveness of the ICS and the RMS, including the CMS, please refer to the review and monitoring measures initiated by the Executive Board that are set out in the description of the respective systems and in the section below with regard to the ICS.

However, it should be noted that risk and control systems such as the ICS, RMS, and CMS, regardless of their design, do not offer absolute certainty that all risks that actually occur can be detected in advance or that all process violations can be prevented.

Accounting-related internal control and risk management system[2]

The internal control system (ICS) with specific reference to accounting in the Dräger Group is intended to ensure that accounting is carried out properly, reliably and economically and that business transactions are recorded completely and punctually in accordance with the German Commercial Code (HGB) and the International Financial Reporting Standards (IFRS). It comprises both a control and a monitoring system. The Group Controlling and Accounting functions of Drägerwerk AG & Co. KGaA are responsible for the internal control system, along with the commercial managers of the subsidiaries.

The revision of the accounting-related ICS is carried out by Internal Audit as part of regular auditing procedures.

The ICS at the Dräger Group is supplemented by the RMS. In addition to operational and strategic risk management, it also includes the systematic early detection of relevant risks. In relation to the financial reporting process, risk management is also aimed at ensuring that the circumstances are presented correctly in the Group's accounts and in external reports.

Use of IT systems in accounting

At Dräger, the consolidated subsidiaries prepare individual financial statements on the basis of the information that is relevant to their accounting system. The consolidated subsidiaries mainly use standard software from SAP and Microsoft. Every month, the single entity financial statements and additional standardized reporting information are consolidated in the SAP SEM-BCS system. For financial reporting, we transfer data from SAP SEM-BCS to the SAP Business Warehouse. To do so, we use a Group-wide, standardized accounts structure that also stipulates which reconciliation methods are to be used for the financial statements. Accounting in accordance with local methods is adjusted either in the local accounting systems or by way of reporting adjustments to comply with IFRS. Once the data has been translated into the Group currency euro, we consolidate all internal business

[2] The description of the core elements of risk management and internal controls listed in the following sections ("Accounting-related internal control and risk management system," "Use of IT systems in accounting," "Essential regulatory measures and controls," "Risk assessment," and "Risk categories") and the approach used for risk assessment and the most significant risks, fulfills the disclosure requirements under ESRS 2 GOV-5 36a, b, and c and is therefore also part of Dräger's Group sustainability statement.

transactions. Dräger assesses the IT environment, identifies potential risks, and reports them at least two times a year to the Executive Board within the scope of the RMS. In addition, the auditors of the consolidated financial statements carry out an audit of the IT control environment, change management, IT operations, access to programs and data, and system development once a year, insofar as they relate to accounting and are relevant to the audit of the financial statements.

Essential regulatory measures and controls

With regard to the accounting process, the main emphasis is on ensuring the effectiveness, efficiency, and correctness of accounting, as well as on compliance with the relevant statutory provisions. Using our accounting-related ICS, and with the assistance of Internal Audit and the auditor of the Group financial statements, we check whether the amounts reported in the balance sheet, income statement, and the comprehensive income statement are in the correct period and fully assigned, and whether the record contains reliable and traceable documentation regarding the business transactions. The consolidated financial statements that are prepared monthly always undergo comprehensive system checks. They are also checked by Controlling and compared with the plans and the latest financial forecast. The Dräger accounting policies are applied throughout the Group to ensure that all German and foreign subsidiaries included in the consolidated financial statements use the same standard.

Regular alignment meetings and institutionalized reporting requirements within the Finance function are intended to ensure that Group-wide restructuring and changes are recorded promptly in our accounting system. When we acquire or found a new company, we train the new employees in the Accounting department on the preparation of the financial statements according to IFRS, which is the authoritative reporting standard at the Dräger Group, including both the reporting system and the reporting dates. Every year, we train the managers of the Accounting departments of all subsidiaries on the reporting processes, as well as on amendments to the Dräger accounting policies and all relevant IFRS, and thereby ensure the quality of our financial reporting.

The accounting processes are systematically structured in accordance with the principle of the separation of functions and include a system of checks and balances. In our accounting systems, for example, we ensure the separation of the administrative, executive, and authorization functions by issuing different access profiles. This allows us to reduce the potential for deliberately fraudulent acts against the Company by employees. Group accounting determines the scope of consolidation and the reporting packages that have to be prepared by Group companies, ensuring that the consolidated financial statements can be prepared in good time and in accordance with all applicable reporting standards and laws.

The Treasury department is responsible for treasury management, secures the Group's liquidity, and monitors its interest risks. Together with Controlling, it monitors and hedges currency risks. The organizational structures and processes, and the Group's internal treasury policy, ensure transparency and security. Responsibilities for trading and completing financial transactions are separated. For example, the Treasury back office reviews all financial transactions that were traded in the Treasury front office.

Risk assessment

To provide a better overview, risks are defined as deviations from current planning and grouped into risk categories. Within the risk categories, risk classes provide information about the potential impact of the risks on our Company. With our risk management software, we can define an expected value for each risk category more systematically. In the following, risks in risk classes 1 and 2 are considered material risks.

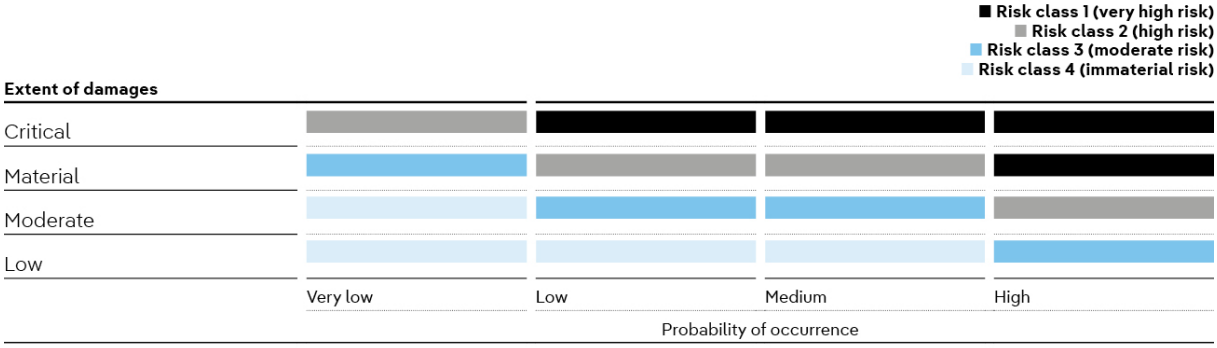
The due date for reported risks is December 31, 2025; the risk assessment is based on the updated internal risk report, which presents the net risks. Although the forecast horizon for the Company's results is one year, we also examine long-term risk topics (such as risks related to research and development) as part of the risk assessment process. Accordingly, we also take the long-term impact of risks on our EBIT into consideration when classifying risk categories.

The risks described below and their potential impact on the Company are not necessarily the only risks to which Dräger is exposed. Risks that were not known or were considered immaterial at the time at which this report was prepared may also affect our business activities. The risks in classes 1 and 2 that are referred to here are the ones

we believe to be material at the present time. Immaterial risks from financing instruments are reported in accordance with IFRS 7.

↗ Please refer to the "Risks from financial instruments" section in this chapter.

Risk matrix



Key to probability of occurrence

Probability of occurence		Risk occurrence
Very low	≤ 5%	No more frequently than once in 20 years
Low	> 5% to 25%	No more frequently than once in four years / more frequently than once in 20 years
Medium	> 25% to 50%	No more frequently than once in two years / more frequently than once in four years
High	> 50%	More frequently than once in two years

Key to extent of damages

Extent of damages		Definition of extent of damages
Critical	≥ EUR 25 million	Significant negative impact on EBIT
Material	EUR 10 million to < EUR 25 million	Negative impact on EBIT
Moderate	EUR 5 million to < EUR 10 million	Limited negative impact on EBIT
Low	< EUR 5 million	Immaterial negative impact on EBIT

Risk categories

We have assigned each of our risk categories to a risk class. The year-on-year development of the risk classes is also shown (stable, declined, or increased). The "Sales market" category has been added as a new significant risk category, as we could experience a decline in net sales in certain markets. However, "Quality" is no longer considered a significant risk category, as previously identified risks regarding approval duration have developed in a positive direction. Currency risks are taken into account in our planning.

Material risks

Risk category	Risk class	Development
Strategy and corporate development	1	→
Political, economic, and social development	1	→
Organization and management	2	→
Information security and IT risks	1	→
Procurement	1	→
Sales market	2	
Research and development	1	→
Compliance and legal	1	→
Risks from financial instruments[1]	4	→
Finance (financial market risks)	2	→
Climate and environmental risks	1	→

[1] This risk is not material for Dräger, but is reported here in accordance with German Accounting Standards.

Strategy and corporate development

To participate in prospective markets, promising market developments and new technologies, Dräger has invested in various companies. These open up a range of opportunities to implement new sales channels, products and applications and to expand our product portfolio in a meaningful and profitable way. The opportunities arising from such investments are, of course, always accompanied by risks that could lead to depreciation or, in extreme cases, a total loss of the respective investments. (Risk class 1)

Political, economic, and social development

The economic environment remains challenging. According to the International Monetary Fund (IMF), global economic growth has slowed somewhat after a robust trend in the first half of the year. US import tariffs imposed since spring 2025 did not affect the economy as severely as expected. However, uncertainty remains high since tensions in the trade conflict could flare up again due to tariff-related price increases. Additionally, other factors such as developments in the US labor market and exchange rates make it difficult to provide a clear outlook. The IMF forecasts global economic growth of 3.3% for both 2025 and 2026 (2024: 3.3%) in its January 2026 report.

US trade policy is currently difficult to predict, which poses risks to net sales and earnings if rising tariffs cannot be mitigated by price increases. In the past fiscal year, we developed a package of measures to countervail some of the tariffs. We expect this to have a greater impact in fiscal year 2026 than previously. For 2026, we expect customs tariffs at Group level to be at a similarly high level as in the prior year. The impact on the medical division is expected to be much greater than on the safety division. Our corporate planning and therefore our forecast of sales and EBIT for 2026 are based on the assumption that tariffs will remain at the level applicable on the reporting date of the annual financial statements.

↗ Please refer to the chapter "Business performance of the Dräger Group" for customs duties in fiscal year 2025.

A variety of geopolitical developments put us at risk of not achieving our planned net sales targets. In some countries, such as China, India and Indonesia, economic policies are gaining in importance that could lead to national markets being closed off in the form of preference being given to local competitors or the promotion of expanding local production.

In some regions, we are seeing an economic slowdown that is reflected in declining industrial production and investment activity, as well as falling customer demand. Due to reduced industrial activity in our core industries of oil, gas, chemicals, and steel, our net sales could decline.

The increasing share of votes being garnered by populist parties in a number of European countries is another source of geopolitical uncertainties. Political tensions in the Middle East and armed conflicts in Eastern Europe could also put the brakes on our growth. In addition, political developments on the Korean peninsula and the conflict between China and Taiwan could have a negative impact on our business. An escalation of the conflict regarding Taiwan would further exacerbate the global shortage of electronic components and lead to disruptions in the supply chain. Continued strong competition and potential new import tariffs could also have a negative effect on Dräger's net sales and margins.

We are meeting most challenges through customer focus, innovation, the high quality and reliability of our products and services, and – where appropriate – through partnerships and acquisitions, as well as the proportionate local creation of value. In doing so, we intend to reinforce and expand our market position.

Geopolitical developments could also lead to severe limiting of IT system standardization, which is discussed further in the "Information security and IT risks" risk category. (Risk class 1)

Organization and management

The dynamic market environment makes it essential for us to constantly assess our competitiveness on sales and labor markets. Geopolitical changes, increasing digitalization, and high innovation pressure require change processes within our organization on an increasingly frequent basis. We consider strengthening our ability to adapt to change to be a critical success factor when it comes to long-term competitiveness. As part of this, we will focus in the future on viewing change as an opportunity and not just as a risk, among other things. Bolstering the willingness to accept change across all levels of the Company and ensuring clear and transparent communication are decisive in this context. (Risk class 2)

Information security and IT risks

Information and its processing play a pivotal role in Dräger's business. Strategic and operative functions and tasks are usually supported to a significant degree by information technology (IT). However, Dräger also processes information in other ways (paper, meetings). The loss, unavailability, or misuse of information could cause serious problems for Dräger. A breakdown of IT systems or a disruption from outside the Company (such as a hacker attack) could compromise critical business processes and lead to a temporary production shutdown. They also pose significant reputational risks. The reliability and security of our IT systems are therefore decisive.

To enable access to IT systems and system availability in its day-to-day business, Dräger requires a standardized infrastructure. Devices not managed centrally or subject to regular maintenance can cause security vulnerabilities. That is why Dräger uses measures such as network segmentations and uses standardized software, as well as a standard basic installation for notebooks and desktop PCs. The standardization of IT systems and their availability could be significantly restricted by geopolitical developments in the future. Today, we already face the challenge of fulfilling various different country-specific rules such as regulatory requirements in the fields of export controls and data security. This development is leading to the increasing localization of IT applications and their data on the basis of technologies, architectures, and contracts.

Database security is also important in mitigating IT risks: Read and write authorizations are essential for the security of data relating to customers, production, and suppliers. In addition, we have defined processes to safeguard central systems. When necessary, the safeguards are continuously improved through the use of electronic systems. These improvements are subject to defined standards and are gradually being rolled out at all of Dräger's sites. (Risk class 1)

Procurement

Procurement risks include supplier and material price risks in particular. We cooperate extensively with reliable and competent suppliers to minimize procurement risks for our current product portfolio and to continue relying on these suppliers for future products. As we have reduced the level of vertical integration to the necessary core technologies and the assembly of purchased parts and components, we integrate our suppliers into our internal processes. Strict quality standards apply to supplier selection and procurement processes. We have concluded binding price agreements with all strategic suppliers. The agreements usually apply for a period of one year each and thereby guarantee planning security for a certain period of time.

In the case of components and modules that are no longer produced by suppliers, we have purchased the estimated number of components or modules required for the remaining product life cycle and stored these components and modules either at Dräger or with the supplier. In the medical division, we analyze potential risks relating to purchased module components across multiple functions. In some cases, we purchase these module components from a single supplier. As these module components are used in a number of our products, supply bottlenecks can cause production to be interrupted for a certain period of time. Potential interruptions to supply, including disruptions to global trade routes, or the bankruptcy of suppliers could also lead to production outages and additional costs. (Risk class 1)

Sales market

In connection with efforts by individual countries to promote their local economies, particularly in Asia, there is a risk that customers will prefer to buy from companies with local value creation. Dräger is monitoring these trends and preparing to establish appropriate local value creation where necessary.

Social transformations toward renewable energies offer Dräger opportunities in new markets on the one hand, while on the other hand there is a risk of a negative impact on existing applications in the field of fossil energies, such as oil and gas. (Risk class 2)

Research and development

It is important for our profitability that our product portfolio is kept up to date. Experience has shown that new products are more profitable than products in a later phase of the product life cycle. This is why we continuously invest in research and development in order to keep the proportion of new products as high as possible or increase it, particularly in the medical division. To achieve this, we must develop innovative technological solutions and also products that appeal to the requirements of a broad section of the market. Increasingly strict regulatory requirements in many markets are making it more difficult to obtain approvals for our products. Since the introduction of the new EU Medical Device Regulation (MDR), for example, clinical tests, material components, and documentation are subject to significantly higher requirements. The increasing connectivity of our devices and the associated requirements regarding data protection are also leading to increased development expenses. Risks may arise from factors such as the high complexity of development projects, as well as delayed product launches as a result and changes in market requirements. In addition, stricter requirements by licensing authorities can lead to delays in product launches or in the worst case the loss of existing product licenses. Within the framework of software development, reliance on individual service providers operating in politically unstable regions can also lead to delays in product development, resulting in net sales losses. We also we develop and produce products that contain an increasingly large number of software components, which in turn increases the requirements in terms of license management. Risks can also arise from license terms being unintentionally violated, for example. With the increasing use of networked devices and the regular exchange of electronic information, additional requirements are needed for effective cybersecurity measures to ensure functionality, security and data protection for these devices. (Risk class 1)

Compliance and legal

In all countries in which they operate, Dräger companies are subject to various legal provisions that frequently change. Obligations can arise from public law, such as tax law, or from civil law. Laws to protect intellectual property and third-party concessions, various approval and licensing regulations for products, competition rules, regulations in connection with awarding of contracts, export control regulations, and many more are also relevant to business operations. Drägerwerk AG & Co. KGaA is additionally subject to legal regulations governing capital markets. The violation of legal requirements can result in significant penalties.

Dräger companies are currently involved in legal disputes and may be involved in legal disputes within the scope of their business activities in the future as well. In some regions, legal uncertainty could result from Dräger only having limited possibilities to assert its rights. These uncertainties continue to increase due to the geopolitical situation and different national reactions to it.

Our principles of business and conduct and the manuals and processes derived from these are designed to ensure that we conduct our business responsibly and in accordance with legal regulations. In addition, we have a company-wide compliance system for anti-corruption, antitrust law, handling conflicts of interest, fraud

prevention, anti-money laundering, trade compliance and data protection. Subsidiaries are subject to group-wide requirements, are responsible for compliance, and report on their compliance annually. Despite the control and prevention mechanisms in place in our compliance structure, there remains a risk that we could be in breach of certain regulations. In addition, due to increasing connectivity the risk of cyberattacks and the importance of data protection are rising. The international transfer of data also carries a residual risk of infringement of data protection regulations, which can vary from country to country and are constantly changing. Sales partners may assert compensation or equalization claims pursuant to respective applicable laws if the cooperation is terminated. To the extent permitted by law, such claims are excluded in the sales agreements.
↗ Please refer to the "Compliance" section in the chapter "Declaration of corporate governance".

Additional regulatory requirements and increasingly challenging local standards necessitate greater spending on product licensing. The issue of cybersecurity is also becoming increasingly important in this area. Further risks arise from the ongoing renewal of necessary, but time-limited licensing certificates and national adjustments to these certificates. Furthermore, there is also the possibility that, despite extensive quality management processes, licensing authorities auditing our products or processes do not consider the licensing requirements to have been met. In such cases, the licensing authorities could demand reworking and, in extreme cases, revoke the license, impose import bans on certain products or product areas, or order installed devices to be changed. Following publication of a warning letter by the FDA in the first quarter of 2020, we have been in regular contact with the agency to discuss the status of the countermeasures as well as current and upcoming submissions. The warning letter was processed in accordance with a risk mitigation plan that was developed with the FDA. One way in which Dräger counters the increasing risks associated with approval requirements is by adapting the relevant processes and the respective structural and procedural organization in the areas of product and quality management. During the first half of 2024, we completed all the activities described in our corrective actions. An FDA inspection of the Andover site conducted in November 2024 did not reveal any formal deficiencies (i.e. no FDA Form 483 was issued). The FDA has stated that it may consider closing the warning letter once a pending product approval (510k) in the area of patient monitoring has been completed. We assume that the warning letter will be closed in 2026. (Risk class 1)

Risks from financial instruments

Our aim is to minimize liquidity risk and risk from financial instruments, particularly interest rate, currency, and credit risk. With a few exceptions, liquidity risks, currency risks, and interest rate risks are hedged centrally by Drägerwerk AG & Co. KGaA. We also limit default risks for financial investments centrally by exclusively using counterparties or investment instruments with an investment grade rating.

The only derivatives we use are marketable hedging instruments contracted with banks with high credit ratings. Dräger Group companies may only employ those derivatives that are covered by our treasury policies or have been approved by the Executive Board.

To secure its liquidity, the Dräger Group has concluded a framework credit agreement with a term until November 30, 2030. Under this agreement, cash credit lines amounting to EUR 375 million existed as of December 31, 2025 (utilization 2025: EUR 0.1 million; utilization 2024: EUR 0 million) and bank guarantee credit lines amounting to EUR 165 million (utilization 2025: EUR 92.8 million; utilization 2024: EUR 103.1 million), each with a term until November 30, 2030. In the framework credit agreement, a target value has been determined for the bilateral credit lines with regard to a specific financial parameter (financial covenant for a net debt in relation to the result). Should Dräger not comply with this value, the banks are entitled to terminate the bilaterally agreed credit lines. This agreement was made for the existing loans at the European Investment Bank (EIB) and DZ Bank. For other loans, such as the issued note loan, there is no comparable financial covenant, however a cross-default clause does provide the right to terminate. The value has been specified so that we would only run the risk of being unable to comply with the agreed value threshold in the event of a significant deterioration in our results of operations and financial position. Adherence to this key figure is confirmed on a quarterly basis with the lending banks. The financial covenant was complied with on every reporting date in fiscal year 2025 and in the prior year; it was well below this limit in each case. Our short and medium-term financial planning provides for continuous compliance with this financial covenant. To reduce our liquidity risk, at the Dräger Group we also use note loans of EUR 50 million with a residual term until January 5, 2026, and note loans of EUR 50 million with a residual term until January 4, 2028. We also have a loan from the EIB of EUR 100 million with a remaining term until January 26, 2028, and a loan with DZ Bank of EUR 50 million with a remaining term until September 30, 2030. Both loans have a fixed

five-year interest rate. We also have a commitment for a loan from the EIB of EUR 100 million with a term of up to six years, which has not yet been disbursed and is available to be drawn down until March 24, 2027. In addition, we have cash credit lines abroad amounting to EUR 111.6 million and bank guarantee credit lines amounting to EUR 98.3 million, which are of secondary importance for Group financing.

Dräger is exposed to interest rate risks, primarily in the eurozone. We combat these risks through a combination of fixed- and variable-rate financial liabilities. Depending on the risk position and market situation, we hedge variable interest rates through standard interest rate hedging products where appropriate. We invest cash and cash equivalents over the short term at commercial banks with high credit ratings and, if necessary, in euro-denominated money market funds with high credit ratings that are subject to European regulation.

We manage part of the currency risks associated with currencies other than the euro through forward and swap hedging transactions with selected banking partners. Due to the limited and conservative use of financial instruments at Dräger, we class these risks as immaterial. (Risk class 4)

Finance (financial market risks)

Monetary policy decisions will continue to cause fluctuations on the markets and have an effect on the future development of capital cost parameters. Higher capital costs could lead to the impairment of our assets, especially goodwill. (Risk class 2)

Climate and environmental risks[3]

The intensity and frequency of natural disasters and extreme weather situations are increasing as a result of climate change. Dräger has a monitoring and reporting system that covers natural hazards at our sites and at suppliers.

The Corporate Sustainability Reporting Directive (CSRD) requires companies to reassess their climate-related risks. Physical and transitory climate risks are assessed as part of this. The focus here is in particular put on the Company's impact on climate change due to greenhouse gas emissions, the climate-related physical risks and the climate-related transition risks and opportunities in the Company's own division and in the upstream and downstream value chain. These risks are discussed in greater detail in the Group sustainability statement under "ESRS E1 Climate change". The assessment there shows that no physical climate risks were identified.

↗ Please refer to the section "ESRS E1 Climate change" in the Group sustainability statement.

A transitory risk concerns the European Union's (EU) planned ban on perfluorinated and polyfluorinated chemicals (PFAS). The majority of Dräger products contain components or coatings made from fluoropolymers such as polytetrafluoroethylene (PTFE). These are, however, not harmful PFAS compounds often known as "forever chemicals", but high-performance materials used for components with special requirements due to their being resistant and harmless. Dräger is already in ongoing contact with key suppliers in their efforts to develop alternatives, and is continuously evaluating the market situation. In many cases, replacement of these materials is currently not possible due to the lack of technical alternatives. Even if alternatives were developed in the future, substitution would take many years due to long development and approval times. A ban in line with the EU's original proposal would prohibit the manufacture and marketing of products containing PFAS within the EU. If such a ban were to cover the specific PFAS materials or applications currently used by Dräger – particularly in sensors and components that carry gas for which there are no technical alternatives – the marketability of a significant portion of Dräger's product portfolio could potentially be jeopardized. In 2025, the restriction proposal was revised on the basis of numerous objections raised during the consultation process, and numerous application-specific exemptions were introduced. However, these exemptions still do not cover all the necessary applications for our product range. The proposal is currently being assessed by the relevant committees of the European Chemicals Agency, which are expected to submit a recommendation to the European Commission by the end of 2026 following a further consultation phase. A final decision by the Commission is expected in 2027 at the earliest. We currently assume that the intensive efforts of European commercial enterprises and associations will lead to a regulatory approach that will allow substance-specific exemptions, i.e. differentiate between short-chain PFAS

[3] The paragraph on PFAS risk contained in this section fulfills the disclosure requirements under ESRS 2 SBM-3 48d and is therefore also part of Dräger's Group sustainability statement.

compounds and polymers and address potential emission sources in raw materials production and disposal. (Risk class 1)

Recognizing trends and taking advantage of opportunities

We observe opportunities within the scope of our strategic planning process, which involves identifying trends, determining strategic focuses for Dräger, and defining actions. We thereby make use of our established planning tools and our sales information and customer relationship management (CRM) systems. The potential use of these market opportunities also flows into our financial forecast.
↗ Please refer to the section "Management, planning, and reporting" in the chapter "Principles of the Group".

We also report on our opportunities in parallel with the risks in our integrated risk reporting process. Information on opportunities is integrated into the consolidated Group risk report. Our opportunities result primarily from the "Sales market" opportunity area, where we can benefit from existing trends, which we discuss in more detail below. In the "Strategy and corporate development" opportunity area, significant opportunities (<EUR 25 million) arise from the potential sale of non-strategic, unprofitable, or no longer needed business activities. We assume a mid-range (>25–50%) probability of occurrence in this case.

Activities in growth markets

The medical and safety markets in which Dräger operates are growth markets. The megatrends of globalization and an increasing need for safety, as well as health and digital connectivity foster this growth. Mobilization of our strengths creates numerous opportunities. For example, we use the basis of installed Dräger equipment in order to expand our service and accessories business. Thanks to our constant drive for innovation, we are able to continuously optimize our range of products.

Global trends

The following megatrends in particular present opportunities for Dräger's business.

Globalization and increasing need for safety

Globalization has contributed to greater prosperity in many countries, thereby also increasing purchasing power for our products and services. At the same time, however, it has created new challenges, particularly in the form of geopolitical tensions. The resulting feeling of increasing uncertainty is exacerbated by other factors such as inflation, climate change, pandemics, and protectionism. These developments are leading to a growing need for security in society and the economy. Dräger, with its broad product portfolio, is well positioned to meet this demand, particularly in the areas of health care, occupational safety, and defense.

Health

As living standards rise in emerging markets and industrialized economies alike, health is increasingly becoming a key feature of a "good life". Demand for high-quality medical care, whether at home or in hospitals, is increasing accordingly. At the same time, life expectancy also continues to rise. In addition, we are seeing a growing awareness of the importance of environmental and employee protection, also as a result of ESG efforts (Environmental, Social and Governance) or the global growth of cleantech. The result is greater investment in safety, occupational health, and environmental protection. In view of these developments, we continue to see good prospects for Dräger and our business areas of medical and safety technology.

Connectivity

For years, the issues of digitalization and automation in trade and industry have been ubiquitous. The interplay between humans and machines, and the exploitation of new technical opportunities, offers enormous potential to boost efficiency and pave the way for brand-new business models. We see this as a great opportunity for the further development of our Company: new, platform-based sales models and transformed innovation and production possibilities open up a wide range of potential for us. The increasing digital networking of devices also creates a valuable data basis. This data offers the opportunity to increase customer value in a focused manner, develop innovative services, and optimize processes. At the same time, we understand data security and the responsible handling of information to be key success factors, to which we give the highest priority. In addition, we see the increasing connectivity of devices and the resulting added value for customers as drivers for growing demand for system solutions. We are therefore expanding our expertise in this business and strengthening our position as a leading provider of such solutions.

Digitalization

Increasing digitalization and automation in industry and retail is offering potential to boost efficiency and is opening up new business models. In addition, platform-oriented sales models are also becoming increasingly important. At hospitals, connected equipment supports both medical and administrative processes. Holistic therapeutic processes and the associated focus on treatment results from both a clinical and economic perspective are important goals of our customers worldwide. Our therapeutic devices and solutions help hospitals to achieve these goals. In industrial markets, the real-time transfer of safety-related data to IT systems is becoming increasingly important. All in all, our aim is to quickly recognize the new opportunities and challenges that digitalization brings and to develop customer-centric solutions.

High barriers to market entry for new competitors

There are still high barriers to entry in the markets for medical and safety technology: stricter approval requirements due to government regulations such as the MDR (Medical Device Regulation), complex and often proprietary technologies, and many customers who prefer to trust solutions tried and tested in practice. These barriers give Dräger as an established provider freedom to achieve stable customer relationships and sustainable business development.

Leading market positions

In our opinion, Dräger is a global market leader in many market segments and product groups. Comprehensive technological expertise, high product quality, competent and committed employees, and long-term customer relationships all put us in a strong position to further increase our market share. We are thereby focused on attractive market segments that, in our view, offer promising opportunities in terms of earnings and growth. We use our leading market position to place new products and services in established markets and successfully defend the market positions of established products. At the same time, we are developing new products for new markets and specific skills in our sales organizations in order to sell non-traditional products and systems.

Expansion of the service and accessories business

We want to further expand the share of net sales generated by our pioneering service and accessories business. To achieve that goal, we are improving customer service after the purchase of a device by offering additional services, as well as accessories and consumables. Here, we benefit from the large number of Dräger devices already in use around the world.

Project business

As a global player, we have a great number of opportunities in the industrial sector to become involved in major oil, gas, chemical, and mining projects and to contribute to sustained, positive business development. We see opportunities worldwide to acquire new projects for the construction of training systems for emergency responders.

Changes in the product portfolio

Changes in the product portfolio come with both risks and opportunities. We want to increase the number of new products and thereby increase our profitability with an eye to the future. At the same time, we are working on an optimized product portfolio that will allow us to better meet demand in emerging markets and also better respond to localization trends in individual countries.

Synergy effects and platform strategy

Synergy effects also result in opportunities. We can take particular advantage of synergies at our sales and service companies, for example through shared administrative units. In terms of procurement, we want to achieve more favorable purchasing conditions through group-wide processes, for example with regard to fleet and travel management. Through our platform strategy, which refers to the use of common components in different models, we are striving to further reduce material costs.

The initiation and execution of customer orders at Dräger is supported by a customer relationship management system (CRM system), which allows us to strengthen the link between marketing, sales, and service to achieve comprehensive customer support. Through further actions, we are integrating customer and partner management

via specialist retailers, giving the Company networked access to more information as a basis for successful customer acquisition and service.

Growing importance of health and safety departments at companies

In the medium to long term, there is a chance that health and safety departments at industrial companies will be given greater priority when it comes to investments. Products and services for such areas of business are among Dräger's core competencies, particularly in terms of safety products. Dräger is part of the international "Vision Zero" initiative with the aim of completely eradicating occupational accidents, promoting a healthy lifestyle as a preventative measure to avoid work-related illnesses, and encouraging individual well-being.

Overall assessment of risks and opportunities

From a strategic perspective, geopolitical risks and the associated recessionary and domestic self-reliance trends are highly significant to Dräger's risk portfolio. Demand may decline in 2026 due to country-specific protectionist tendencies. General economic and geopolitical developments, as well as regulatory requirements could pose further risks. We mitigate most of these risks by means of regional management and diversification of our product and service offering, and through customer focus, innovation, the high quality and reliability of our products and services, and – where appropriate – through partnerships and acquisitions, as well as the proportionate local creation of value.

The issue of information security is also becoming increasingly important. At the same time, the general requirements for software solutions that we develop are also increasing. This can have a negative impact on the duration of projects.

Overall, we are able to appropriately address the risks facing the Dräger Group. Based on the information currently known, the continued existence of our Company is not at risk. We therefore believe that the opportunities for the Group outweigh the risks, particularly those arising from the growing need for healthcare, the economic development of emerging markets, and the future importance of the systems business. We are therefore optimistic about the future.

↗ Please refer to "SWOT analysis – Dräger Group" on the next page.

SWOT analysis – Dräger Group

Company-specific

Strengths

- Wide range of product and services
- Strong brand and long-term customer relationships
- High degree of diversification in terms of regional positioning, markets, customers and products
- Detailed understanding of all relevant markets
- Strong direct sales model with close-knit sales network
- Established presence in important growth markets in Asia, Central America, and South America
- High installed device basis in many markets
- Wealth of experience with complex product and service offerings
- Stable ownership structure
- Long-term financing framework and good equity base

Weaknesses

- High complexity though broad product portfolio
- Partial dependence on sales partners
- Focus on the premium segment and low diversification of the portfolio
- Strong reliance on the European market, market-leading positions in markets where growth is slow
- Niche provider status in some segments
- Partial strong dependence on key suppliers
- High cost base in euros

Market/sector-specific

Opportunities

- Continual increase in safety requirements for employees at hazardous workplaces
- Progress in medical industry and aging society driving up spending on medical technology
- Growth potential in emerging markets through the expansion of healthcare systems and supply
- High market entry barriers for new competitors as a result of regulation, technologies, and patent protection
- Low impact of economic fluctuation thanks to the breadth of the product portfolio and the large number of markets served
- New business models made possible through digitalization
- New growth opportunities in the cleantech sector
- Further development of our position in the defense sector

Risks

- Increasing complexity, requirements and expenditure for local licensing and the ongoing certification of products
- Pressure on margins from growing competition
- Central purchasing strategy on the customer side and increased purchasing power of companies operating worldwide
- Restrictions on government spendings and trend towards public companies forming purchasing cooperatives
- Economic risks due to general political uncertainties caused by factors such as increased protectionism or recessionary trends
- Interruptions of supply chains due to material shortages, geopolitical crises or ban on certain chemicals (PFAS)
- Information security and IT risks
- New competitors entering established markets with digital business models

The aim of the SWOT analysis is to provide an overview of important aspects of Dräger's strategic environment. Not all risks and opportunities referred to in the report are taken into account in the SWOT analysis. The order in which the issues are listed does not reflect any kind of weighting; related issues are simply listed together.

Outlook

Future market environment

According to the International Monetary Fund (IMF), the global economy will grow by 3.3% in 2026, as it did in the prior year. This stable development is the result of various forces that are in opposition to each other. The headwinds caused by trade tensions are offset in part by rising investment in the technology sector and monetary policy support, alongside other factors.

The IMF cites the devaluation of technology companies, increasing trade and geopolitical tensions, and higher debt levels in some countries as particular risks to the forecast. On the other hand, the IMF believes that rising investment in artificial intelligence could boost the productivity of the global economy, an effect which could be amplified by easing trade tensions.

Against this backdrop, the IMF believes that policymakers have a duty to implement measures to promote stability and to consistently improve medium-term growth prospects. This would require a strong focus on restoring fiscal buffers and maintaining price and financial stability. Further emphasis should be placed on reducing uncertainty and swiftly implementing structural reforms, according to the IMF.

↗ Please refer to figure "IMF January 2026 gross domestic product (GDP) growth forecast".

IMF January 2026 gross domestic product (GDP) growth forecast

in %	2025	2026	2027
Global economy	3.3	3.3	3.2
U.S.	2.1	2.4	2.0
Eurozone	1.4	1.3	1.4
Germany	0.2	1.1	1.5
China	5.0	4.5	4.0

Future market and segment situation

Medical division

According to the German Medical Technology Association (BVMed), Germany will continue to face considerable pressure in the future as an economic hub for medical technology. The reason for this is rising costs, which will continue to have an impact on companies' profits in the future.

According to forecasts by Germany Trade and Invest – Gesellschaft für Außenwirtschaft und Standortmarketing mbH (GTAI), the market for medical technology in the EMEA region will develop positively. In Europe, an aging population with high life expectancy is driving up demand for medical technology. The industry will grow in the Gulf states due to rising investment, technological progress, and increasing digitalization. However, companies in Saudi Arabia must increasingly adapt to "local content" regulations; they may only sell their products there if the products contain a specified proportion of local value creation.

According to GTAI, the outlook for medical technology in America is also good. The US market will develop positively. Rising healthcare spending, the growing number of older people, and extensive investment in hospital projects are driving increased demand for equipment in this market. Digital healthcare applications will also become increasingly important. Latin America is an important sales market for medical technology. Demographic change and the expansion of public healthcare in this market will ensure rising demand for medical technology in the medium term. A small but progressive private healthcare sector promises good business prospects for high-quality medical technology products.

The countries in the APAC region will develop differently. According to GTAI, the Chinese market will become increasingly difficult for foreign companies while domestically manufactured products will expand their market position. In Australia, demand for medical technology will increase because healthcare spending is rising, due to

an aging population. Telemedicine and artificial intelligence will drive the technological transformation of the sector.

Safety division

The German market for safety technology will continue – due to the development of the chemical industry – to be characterized by uncertainty in 2026. According to the German Chemical Industry Association (VCI), the industry in Germany is still not seeing the anticipated recovery, meaning that overall net sales will decline. This negative sentiment is also confirmed by a representative VCI survey of its member companies: 20% of those surveyed plan to relocate or completely shut down their production. The unfavorable conditions in Germany are responsible for these pessimistic expectations. The expensive euro, overcapacity in China, high US tariff barriers, and geo-economic uncertainty are putting additional strain on business.

In the EMEA region, the market for safety technology will develop disparately. According to Cefic (the European Chemical Industry Council), the outlook for the European chemical industry is negative. This is due to a very difficult global economic environment, fierce competition fueled primarily by China, and high energy costs. In Europe, these remain among the highest in the world. According to GTAI, the chemical industry in the Gulf states is expected to return to moderate growth thanks to investments in production capacity. The oil and gas industry will develop positively in the Gulf states. In the medium and long term, growing demand for fossil fuels is expected as countries seek to further expand their oil and gas industries. South Africa is pushing ahead with reforms in its mining sector and positioning itself as a global supplier of strategically important raw materials. In 2026, South Africa's mining sector will also offer opportunities for foreign companies.

The future prospects for the safety division in the Americas region are mixed. According to GTAI, the US market for chemical products will be under pressure in the coming year. The industry faces a decline in production volumes in 2026 due to economic uncertainty under President Donald Trump. Many companies are hesitant to invest, causing demand for chemicals to stagnate. The mood in the US mining industry is different. Mining companies can expect accelerated permit procedures and less stringent environmental regulations over the next four years. In addition, they are focusing on larger, battery-powered machinery and autonomous systems, which will lead to positive development in the industry. The mining sector in South America will also grow. It is benefiting from high levels of investment, for example in Brazil and Chile.

The APAC region will develop moderately. According to GTAI, the Chinese chemical market is considered a global growth driver for the industry. However, the industry is feeling the effects of weak domestic demand, export risks, and falling prices. Nevertheless, the market will continue to grow in 2026. Demand for climate-friendly products will increase. The Australian mining sector offers opportunities in the area of mine remediation operations. Orders worth billions are expected in this segment in the future.

The global firefighting market for fire safety equipment will grow in 2026, particularly in China and India. Two of the reasons for this are rapid urbanization and government initiatives to improve fire safety infrastructure. The increasing use of smart technologies is expected to stimulate global market growth.

Future situation of the Company

The table presents an overview of how we believe the various forecast figures will develop. The forecast period generally comprises one fiscal year.

↗ Please refer to the "Expectations for fiscal year 2026" table.

Expectations for fiscal year 2026

	Results achieved for fiscal year 2025	Forecast for fiscal year 2026
Net sales (net of currency effects)	5.3%	2.0 to 6.0%
EBIT margin	6.7%	5.0 to 7.5%
DVA	EUR 90.1 million	EUR 20 to 120 million
Gross margin	45.2%	44.0 to 46.0%
R&D costs [1]	EUR 337.6 million	EUR 335 to 355 million
Net financial debt	EUR 123.0 million	EUR 140 to 170 million
Investment volume [2]	EUR 103.1 million	EUR 110 to 130 million
Interest result	EUR -17.7 million	EUR -15 to -21 million
Days working capital (DWC)	105.8 days	104 to 109 days

[1] R&D expenses were forecast up to the 2025 fiscal year. From the 2026 fiscal year, R&D costs (including capitalized R&D expenses) are forecast.
[2] Excluding acquisitions, investments in financial assets, and the capitalization of right-of-use assets pursuant to IFRS 16

For fiscal year 2026, we expect an increase in net sales of 2.0 to 6.0% (net of currency effects) and an EBIT margin of 5.0 to 7.5%. Both divisions are expected to contribute to net sales growth and a positive EBIT. The Dräger Value Added (DVA) is expected to increase to between EUR 20 and 120 million. We assume a weighted average cost of capital of nine percent and a slightly higher capital employed.

The gross margin is expected to be in the range of 44.0 to 46.0%.

At EUR 335 to 355 million, our costs for research and development are expected to be higher than in the prior year because we also want to invest more in the future viability of our Company in 2026. In the medical division, we want to bring ten new products or developments to market. In the safety division, we are planning eleven launches.

With regard to net financial debt, we expect the figure to increase. The reasons for this are lower cash flow due to higher investments, and an increase in lease liabilities.

Our investment volume – excluding company acquisitions, financial investments, and the capitalization of right-of-use assets in accordance with IFRS 16 – is expected to be significantly above the prior year's level at EUR 110 to 130 million, as we will invest more in our building infrastructure in Lübeck and abroad.

The interest result is expected to be in the range of EUR -15 to -21 million.

In terms of days working capital (DWC), we expect the increase in net sales to result in a figure of between 104 and 109 days.

Dräger management estimate

For fiscal year 2026, we anticipate similarly strong net sales growth (net of currency effects) as in the prior year. This assumption is based on the fact that we believe the opportunities outweigh the risks and that our markets continue to offer very good opportunities overall. Demand for our products and services is high. Our aim is to exploit this potential by implementing our strategic actions. Beyond this, we do not currently expect any significant adverse effects on our business. Our EBIT margin is expected to be in the range of 5.0 to 7.5%.

Group sustainability statement

ESRS 2 - General disclosures

General basis for preparation of the sustainability statement [BP-1]

This Group sustainability statement (hereinafter also referred to as the "non-financial Group statement", "sustainability statement" or "sustainability report") has been prepared to meet the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation), as well as Sections 289b to 289e of the German Commercial Code (HGB) for a non-financial statement and Sections 315b and 315c HGB for a non-financial group statement. The Group sustainability statement is based on the period from January 1 to December 31, 2025.

In accordance with Sections 289b and 315b HGB, Drägerwerk AG & Co. KGaA is required to prepare a non-financial Group statement for the Dräger Group and its parent company Drägerwerk AG & Co. KGaA in the (Group) management report. The following contents represent the summarized non-financial Group statement for fiscal year 2025 for the Group and the parent company.

The sustainability report for fiscal year 2025 was not part of the audit of the financial statements, but was reviewed by Dräger's Supervisory Board and, on behalf of the Audit Committee, by KPMG AG Wirtschaftsprüfungsgesellschaft with regard to the disclosures pursuant to Sections 315b and 315c in conjunction with Sections 289b to 289e of the German Commercial Code (HGB) for the purpose of obtaining limited assurance (limited assurance engagement). This was done in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB). In other respects, the key figures presented in this statement have not been audited by a further external body unless otherwise stated.

The non-financial Group statement was prepared in accordance with the European Sustainability Reporting Standards (ESRS) framework. As all aspects described for Drägerwerk AG & Co. KGaA and the Group (hereinafter referred to as "Dräger") apply equally, no separate framework within the meaning of Section 289d HGB was applied for the parent company.

The contents of this Group sustainability statement are based on the results from our Double Materiality Assessment (DMA), carried out in 2024 on the basis of the specifications of the CSRD (Corporate Sustainability Reporting Directive) and the ESRS, and address topics that are relevant for our stakeholders or that Dräger is obligated to declare under national provisions. We updated the DMA in fiscal year 2025. The sustainability report also contains the disclosures required under Section 289c HGB, with a description of the business model and value chains (General disclosures and ESRS S4 Consumers and end-users), as well as disclosures on environmental matters (ESRS E1 Climate change, ESRS E2 Pollution, ESRS E5 Resource use and circular economy), employee issues (ESRS S1 Own workforce, ESRS S2 Workers in the value chain), social issues (ESRS S4), respect for human rights, and anti-corruption and bribery (ESRS S1, S2, G1 Business conduct). We also comply with the disclosure requirements of the EU Taxonomy Regulation.

The consolidated quantitative ESG data (Environmental, Social, Governance) is collected for the same reporting group that forms the basis for sustainability reporting. This reporting group largely corresponds to the scope of consolidation for financial reporting. However, a total of 13 non-operating companies are excluded from sustainability reporting (holding, management, or property companies as well as former operating companies with discontinued operations).

For the sustainability statement (and the underlying materiality assessment), we also took into account the potential and actual impacts, risks and opportunities relating to the upstream and downstream value chain. We have included statistics and experts in this assessment, but our analyses to date have not been able to create comprehensive transparency based on actual data across the entire value chain.

We have not made use of the option to omit a specific piece of information relating to intellectual property, know-how or innovation results, or certain information about impending developments or matters in the course of negotiation.

Disclosures in relation to specific circumstances [BP-2]

We have defined time horizons as follows: short term means one to two years, medium term up to five years, and long term over five years.

Where possible, we have determined key figures based on primary data. We use estimation methods when primary data was not available. This is the case in particular for key figures in the areas E1 (Scope 3 reporting) and E5 (resource use). The estimation methods are based on indirect data, assumptions, and assessments. The corresponding disclosures regarding the value chain, sources used, and uncertainties in the metrics are reported in the respective subchapters where necessary. In addition, we have made use of the phase-in options and transitional provisions set out in ESRS 1 and ESRS 2, Appendix C. The same applies to the presentation of prior-year figures, which with the exception of our CCF (Corporate Carbon Footprint) we have omitted. Since these prior-year figures for E1-6 are base year data, their reporting is mandatory.

In the 2024 report, we communicated our new target for women in leadership positions, aiming to achieve 30% by 2035. We are reporting on the precise definition of the target and the associated metric in the chapter on S1 for the first time this year.

↗ Please refer to “Metrics – diversity” in the chapter on S1.

We have made use of the option under ESRS 1, 9.1 to incorporate information by reference in the Group sustainability statement as follows:

Incorporation by reference

ESRS reference	Contents	Reference to
ESRS 2 SBM-3 48d	Financial effects of risks	Relevant section in the risk report in the chapter “Potential”, p. 63
ESRS 2 GOV-1 21c	Expertise of the Administration, Management and Supervisory Bodies	Relevant section in “Organization and management system” in the chapter “Principles of the Group”, p. 22
ESRS 2 GOV-5 36a-c	Main features of risk management and the internal control system	Relevant sections in the risk report in the chapter “Potential”, p. 56 ff.

These references to integral parts of the sustainability report are indicated by an arrow in combination with the note “Reference”. An arrow on its own leads to further information within the annual report that highlights the interconnectivity between individual chapters in the sustainability report or the financial statements. Links to information outside the management report, the Group financial statements, and the notes to the Group financial statements represent additional disclosures that are not part of the sustainability statement. These are indicated by a monitor symbol or linked in footnotes.

The role of the administrative, management and supervisory bodies [GOV-1]

With regard to the members of the administrative, management and supervisory bodies and their relevant industry, product, and geographically relevant experience, please refer to the section "Organization and management system" in the management report and the section "ESG Governance" in this chapter. We publish further information about the members of our bodies on our website. Several members of our Supervisory Board have international management experience, expertise in sustainability issues, and experience in marketing and sales in technology-driven diversified companies. Members of our Executive Board have many years of experience in their respective departments.

↗ Reference: see section "Organization and management system" in the chapter "Principles of the Group" and the "ESG Governance" section in this chapter.
🖵 Please refer to www.draeger.com/en-us_us/About-Draeger/Executive-Board

The Executive Board is informed regularly on sustainability matters. The Supervisory Board has experience with the area of sustainability. The Audit Committee of the Supervisory Board is also informed on an annual basis on relevant matters relating to sustainability at Dräger. [GOV-2]

The administrative, supervisory and management bodies are composed as follows:

Composition of the administrative, management and supervisory bodies

Body	Executive members	Non-executive members	Percentage of men	Percentage of women	Worker representation	Percentage of independent members in the supervisory bodies
Executive Board	6	0	83%	17%	0	
Supervisory Board	0	12	58%	42%	6	67%
Audit Committee	0	5	100%	0%	2	80%
Nomination Committee	0	3	67%	33%	0	100%
Joint Committee	0	8	57%	25%	2	88%

Several members of the Supervisory Board hold or held high-ranking positions at other companies. In the view of the Supervisory Board, all of the shareholder representatives on the Supervisory Board are independent of the Company in the sense defined by the German Corporate Governance Code.

Integration of sustainability-related performance in incentive schemes [GOV-3]

Dräger does not currently have any sustainability-related incentive schemes or sustainability-related remuneration policies for our members of the administrative, management and supervisory bodies.

Statement on due diligence [GOV-4]

All identified material sustainability issues are taken into account in the sustainability strategy within Dräger's corporate strategy. The sustainability strategy encompasses the areas of environment/society, customers/products and company/employees with action fields and targets. Due diligence in the area of sustainability and risk management are integrated into Dräger's business processes via policies and procedures. These include our Declaration of Human Rights, our Principles of Business and Conduct and the Principles of Business and Conduct for Suppliers. This is supported by our environmental management, risk management and compliance management.

In the chapters on the topical standards, we provide an overview of the risk assessment and due diligence processes in relation to the respective sustainability topic as well as the assessment of the negative impacts we have identified, our actions to remedy the identified impacts and the results of these efforts.

The description of the core elements of due diligence can be found in the following paragraphs of the sustainability statement:

Aspects and steps of the due diligence process in the sustainability statement

Core due diligence elements	Paragraphs in the sustainability declaration
Integration of due diligence into governance, strategy and business model	ESRS 1 GOV-1: "The role of the administrative, management and supervisory bodies", ESRS 2 GOV-2: "Interests and views of stakeholders" and "Sustainability matters addressed by the administrative, management and supervisory bodies" ESRS 2 SBM-3: "Material impacts, risks and opportunities and their interaction with strategy and business model"
Involvement of affected stakeholders in all key steps of due diligence	ESRS 2 GOV-2: "Sustainability matters addressed by the administrative, management and bodies", ESRS SBM-2: "Interests and view of stakeholders", ESRS 2 IRO-1: "Materiality assessment", ESRS 2 MDR-P in the respective topical standards, ESRS S1: "Processes for engaging with own workforce and workers' representatives", ESRS S2: "Processes for engaging with value chain workers", ESRS S4: "Processes for engaging with consumers and end-users"
Identification and assessment of negative impacts	ESRS 2 IRO-1: "Materiality assessment" and ESRS 2 IRO-1: "Impacts, risks and opportunities and their interaction with ..." in the general disclosures and in the topical standards, ESRS 2 SBM-3: "Materiality results", "Impacts on and interaction with business model and strategy", "Financial effects"
Actions taken to address these negative impacts	ESRS E1, E2, E5, S1, S2 and G1: "Actions and resources"
Tracking the effectiveness of these efforts and communication	ESRS E1, E2, E5, S1, S2 and G1: "Actions and resources" and "Metrics"

Risk management and internal controls over sustainability reporting [GOV-5]

All activities and controls relevant to sustainability reporting are also monitored as part of our internal control system (ICS), which is based on the principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). These processes are integrated into our key business operations. Internal Audit conducts structured and consistent monitoring of these areas. Details on the general procedure can be found in particular under "Information on the internal control and risk management system" in the management report.

↗ Reference: see risk reporting in the chapter "Potential", sections "Accounting-related internal control and risk management system" up to and including "Risk categories"

Our standardized risk control matrices also continue to be developed with regard to sustainability reporting to ensure that actions such as the separation of executive and approval functions and compliance with the dual control principle, for example with regard to data collection, are also taken into account here. Any potential improvement to sustainability reporting identified by Internal Audit as part of risk-oriented spot checks are discussed and agreed with the management of the relevant subsidiaries and Group functions on the basis of an integrated approach together with other ICS-related actions. Implementation is followed up by Internal Audit. In 2025, there were no findings with a direct impact on sustainability reporting. In addition, the Audit Committee is informed twice a year about the status of reporting. Particular attention is paid to risks in sustainability reporting.

Strategy, business model and value chain [SBM-1]

Our business model

Dräger is an international leader in the fields of medical and safety technology. In fiscal year 2025, Group net sales amounted to EUR 3,482 million and 16,687 employees were employed at the end of the year. A more detailed list of employee figures can be found in the chapter on the S1 standard.

↗ Please refer to "Characteristics of the undertaking's employees" in the chapter on S1.

"Technology for Life" is Dräger's guiding principle. Dräger products protect, support, and save lives. To this end, we develop, produce and market medical technology systems, devices and services that are used in acute medicine. This includes perioperative care (especially in the operating room), intensive care and neonatal care, as well as emergency care. Our portfolio comprises products for therapy, monitoring, information management, and process support. We are one of the leading providers with our products for ventilation, anesthetics, and warming therapy, as well as related accessories and consumables.

Our customers for safety products can be found in various sectors and markets: oil and gas, industry, mining, fire services, as well as with authorities such as the police and others. Our portfolio includes stationary and mobile gas measurement devices, personal protective equipment, professional diving equipment, alcohol and drug testing devices, and an array of training and customer service offerings. In addition, there is the project business, for example with fire training systems or tunnel rescue trains.

Our markets are subject to constant regulation. A small amount of our products are also classified as dual use or military equipment. This applies, for example, to our closed-circuit diving equipment and filter technology for military vehicles. These products are used, for example, by anti-terror units and UN peacekeepers. In addition, we are partly involved in security work for the federal government in Germany and work closely with NATO partners on the basis of defense cooperation agreements. Total sales of defense equipment to military and public security customers currently account for an immaterial portion of Group net sales. There were no significant changes to the portfolio or in our markets in the reporting year.

Our value chain

- We develop, produce and distribute devices: Here we essentially purchase preliminary products and components made of steel, aluminum, plastics and electronics, carry out final assembly and sell the products to our medical and safety division customers either via our own sales organization or indirectly via dealers.
- We develop and distribute software-based solutions: We offer these with our devices or as pure software products.
- We offer service and additional services: On the one hand, our service includes classic technical device management, i.e. calibration, maintenance and repair of our devices, including installation and delivery of spare parts. In addition, we offer comprehensive product and application training as well as our so-called shutdown and rental management, which represents a business model decoupled from raw materials with its rental models for technical equipment in plant safety.
- We purchase and distribute merchandise: The majority of these are disposable plastic items for hospitals.
- Hospitals can purchase the entire range of medical technology from us, including third-party products, and have them managed by us.

The most important players in our value chains are our upstream production-related suppliers with whom we usually have long-standing relationships. These include large companies as well as numerous small specialist companies that manufacture special primary products for us. Downstream, the most important players are our customers, who use the devices and our service. In medical technology markets, we are one of the leading suppliers in anesthesia, intensive care ventilation and thermoregulation product areas. In the safety division, we lead in the product areas of gas detection technology, respiratory protection and alcohol and drug detection technology.

Main features of our value chain

Supplier	Raw materials	Critical materials in our products are, e.g., iron, rare earths, cobalt, silicone, crude oil and cotton.	Workers in the value chain	Upstream	Climate change, hazardous substances, resources
	Materials/ components	These raw materials are further processed by upstream suppliers into steel, aluminum, batteries, semiconductors, plastics and textiles.			
	Modules	In the next production step, these are processed into sheets, housings, LED lights, chips, hoses and e.g. accessory bags.			
Dräger	Final product assembly	At Dräger, final assembly is carried out for ventilators, surgical lights, mobile gas detectors, respiratory protection, hazmat suits and system solutions, among other things.	Own workers	Own operations	Human rights, working conditions, equal treatment
	Storage	Our warehouses around the world are important pillars of Dräger's distribution infrastructure. They supply our production lines with components and our customers with finished products.			
	Selling distribution	We sell our products all over the world via our own sales organization or indirectly via distributors.			
Customer	Customer use/service	Service is an important pillar of our business model. We offer technical service, training and rental models in the area of plant safety.	Workers in the value chain	Downstream	
	End of use	Disposal companies recycle or dispose of products locally. Customers from Germany can make use of our product take-back service.			
	Disposal recycling	Particularly relevant waste streams for our activities are packaging waste, metals, municipal waste and waste from inorganic chemical processes.			

Resource use

As a manufacturing company, we use raw materials that we purchase from third parties and therefore also have a negative impact on people and the environment – often via our supply chain. Dräger's production is predominantly characterized by a low to medium level of vertical integration. The majority of production materials are therefore not purchased in the form of raw materials, but as semi-finished products. Finished products are also purchased in the "Accessories & Consumables" business area and to supplement the portfolio. Our supply chain is characterized on the one hand by a large number of direct suppliers – most of them in Europe – and on the other hand by multi-level supply relationships.

Dräger products contain a large proportion of plastics (thermoplastics and elastomers) and metals (primarily aluminum, steel and brass). We also use electronics, batteries and rechargeable batteries in many of our products. The extraction and processing of these raw materials is sometimes associated with negative impacts, depending on the place of origin and processing country. These hotspots are situated in upstream stages of the value chain and have so far only been identifiable to a limited extent.

However, these analyses have provided us with more transparency regarding our raw materials and resources. One of the actions we took in 2025 was to launch a project to specifically address key challenges in the areas of circularity and decarbonization. This involved selecting one key product for comprehensive assessment in each of two key business areas. We have also implemented processes as part of our supplier management in order to identify risks in relation to our supply chains at an early stage and avoid failures. We support this with dual-source solutions for particularly critical components, business reviews and audits of our suppliers, among other things.
↗ Please refer to "Studies and pilot projects" in the chapter on E5.

Resource outflows and benefits for stakeholders
Our products are sold and serviced in many countries via Dräger subsidiaries. Part of the product portfolio is not sold directly to end customers, but via specialist dealers. In countries where we do not have a direct sales organization, our products are sold to customers via external sales partners.

The main impact of our products during their use phase by our customers, such as hospitals, the oil and gas industry or the fire department, is energy consumption. At the end of the usage phase, the products are mainly disposed of locally. As we operate in highly regulated industries in which specific material properties are required, such as hygiene and safety regulations, circular economy models have only been possible to a limited extent to date. Instead, in 2025 we continued our projects aimed at optimizing our product and transport packaging. These actions are described in more detail in the chapter on ESRS E5 in the section "Studies and pilot projects".
↗ Please refer to "Studies and pilot projects" in the chapter on E5.

Qualified waste disposal companies recycle or dispose of most waste from Dräger companies locally. At our most important production site in Lübeck, this task is performed by Dräger Abfallwirtschaftsverband w.V., which is certified as a waste management company, together with our Waste Management department.

With our guiding principle "Technology for Life", we focus on the benefits of our products:

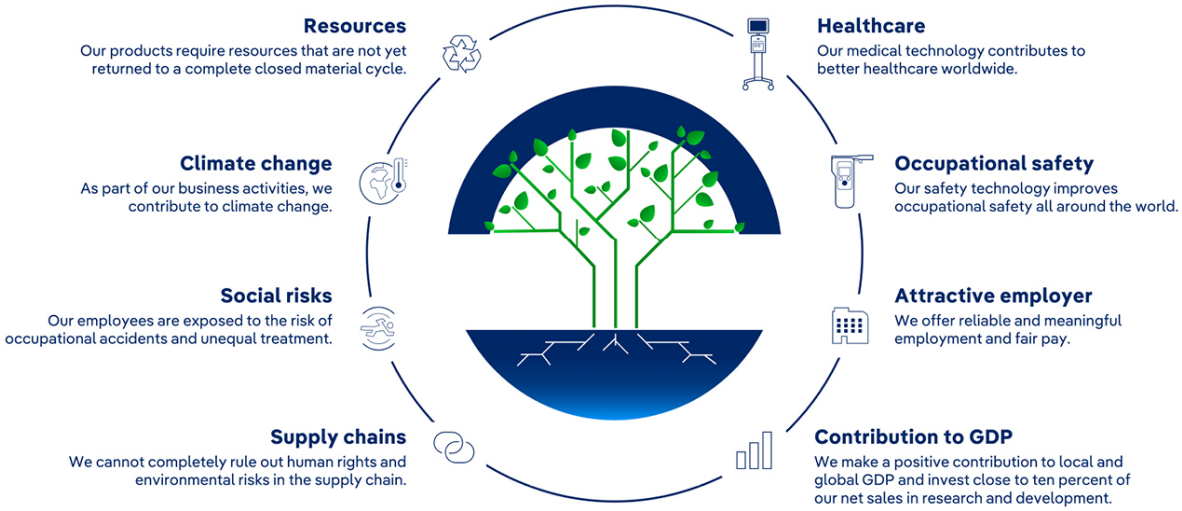
As a specialist in acute care, our goal is to optimize acute care. Our focus is not only on improving clinical outcomes and optimizing treatment costs, but also on the satisfaction of hospital staff and the well-being of patients. Our aim is to create solutions that contribute to more sustainable and long-term treatment success and an improved quality of life for patients.

Every day, our safety division products and services protect countless people at work and in their everyday lives. These include firefighters and workers in the chemical and oil and gas industries, who we warn of toxic environments with gas detectors. With this, we also contribute to environmental protection with these products, as we can detect environmentally harmful or explosive emissions with our gas detectors – and even prevent environmental disasters, on an oil rig for example.

Integration of sustainability in our corporate strategy

At Dräger, we see sustainability as being essential to our economic success. We must act responsibly at all of our international locations and throughout our supply chain if we want to survive. We believe that compliance with legal and regulatory requirements as well as free and fair competition must be the basis of all business activities – without corruption and with respect for human rights.

Dräger's impact on people and the environment



Our medical division contributes to better healthcare worldwide. The number and average age of intensive care patients will continue to rise in the coming decades. More and older patients with increasing rates of multi-morbidity lead to more complexity in medical care, and this will be most likely combined with a continued shortage of qualified specialist personnel. We have therefore set ourselves the target of reducing the physical and mental strain on doctors and nurses in acute care by automating routine tasks and therapy processes and by providing support with clinical decisions. In addition, we support our hospital customers wherever possible in their environmental targets ("green hospital"), for example by reducing anesthetic gas emissions by means of the minimal-flow and low-flow technology used in our devices, or helping to reduce waste in hospitals through less transport and product packaging.

With our safety technology, we are improving the occupational health and safety in the countries in which we are active. For example, "Smart Safety", i.e. the networking of our gas detection and respiratory protection devices and the data assessment based on this, will allow our customers to detect unsafe situations earlier and manage these more efficiently. We also support our customers in the oil and gas and chemical industries in their transformation with corresponding strategic adjustments to our product portfolio. For example, Dräger strives to play a role in environmental sustainability and cleantech safety (i.e. safety in cleaner technologies). We focus on the green/blue hydrogen and ammonia value chain, as well as carbon capture and storage and battery manufacturing applications for this.

With our target of becoming climate-neutral in Scopes 1 to 3 by 2045, decarbonization has become an integral part of our corporate strategy. Our climate target is an absolute reduction target and relates to the entire GHG inventory reported in the section on E1-6. At the same time, we want to continually improve the sustainability of our products with our advanced Eco Design Process – which aims to achieve environmentally conscious product design throughout the entire life cycle – across all product groups and also help our customers to be more sustainable in the process. Sustainable product features are therefore already part of some portfolio strategies. We approach the overarching principle of a closed circular economy through material reduction in the area of product and transport packaging, and through individual pilot studies and actions as part of product developments. At the same time, we are opening up new, increasingly relevant business models, such as our rental service for technical equipment. This model will in the long term reduce the quantity of products in circulation, which will make a potentially positive contribution to promoting the circular economy.

A central component of our corporate strategy is to strengthen the loyalty and commitment of our employees. We aim to achieve this through various actions: We promote diversity and equal opportunities, advocate respectful interaction and are striving to increase the proportion of women in management positions to 30% by 2035. The health and safety of our employees is also a top priority for us. We are aiming to lower our accident rates (LTIR[1]) to less than 4 and to further develop our activities for the promotion of good health. The expansion of our training offers also represents a sound investment in skills and qualifications. Our strategy and targets are formulated on an overarching basis and do not pertain to individual product or customer groups, nor to specific geographical regions. We are working on gradually setting specific timelines for our targets where these are not already in place. Numerous individual activities also contributed to this in 2025.

Fields of action and targets

Fields of action

Environment/Society
- Decrease CO_2 emissions scope 1, 2, 3
- Establish sustainable supply chains

Customer/Products
- Expand sustainable products and services
- Support the customer's sustainability and cost targets

Company/Employees
- Strengthen employee engagement
  - Further improve occupational safety
  - Further promote employee health
  - Further strengthen diversity
  - Expand future-proof qualifications and training

Targets*

Environment/Society
- Carbon neutral by 2045
- Sustainable procurement

Customer/Products
- Reduction of product carbon footprint
- New product development according to eco design criteria
- Reduction of product packaging
- Reduction of transport packaging

Company/Employees
- LTIR < 4.0/Vision Zero trainings
- Further development of activities for health-promoting measures
- 30% women in management positions by 2035
- Further development of training programs

* Where no concrete target values exist today, these are currently being developed or implemented.

Key challenges for the future and planned significant actions or projects

In addition to the numerous regulatory requirements, we currently consider achieving climate neutrality by 2045 to be our greatest sustainability challenge. We want to tackle decarbonization across the entire value chain with a transition plan for climate change mitigation which is currently being developed. We laid an important foundation for this in the past year by calculating a Corporate Carbon Footprint (CCF) for the first time, which takes all key categories fully into account. In the reporting year, we analyzed these findings further in an action plan to reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions and launched actions relating to fleet and energy management. We also rolled out our Group-wide CO_2 reduction project at our largest international sites. The project includes DIN EN ISO 50001:2018 certification for five Dräger companies based in Germany. In line with the principle of continuous improvement, we also set an annual CO_2 reduction target of six percent for Germany in the last quarter of 2025, to be achieved through efficiency measures, process optimizations, and greater procurement of renewable energies. By procuring renewable energies, Dräger purchased approximately 1.35 million kWh of electricity in 2025 for which local certificates of origin are available. The purchase of 1.5 million kWh from the same source is planned for 2026.

In our view, another major challenge is the creation of transparency regarding the diverse social impacts and risks and their mitigation in the supply chain. With the implementation of the German Supply Chain Due Diligence Act (LkSG) and other regulations, we lay the foundations for risk assessment and due diligence processes for suppliers and, to some extent, for the deeper supply chain. We check and evaluate our direct suppliers for sustainability beyond the legal provisions under the LkSG. We also try to work with our suppliers to affect the deeper supply chain to prevent human rights violations.

[1] The internationally used key figure LTIR (Lost Time Incident Rate) refers to the number of accidents at work with at least one day's absence from work in relation to one million hours worked.

Outlook

The constantly growing significance of sustainability and renewable energy suggests that some of our current core markets will become less important in the future. Customers from oil and gas and the chemical industry, and others too, are already transitioning toward cleaner energy sources, and we support them on this journey. At the same time, new industrial ecosystems are emerging, for example based around electromobility and hydrogen infrastructure. Even though the momentum of climate change mitigation actions is currently being slowed down by a combination of political, economic, and geopolitical factors, the global energy transition remains an important driver. Hydrogen remains an essential component of the long-term transformation strategy, but ramping up its use is proving challenging in terms of timing. In the interim, investments are increasingly being redirected toward so-called bridge technologies such as LNG. We pursue our growth targets both in our established core markets such as oil and gas and chemicals, and by developing new customer and application areas, such as battery production.

Material topics

Process to identify and assess material impacts, risks and opportunities [IRO-1]

To determine the sustainability-related impacts, risks and opportunities (IROs) that are important for Dräger, we carried out a double materiality assessment in accordance with ESRS requirements in the first quarter of 2024. To this end, we held various workshops with experts and stakeholder representatives, during which all topics and sub-topics of the ESRS as described below were methodically discussed, evaluated, and documented. Following these workshops, the preliminary results of potential and actual impacts, risks and opportunities were assessed for materiality and prioritized in in-depth analyses. The results of this analysis were presented to and approved by the Executive Board and Supervisory Board on July 22, 2024 and September 11, 2024 respectively.

During the reporting year, we reviewed the validity of the assessments and results from the prior year. To do this, the necessary experts were consulted again and an examination was conducted to determine whether there had been any significant changes in the business, the regulatory environment, or the feedback from our stakeholders during the reporting year. The review did not reveal any material changes. Only in ESRS S4 were two positive impacts reassessed following benchmark analyses and a more detailed approach, resulting in them being deemed immaterial. The results of the revised DMA were approved by the Chief Sustainability and Quality Officer (CSQO).

As in the prior year, our main stakeholders are both the persons or groups of persons affected by our business activities and the main users of our financial reporting and sustainability statement:

- Customers
- Shareholders and other investors
- Employees
- Suppliers, service providers
- Society

The basis for compiling our list of IROs to be assessed for the DMA, which we carried out for the first time in 2024 in accordance with ESRS, was initially the results of materiality and impact assessments (input/output analyses based on databases from statistical offices) from previous years.

The materiality assessment focused on the assessment of the sustainability aspects covered in the topic-related standards. We carried out this assessment from two perspectives:

- Identification and assessment of potentially relevant IROs per topic or sub-topic by representatives for our stakeholders.
- Assessment of materiality based on many years of professional experience at and knowledge of Dräger by senior managers from the medical and safety divisions and the Sustainability and Finance departments.

Input parameters for analysis and assessment of climate risks, impacts and risks on water and marine resources as well as on biodiversity were expert knowledge and external sources. With regard to issues relating to water and marine resources, we assessed consumption and examined our locations for their impacts and risks using publicly available tables on water stress areas. We determined the materiality of our impacts and risks on biodiversity using

a specific tool for assessing biodiversity issues. This assessment was carried out in 2024 for our locations worldwide and included physical, systemic and transitional risks, pressures on biodiversity, reputational risks and a review of risks due to dependencies. The resulting overall score for each location revealed two potential risk areas. However, the direct assessment of these locations did not reveal any actual risks. In addition, various internal analyses were carried out and external sources were consulted to determine potential impacts and risks in the upstream value chain.[2]

All significant business activities and relationships were taken into account in the materiality assessment. Some of the IROs identified in this process are related to specific business activities, business partners or regions. For example, impacts and risks relating to corruption and human rights violations as well as occupational health and safety are more common in risk countries. At the same time, the positive impacts with regard to our corporate culture, our employees and the workforce in the value chains are linked to our Company's purpose and our value system.

Consideration of affected stakeholders

The various sustainability topics were identified and assessed by company-internal representative stakeholders and experts. The table below shows the corporate functions included in the assessment of the sustainability topics:

Corporate functions included in the assessment of sustainability topics

ESRS	Corporate functions as representatives for stakeholders
Environment	
E1 Climate change	Global Sustainability
E2 Pollution	Global Sustainability
E3 Water and marine resources	Global Sustainability
E4 Biodiversity and ecosystems	Global Sustainability
E5 Resource use and circular economy	Global Sustainability
Social	
S1 Own workforce	Human Resources (in coordination with the works council)
S2 Workers in the value chain	Global Sustainability / Human Rights Officer, Purchasing, Logistics
S3 Affected communities	Global Sustainability, Logistics, Corporate Communications
S4 Consumers and end-users	Quality and Marketing (in coordination with Sales)
Governance	
G1 Business conduct	Compliance, Purchasing
Overarching	
Overarching	Strategy & Business Development, Investor Relations, Controlling

Employees from the respective corporate functions representing stakeholders identified and assessed conceivable impacts, risks and opportunities for each sub-topic from the ESRS standards. All key business activities and relationships across the Group were taken into account.

Our analyses did not lead to any concrete identification of relevant affected communities, which means that no consultations have taken place.

Impact assessment

Regarding the impact, we examined whether the impact relates to the short, medium and/or long-term period, and whether the impact is an existing or potential one. We also examined whether the impact results directly from our own business activities or from the upstream or downstream value chain and whether human rights are violated.

[2] Including: A framework for a new generation of socioeconomic scenarios for climate change impact, adaptation, vulnerability, and mitigation research, Nigel Arnell, Tom Kram, et. al.; Definition "high water stress" per Annex 1 of (EU) 2022/1288 EUR-Lex - 32022R1288 - EN - EUR-Lex (europa.eu), Auswertung Wasserstress Aqueduct | World Resources Institute (wri. org), WWF Biodiversity Risk Filter WWF Risk Filter Suite - Home, Statista databases for raw materials and material production by country, databases of the US Geological Survey, environmental risks and impacts in global supply chains of German companies (umweltbundesamt.de); KMU Kompass - Risikoanalyse (wirtschaft-entwicklung.de), Umweltbelastungen durch die Erdölförderung – Biokunststofftool, Umweltbelastung und negative soziale Auswirkungen bei der Gewinnung von Metallrohstoffen (umweltbundesamt.de)

In accordance with ESRS 1, the assessment of the materiality of the actual negative impacts was based on the criteria of scale, scope, remediability of the impacts (negative impacts only), and likelihood of occurrence of the impacts (potential impacts only). A six-step evaluation scheme was defined for each of the criteria. Four likelihood classes were defined and assigned factors. The evaluation scheme is shown below:

Probability classes

a) Scale		b) Scope		c) Remediability		d) Likelihood of occurrence		
5	Very high	5	Global/everywhere	5	Not reversible			
4	High	4	Widespread	4	Very severe, long-term			
3	Medium	3	Medium	3	Difficult, medium-term	4	> 75%	1
2	Low	2	Concentrated	2	With resources (time, money)	3	> 50% and < = 75%	0.85
1	Very low	1	Limited	1	Relatively easy/short-term	2	> 25% and < =50%	0.7
0	Not at all	0	Not at all	0	Very easily changed	1	< = 25%	0.65

We have calculated the evaluation result as follows:

- Actual impacts: a) + b) +c)
- Potential impacts: [a) + b) +c)] x d)

All impacts with a score of eight or higher were considered material for Dräger. In the case of a potential negative impact on human rights, the severity of the impact took precedence over its likelihood.

When identifying our material impacts, we generally examined the extent to which these could also result in risks or opportunities. In individual cases, correlations or dependencies between impacts and risks/opportunities were identified.

Assessment of risks and opportunities

With regard to financial materiality, an assessment was made as to whether the risk/opportunity is based on a short, medium and/or long-term period and whether the risk/opportunity is due to one of the identified impacts or due to resource dependencies. The assessment of financial materiality was carried out in accordance with ESRS 1 (3.5) using the criteria of scale and likelihood of occurrence of the risk/opportunity. The effectiveness of existing mitigation measures was taken into account when assessing the risks in order to avoid overestimating the residual risks.

The same assessment schemes were used for the scale and likelihood of occurrence as for the impacts:

Assessment schemes extent and probability of occurrence

a) Scale		b) Probability of occurrence		Factor
5	Very high			
4	High			
3	Medium	4	> 75%	1
2	Low	3	> 50% and < = 75%	0.85
1	Very low	2	> 25% and < = 50%	0.7
0	None	1	< = 25%	0.65

The evaluation result is calculated as follows: a) × b)

All risks/opportunities with a score of three or higher were considered material for Dräger. They are prioritized and tracked in the established risk management process. Sustainability risks were included in our risk management process for the first time in fall 2024; they are therefore part of the Company's overall risk profile. The tool for recording and reporting opportunities and risks was adapted for this purpose and risk categories for sustainability issues were included.

Due to the rather long-term time horizon of sustainability risks, prioritization is still not necessary. As with other risks/opportunities, prioritization would generally be based on the estimated impact and likelihood of occurrence.

Materiality results [SBM-3]

As part of the materiality assessment, we identified a number of impacts, risks and opportunities related to the relevant listed sustainability topics and sub-topics:

Material reporting topics

ESRS E1 – Climate change
1. Climate change adaption
2. Climate change mitigation
3. Energy

ESRS E2 – Pollution
4. Pollution of air
5. Pollution of water
6. Pollution of soil
7. Pollution of food resources
8. Substances of concern
9. Substances of very high concern
10. Microplastics

ESRS E3 – Water and marine resources
11. Water
12. Marine resources

ESRS E4 – Biodiversity and ecosystems
13. Direct impact driver of biodiversity loss
14. Impact on the state of species
15. Impact on the ecosystems
16. Impacts on ecosystem services

ESRS E5 – Resource use and circular economy
17. Resource inflows
18. Resource outflows
19. Waste

ESRS S1 – Own workforce
20. Working conditions
21. Equal treatment
22. Other work-related rights

ESRS S2 – Workers in the value chain
23. Working conditions
24. Equal treatment
25. Other workrelated rights

ESRS S3 – Affected communities
26. Economic and social rights
27. Civil rights
28. Rights of indigenous people

ESRS S4 – Consumer and end-users
29. Information-related impacts
30. Personal safety
31. Social inclusion

ESRS G1 – Business conduct
32. Corporate culture
33. Protection of whistle-blowers
34. Animal welfare
35. Political engagement
36. Supplier relationships
37. Corruption and bribery

Double Material	Non-material
1 17 21 29 37	4 9 13 22 31
2 18 23 30	5 10 14 26 34
3 19 24 32	6 11 15 27 35
8 20 25 33	7 12 16 28 36

In the respective topic standards, we report on which strategies and policies we apply, which targets we have set ourselves, which actions we have taken and which key figures we measure.

A selection of our most important impacts, risks and opportunities includes our CO_2 emissions in the supply chain and the CO_2 emissions of our own operations, i.e. our locations and our vehicle fleet (Scope 1) as well as purchased energy (Scope 2). We contribute to resource scarcity and also to the generation of waste by the use of raw materials for our products. Switching to circular business models could provide an opportunity here in the long term.

Additional IROs relate to the more than 16,500 people we employ, to whose satisfaction, safety, and health we give priority. We cannot always prevent accidents at work or discriminatory behavior. Like many other companies, we are also affected by the shortage of skilled workers, but we see promoting diversity, among other things, as an opportunity to positively counteract discrimination and the shortage of skilled workers.

We are also aware of our responsibility for employees in the value chain. We recognize that their health and safety may be at risk and that we cannot rule out the possibility of child labor and forced labor being used in the extraction and processing of raw materials.

With our Technology for Life, our values, our corporate culture, the high quality of our products, and our standards and processes, we can make a positive contribution internationally.

A complete overview of the material IROs and the associated policies, actions, and targets can be found in the appendix. In addition to the specified targets and metrics from the ESRS topical standards, we have identified material IROs whose targets and metrics we report on using company-specific information. This concerns the topics of anesthetic gases (ESRS E1), the proportion of women in management positions, and the lost time incident rate (LTIR) in accordance with ESRS S1.
↗ Please refer to “Appendix”.

Material impacts, risks and opportunities and their interaction with strategy and business model
At present, the identified IROs only have a minor impact on our business model. For the most part, these were already taken into account in our strategy before the materiality assessment was carried out, which has included targets for CO_2 reduction and occupational health and safety, for example, for many years. In 2025, we continued to make progress on implementation of the revised sustainability strategy that was first presented in the prior year. This included developing our investment policy toward a more sustainable approach, and implementing actions to specifically address the challenges that arise in the areas of circularity and decarbonization.

With regard to our value chains, there is currently no impact on the business model and the strategy. We assume, however, that this will change in the medium to long term. It is to be expected that future analyses will provide us with greater understanding, for example in the context of implementing our climate targets in our value chains as well (reduction of Scope 3 emissions). Moreover, the general conditions for our business models will continue to change as part of the transformation. In this context, our customers may also demand even greater consideration of sustainability aspects from us, for example. This may require us to adjust our strategies and business models.

During the reporting year, the Executive Board and Supervisory Board were informed about the current status of the key sustainability aspects of the corporate strategy. We also continued with the implementation of our governance model for sustainability. It was rolled out more extensively in the reporting year and communicated through events and workshops with managers in Germany and in the subsidiaries worldwide.
↗ Please refer to “Sustainability organization” in this chapter.

We can also identify dependencies and correlations between our business models and our impacts. As our business models essentially comprise the manufacture and distribution of products, we are dependent on the availability of raw materials. The use of raw materials has an impact on climate change and other environmental aspects for us and in the supply chain. We need well-qualified employees worldwide for our business operations – not only at our Company, but also in our deeper supply chains.

Financial effects
For fiscal year 2025, we have not identified any financial effects of the material risks and opportunities on our financial position, results of operations or cash flows. In addition, no material risks and opportunities were identified where there is a risk of a material adjustment to the carrying amounts of the assets and liabilities recognized in the associated financial statements in the next reporting period.

In accordance with the requirements of the German Commercial Code (HGB), companies must not only report on material aspects, but also disclose any corresponding risks arising from their activities, business relationships, products, and services that cause or are highly likely to cause a serious adverse impact on the five aspects specified in Section 289c (2) HGB. In the reporting year, we did not identify any material risks pursuant to Section 289c (3) no. 3 and no. 4 HGB that are highly likely to cause or will cause a serious adverse impact on any of the five aspects.

With regard to the possible ban on perfluorinated and polyfluorinated chemicals (PFAS) currently being discussed at the political level, we currently assume that the intensive efforts of companies and associations will lead to a more differentiated regulatory approach that will allow for substance-specific exemptions.
↗ Please refer to the risk reporting in the chapter “Potential”.

Our strategy is regularly reviewed and adapted in line with political and regulatory developments, changes in our markets, and economic conditions. This process also takes into account the key IROs that we have identified to ensure that our strategy and business models remain as resilient as they currently are.

ESG Governance
The overarching management structures are described in the management report in the chapter on “Principles of the Group”.
↗ Please refer to the “Principles of the Group” chapter.

Since July 1, 2024, the topic of sustainability has been assigned directly to the Chief Sustainability & Quality Officer (CSQO) within the Executive Board. In the reporting year, we continued to work on allocating responsibility for sustainability matters to relevant decision-makers, both regionally and functionally. We focused on further clarifying roles and specifying the tasks associated with those roles. Examples include the roles and responsibilities for the various scope categories in the decarbonization area of action in central functions and subsidiaries, or the responsibilities of the product divisions for the sustainable products field of action.

Sustainability organization
Since last year the sustainability organization also covers the responsibilities of the central functions, divisions and Group companies. The central and divisional functions have Group-wide strategic responsibility for the fields of action assigned to them and the achievement of targets. The managing directors of each subsidiary are responsible for achieving the sub-targets for their company in future. This is to advance Group-wide implementation of our sustainability targets. The central sustainability organization includes the following functions:

Executive Management Board (EB)
The Executive Management Board deals with sustainability-related risks, and strategic and company-wide important opportunities. It also decides on Group-wide areas of action and targets.

Chief Sustainability and Quality Officer (CSQO)
The CSQO is a member of the Executive Board and, together with the Group divisions, ensures the further development of the sustainability strategy based on the corporate strategy. The CSQO coordinates the Group-wide areas of action and targets derived from this with the EB.

Global Sustainability Officer (GSO)
The GSO heads the Global Sustainability department and reports to the Chief Sustainability and Quality Officer. This person is responsible for implementing the Group-wide sustainability strategy and pursues this in collaboration with the Sustainability Board and the central functions, divisions and Group companies in accordance with their defined responsibilities for sustainability.

Sustainability Board (SusB)
The Sustainability Board consists of representatives from the divisions, Sales & Service and the central functions Finance, HR and IT. The SusB members support the GSO in implementing the sustainability strategy.

Global Sustainability (GS)
The GS department is the central point of contact for all sustainability issues and ensures the implementation of necessary central initiatives, principles and standards that require overarching coordination. The GS department is also responsible for monitoring human rights due diligence in our supply chain and in our own operation.

Sustainability organization

* local targets have not yet been defined

Roles and experts for monitoring and control of IROs
The role of management in monitoring and control of the strategy is integrated in our governance model for sustainability. The assignment of responsibilities and tasks relating to the IROs identified in the materiality assessment corresponds to the arrows in the above sustainability organization chart.

Dräger has environmental and social experts who can also be consulted by decision-makers or committees if necessary. They are part of the Global Sustainability and Global Environmental Management department, the Human Resources department and the Compliance department. These experts bring with them the expertise required for the material IROs and the IRO-relevant topics of climate change mitigation, operational environmental protection, human rights and other HR topics. We are also constantly reviewing the areas in which the existing expertise can be expanded. The CSQO decides together with the GSO on the further necessary expansion of the sustainability organization and knowledge.

Sustainability matters addressed by the administrative, management and supervisory bodies [GOV-2]
As part of the implementation of the CSRD requirements for sustainability reporting, the Executive Board and Supervisory Board were informed in 2024 for the first time about the results of the double materiality assessment

and the identified impacts, risks and opportunities. Annual updates to the materiality assessment are initiated by the Global Sustainability Team and carried out in consultation with the relevant specialist departments. Changes to material impacts on earnings are discussed with the Executive Board and Supervisory Board. There were no such changes in the reporting year. The CSQO and the Sustainability Board decide on the nature and frequency of information flows on actions, due diligence obligations, strategies and KPIs relating to IROs on a case-by-case basis.

The Sustainability and Quality executive portfolio ensures that consideration is given to the material IROs regarding strategies, decisions and relevant transactions by the Executive Board and Supervisory Board. Sustainability issues were therefore on the agenda of Executive Board and Supervisory Board meetings several times in 2025. The Sustainability Board is tasked with preparing strategic sustainability aspects for the Executive Board. Sustainability risks are already fundamentally integrated into the risk management process. With regard to decisions to be made, both sustainability and profitability aspects are taken into account and weighed up.

Interests and views of stakeholders [SBM-2]

As we continue to develop the strategic direction of the Company, we want to incorporate the interests and views of relevant stakeholders and include them in the development of our business model. This exchange helps us to understand what they expect from us, what is important to them, what influence Dräger has on them and how we can solve common challenges. These interests are communicated to the Executive Board and, if necessary, to the Supervisory Board as part of the regular sustainability information as required. Further information on the engagement with our stakeholders can be found in the individual sections on the topical standards.

↗ Please refer to “Materiality assessment” for the list of our most important stakeholder groups in this chapter.

Our most important stakeholders and the exchange with these are as follows:

Customers

Regular contact with our customers is an integral part of our product development and our entire business model. It helps us to understand their needs and perspectives. One example of this regular contact is our customer process monitoring. This ensures that we visit customers regularly and in a targeted manner, observe them at work and thus identify and implement their needs in relation to our products.

Shareholders and other investors

Dräger is a listed company. We are in active contact with our shareholders, investors and financial analysts to understand and meet their information needs. Our Investor Relations department is responsible for this. They invite investors to analysts’ meetings, conference calls and tours of the premises, for example. In addition, we visit our investors during the year as part of roadshows or conferences in their respective home countries to report on the current business development of the Dräger Group.

Employees

As a medical and safety technology company with some highly specialized products, our qualified employees are essential to us. Their expertise, commitment, ingenuity and customer focus contribute to our success.

We are in contact with our employees on various levels so we can take their interests and views into account. Their needs and concerns are represented by the works council and trade unions, among others. Every two years, we conduct an employee satisfaction survey.

For Dräger as an employer, working together in a spirit of trust with employee representatives is very important. Exchanges take place through ad hoc negotiations and in committees that meet regularly to discuss specific topics.

Suppliers

We have been working with many of our suppliers for years. Our suppliers have been chosen on the basis of making a valuable contribution to sustainable business. We attach particular importance to high quality standards when it comes to “Technology for Life”. Our annual Supplier Day is one of the ways we exchange ideas with our suppliers. Furthermore, there is currently no active involvement of our suppliers’ employees or their legitimate/credible representatives with regard to their interests, rights, and views.

Society

Compliance with legal and regulatory requirements forms the basis for all business activities. With the values set out in our Code of Conduct, we want to maintain trust and make our contribution to society. Through our memberships in various associations and initiatives and our local commitment, we are in dialog with various interest groups.

As part of the materiality assessment and based on the identified material IROs, we have not identified any previously unknown interests of relevant stakeholders that would have led to a change in our strategies and/or business models. We review this at regular intervals.

Environmental information

Dräger's environmental management is based on binding standards that apply to all Group companies worldwide. Our publication "We take responsibility" sets the direction and is the basis for the Group-wide integrated management system. It addresses the four areas of quality, environment, employees and society. It also sets out our long-term climate target for carbon neutrality.

For us, climate change mitigation and energy are an integral part of the Group-wide environmental management system, which is certified in accordance with ISO 14001. Around the world, there are clear responsibilities and processes for environmental management. The same applies to planning targets and actions, including regular internal and external reviews. The policy on EHS (Environmental, Health and Safety) management requirements contains binding standards and serves as a guide for implementation for EHS managers worldwide.

Information on the EU Taxonomy Regulation

In accordance with the Taxonomy Regulation (EU) 2020/852 and the Delegated Regulation (EU) 2021/2178 from the EU Commission of July 6, 2021, Dräger is required to disclose the turnover, capital expenditure (CapEx) and operational expenditure (OpEx) from certain economic activities that are likely to contribute to the following environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems
- Sustainable use and protection of water and marine resources

Economic activities which correspond to the description given in the Taxonomy Regulation (EU) 2020/852 are designated Taxonomy-eligible. The proportion of Taxonomy-eligible activities that also fulfill all of the technical screening criteria listed in the Regulation, as well as compliance with the minimum safeguards, is referred to as Taxonomy-aligned. These screening criteria include the following requirements:

- Substantial contribution to one of the six environmental objectives (substantial contribution, SC)
- Do no significant harm (DNSH) to the other five environmental objectives respectively
- Compliance with minimum social and governance requirements (minimum safeguards, MS)

The Taxonomy Regulation has so far focused on a number of sectors and economic activities that have the greatest impact on the climate and environment. Medical technology and safety technology are not listed as areas of application. As Dräger's business activities as a whole are geared towards protecting people and the environment, the review based on the criteria listed in the Regulation showed that some of the activities can be classified as Taxonomy-eligible. The review was carried out by a working group with representatives from the Accounting, Controlling and Environmental Management departments on the basis of the Delegated Regulations for environmental objectives 1 and 2 as well as 3 to 6 with the corresponding annexes, which contain the description of the activities and technical screening criteria. Multiple internal activities, such as maintenance work on buildings and facilities, meet the Taxonomy eligibility criteria. Turnover, capital expenditure and operational expenditure for these activities are listed in the following tables if they exceed the defined materiality thresholds.

A prerequisite for recognizing our identified Taxonomy-eligible activities as Taxonomy-aligned is the fulfillment of the DNSH requirements. These include the performance and documentation of a robust climate risk and vulnerability assessment for the Taxonomy-eligible activities (Appendix A of the Taxonomy Regulation). Dräger assesses the climate risks according to the requirements of the ESRS E1 Standard, however not at a granular level or according to the comprehensive criteria, as is required in Appendix A. For this reason, Dräger does not meet the criteria from Appendix A. A detailed examination of the compliance with further technical screening criteria (DNSH

and SC), as well as adherence to the minimum requirements, has therefore not been carried out. This is why Dräger is unable to show Taxonomy-aligned turnover, CapEx or OpEx.

For the turnover KPIs, consolidated net sales with third parties were included so that any previous group-internal turnover is excluded from the calculation. Furthermore, a double count is avoided in the allocation of revenue as any revenue is assigned to a definite product group and the evaluation is carried out on the basis of these product groups. CapEx and OpEx were also evaluated on the basis of the product groups. With the evaluation of the operating costs, the entire area of Research and Development is taken into consideration, minus the costs for the supervisory responsibilities. Also included in the calculation are the costs from the other areas for short-term leasing, as well as maintenance and repair. In the calculation of ratios, data from central evaluations and reports from all active subsidiaries was included.

Group-wide application of the Dräger IFRS accounting policies ensures that all items are either capitalized (CapEx) or expensed (OpEx), never both. This also prevents duplication of CapEx and OpEx.

Assessment of the Taxonomy-eligible and Taxonomy-aligned turnover, CapEx and OpEx

Scope of Taxonomy eligibility and alignment

	Proportion of turnover/ Total turnover		Proportion of CapEx/ Total CapEx		Proportion of OpEx/ Total OpEx	
in %	aligned per objective	eligible per objective	aligned per objective	eligible per objective	aligned per objective	eligible per objective
Climate change mitigation (CCM)	0	0	0	20.7	0	7.3
Climate change adaptation (CCA)	0	0	0	0	0	0
Water and marine resources (WTR)	0	0	0	0	0	0
Circular economy (CE)	0	47.3	0	18.3	0	65.8
Pollution prevention and control (PPC)	0	0	0	0	0	0
Biodiversity and ecosystems (BIO)	0	0	0	0	0	0

The more consistent data assessment and revised currency conversion for the prior year figures led to deviations of more than five percent in four figures, thereby exceeding our materiality threshold for corrections in reporting.

Total turnover corresponds to the amount of EUR 3,481.9 million (2024: EUR 3,370.9 million) designated as Group turnover in the income statement of the Dräger Group for fiscal year 2025. The increase in total turnover and in the Taxonomy-eligible portion of turnover compared with the prior year is attributable to higher order intake in both segments. The Taxonomy-eligible portion of turnover rose by EUR 59.3 million (share of turnover: 0.2 percentage points) to EUR 1,648.4 million (47.3%). The manufacture of electrical and electronic equipment made the largest contribution of Taxonomy-eligible turnover to the total turnover with 41.6% (2024: 41.2%). This activity is assigned to the environmental target of transitioning to a circular economy. Other Taxonomy-eligible activities that are also assigned to the environmental target of transitioning to a circular economy include the sale of spare parts, product-as-a-service, and other circular and results-oriented service models.

The capital expenditure (CapEx) – as defined in the EU Taxonomy Regulation – comprises the additions of property, plant and equipment and intangible assets for the applicable fiscal year, before depreciation and amortization and any new assessments, including those resulting from changes to the fair value (IAS 16, 38, 40, 41, IFRS 16). It also comprises additions to property, plant and equipment and intangible assets that result from corporate mergers (application of IFRS 3). The total capital expenditure by Dräger for fiscal year 2025 amounted to EUR 166.8 million (2024: EUR 126.2 million) as per the Investment section in the chapter on Business performance of the Dräger Group in the consolidated management report 2025. The increase of EUR 9.3 million to EUR 65 million in Taxonomy-eligible capital expenditure compared with the adjusted prior year, accompanied by a decline in the Taxonomy-eligible share from 44.1% to 39.0% (-5.1 percentage points), is attributable to increased capital expenditure for activities involving the manufacture of electrical and electronic equipment and repair,

refurbishment and remanufacturing (environmental target: transition to a circular economy), and renovation of existing buildings and transport by motorbikes, passenger cars and light commercial vehicles (environmental target: climate change mitigation).

According to the EU Taxonomy definition, operating expenditure (OpEx) includes direct, non-capitalized costs related to research and development (R&D), short-term leasing, building renovation measures, and maintenance and repair costs, including ongoing maintenance expenses for property, plant, and equipment, adjusted for non-relevant costs. Research and development costs that have already been taken into consideration under capital expenditure are not operational expenditure. According to the definition provided by the EU Taxonomy Regulation, the total operational expenditure for fiscal year 2025 is EUR 361.8 million (2024: EUR 358.6 million). The increase in Taxonomy-eligible OpEx by EUR 22.6 million to EUR 264.5 million, or 73.1% of OpEx (+5.6 percentage points), is mainly attributable to rising operating expenses for the manufacture of electrical and electronic equipment, as well as product-as-a-service and other circular and results-oriented service models. The activity of manufacture of electrical and electronic equipment made the biggest contribution in 2025 to the target of transitioning to a circular economy with 61.1% (EUR 221.2 million).

Evaluation on an economic activity level

Drägerwerk AG & Co. KGaA has prepared its Group financial statements for the 2025 fiscal year in accordance with the International Financial Reporting Standards (IFRS) as defined by the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretations Committee (IFRS IC). These accounting rules also form the basis for the KPIs of the EU Taxonomy Regulation on turnover, capital expenditure and operational expenditure.

The following categories of activities contributing to the transition to a circular economy in accordance with the Taxonomy Regulation have been identified as relevant to Dräger's business activities.

Turnover is recognized at product cluster level in the Dräger Group. To determine the relevant economic activities, the associated product clusters were first identified for all relevant economic activities, and then the turnover per economic activity at product cluster level as at December 31, 2025 was determined.

The affected product clusters were also identified for capital expenditure and operational expenditure or, if the information was not available at product cluster level, explanations were written for the individual economic activities. All operating Dräger companies received a survey in which they were asked to report capital expenditure and operational expenditure according to these classifications. The evaluation, including a plausibility check and currency translation into euros, was carried out centrally in Lübeck.

On the basis of the associated turnover, capital expenditure and operational expenditure, an assessment was made as to which of these activities exceed the defined materiality thresholds of one percent of total turnover, total capital expenditure or total operational expenditure.

Economic activity - Circular economy

Category	Economic activities	Material
CE 1.2	Manufacture of electrical and electronic equipment	Yes
CE 5.1	Repair, refurbishment and remanufacturing	Yes
CE 5.2	Sale of spare parts	Yes
CE 5.5	Product-as-a-service and other circular use- and result-oriented service models	Yes

The activity category CE 1.2 Manufacture of electrical and electronic equipment represents the largest share of the Taxonomy-eligible economic activities. In the medical division, this includes the manufacture of devices for anesthesia, ventilation, patient monitoring and incubators for newborns, as well as supply units and lighting for the hospital infrastructure. The manufacture of electrical and electronic equipment in the Safety division largely comprises stationary and mobile gas detection technology, as well as analytical equipment for breath-alcohol levels and drugs. Almost half of the consolidated turnover is achieved with these products. Both capital expenditure and operational expenditure are accordingly incurred for the manufacture of these products. The

operational expenditure includes particularly high spending on the research and development for these products. We have therefore identified Taxonomy-eligible turnover, CapEx and OpEx for CE 1.2.

CE 5.1 comprises factory repairs for our medical and safety products, while economic activity CE 5.2 refers to the sale of spare parts for these products. For CE 5.1, despite immaterial turnover, we have determined Taxonomy-eligible CapEx and OpEx, and for CE 5.2 Taxonomy-eligible turnover.

CE 5.5, Product-as-a-service and other circular and result-oriented service models involves the leasing of several of our products. The provision of safety technology for the maintenance or standstill of large plants represents the largest share. Other products from the medical and safety divisions are leased on a short-term basis, for example medical therapy equipment or devices for the measurement of breath alcohol. Overall, we have therefore identified Taxonomy-eligible turnover, CapEx and OpEx for the CE 5.5 activity.

In addition, some internal activities correspond to the description of the following activity categories with a contribution to climate change mitigation in accordance with the Taxonomy Regulation. Here too, the corresponding capital and operational expenditures were used as the basis for assessing which of these activities exceed the defined materiality thresholds. There is no turnover for these activities.

Economic activity - Climate protection

Category	Economic activities	Material
CCM 4.1	Electricity generation using solar photovoltaic technology	No
CCM 6.5	Transport by motorbikes, passenger cars and light commercial vehicles	Yes
CCM 7.2	Renovation of existing buildings	Yes
CCM 7.3	Installation, maintenance and repair of energy efficiency equipment	Yes
CCM 7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	No
CCM 7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	No
CCM 7.6	Installation, maintenance and repair of renewable energy technologies	No
CCM 7.7	Acquisition and ownership of buildings	No
CCM 8.1	Data processing, hosting and related activities	No

The activity category CCM 6.5, Transport by motorbikes, passenger cars and light commercial vehicles comprises the leasing of Dräger service vehicles. As these are capitalized as rights of use in non-current assets, the corresponding investments have been reported as CapEx and vehicle-related maintenance costs in OpEx. For this economic activity, we have therefore been able to determine Taxonomy-eligible CapEx and OpEx.

Under activity CCM 7.2 Renovation of existing buildings, we report renovation actions on selected existing buildings owned by us, such as improvements to the building envelope and optimizations to heating, ventilation, and air conditioning (HVAC) systems. These costs are reported in both Taxonomy-eligible CapEx and Taxonomy-eligible OpEx.

For economic activity CCM 7.3, we record measures for the installation and maintenance of technical equipment in which the deliberate selection of energy-efficient components achieves an improvement in overall energy efficiency. The associated capital expenditure is reported as Taxonomy-eligible CapEx.

The respective turnover, capital expenditures and operational expenditures are presented for the main activities in the following reporting forms.

Turnover I

		FY 2025		Substantial contribution criteria					
Economic activities	**Code**	**Turnover in Mio. EUR**	**Proportion of Turnover**	**CCM [1]**	**CCA [2]**	**WTR [3]**	**PPC [4]**	**CE [5]**	**BIO [6]**
A. Taxonomy eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-
of which enabling		-	-	-	-	-	-	-	-
of which transitional		-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of electrical and electronic equipment	CE 1.2	1,448.5	41.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Sale of spare parts	CE 5.2	144.3	4.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	55.7	1.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,648.4	47.3%					47.3%	
A. Turnover of Taxonomy eligible activities (A.1+A.2)		1,648.4	47.3%					47.3%	
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		1,833.5	52.7%						
Total		**3,481.9**	**100%**						

N/EL not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL Taxonomy eligible activity for the relevant environmental objective

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems

Turnover II

	DNSH criteria ("Do No Significant Harm")									
Economic activities	**CCM [1]**	**CCA [2]**	**WTR [3]**	**PPC [4]**	**CE [5]**	**BIO [6]**	**Minimum safe-guards**	**Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, 2024**	**Category enabling activity**	**Category transitional activity**
A. Taxonomy eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	-	-	-	-	-	-	-	-	-
of which enabling	-	-	-	-	-	-	-	-	-	-
of which transitional	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Manufacture of electrical and electronic equipment								41.2%		
Sale of spare parts								4.1%		
Product-as-a-service and other circular use- and result-oriented service models								1.8%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								47.1%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)								47.1%		
B. Taxonomy-non-eligible activities										
Turnover of Taxonomy-non-eligible activities										
Total										

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems

CapEx I

		FY 2025		Substantial contribution criteria					
Economic activities	**Code**	**CapEx in Mio. EUR**	**Proportion of CapEx**	**CCM [1]**	**CCA [2]**	**WTR [3]**	**PPC [4]**	**CE [5]**	**BIO [6]**
A. Taxonomy eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-
of which enabling		-	-	-	-	-	-	-	-
of which transitional		-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	29.7	17.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	2.7	1.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2.2	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of electrical and electronic equipment	CE 1.2	14.5	8.7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Repair, refurbishment and remanufacturing	CE 5.1	4.2	2.5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Sale of spare parts	CE 5.2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	11.7	7.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		65.0	39.0%	20.7%				18.3%	
A. CapEx of Taxonomy eligible activities (A.1+A.2)		65.0	39.0%	20.7%				18.3%	
B. Taxonomy-non-eligible activities									
CapEx of Taxonomy-non-eligible activities		101.8	61.0%						
Total		**166.8**	**100%**						

N/EL not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL Taxonomy eligible activity for the relevant environmental objective
N/A No data provided, as the calculated value is below the materiality threshold of one percent.

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems

CapEx II

	DNSH criteria ("Do No Significant Harm")									
Economic activities	CCM [1]	CCA [2]	WTR [3]	PPC [4]	CE [5]	BIO [6]	Minimum safe-guards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, 2024	Category enabling activity	Category transitional activity
A. Taxonomy eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	-	-	-	-	-	-	-	-	-
of which enabling	-	-	-	-	-	-	-	-	-	-
of which transitional	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Transport by motorbikes, passenger cars and light commercial vehicles								21.8%		
Renovation of existing buildings								N/A		
Installation, maintenance and repair of energy efficiency equipment								1.3% [7]		
Manufacture of electrical and electronic equipment								8.1%		
Repair, refurbishment and remanufacturing								1.0%		
Sale of spare parts								2.4%		
Product-as-a-service and other circular use- and result-oriented service models								9.5%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								44.1%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)								44.1%		
B. Taxonomy-non-eligible activities										
CapEx of Taxonomy-non-eligible activities										
Total										

N/A No data provided, as the calculated value is below the materiality threshold of one percent.

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems
[7] The currency conversion was corrected for some of the data collected decentrally in the prior year. The prior year's figure was adjusted accordingly.

OpEx I

		FY 2025		Substantial contribution criteria					
Economic activities	Code	OpEx in Mio. EUR	Proportion of OpEx	CCM [1]	CCA [2]	WTR [3]	PPC [4]	CE [5]	BIO [6]
A. Taxonomy eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	-	-	-	-	-	-	-
of which enabling		-	-	-	-	-	-	-	-
of which transitional		-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	16.3	4.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	10.2	2.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of electrical and electronic equipment	CE 1.2	221.2	61.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Repair, refurbishment and remanufacturing	CE 5.1	10.4	2.9%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	6.4	1.8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		264.5	73.1%	7.3%				65.8%	
A. OpEx of Taxonomy eligible activities (A.1+A.2)		264.5	73.1%	7.3%				65.8%	
B. Taxonomy-non-eligible activities									
OpEx of Taxonomy-non-eligible activities		97.3	26.9%						
Total		**361.8**	**100%**						

N/EL not eligible, Taxonomy non-eligible activity for the relevant environmental objective
EL Taxonomy eligible activity for the relevant environmental objective

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems

OpEx II

	DNSH criteria ("Do No Significant Harm")									
Economic activities	CCM [1]	CCA [2]	WTR [3]	PPC [4]	CE [5]	BIO [6]	Minimum safe-guards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, 2024	Category enabling activity	Category transitional activity
A. Taxonomy eligible activities										
A.1 Environmentally sustainable activities (Taxonomy-aligned)										
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	-	-	-	-	-	-	-	-	-
of which enabling	-	-	-	-	-	-	-	-	-	-
of which transitional	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)										
Transport by motorbikes, passenger cars and light commercial vehicles								3.2% [7]		
Renovation of existing buildings								2.9% [7]		
Manufacture of electrical and electronic equipment								59.1% [7]		
Repair, refurbishment and remanufacturing								2.3%		
Product-as-a-service and other circular use- and result-oriented service models								N/A		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)								67.5%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)								67.5%		
B. Taxonomy-non-eligible activities										
OpEx of Taxonomy-non-eligible activities										
Total										

N/A No data provided, as the calculated value is below the materiality threshold of one percent.

[1] Climate change mitigation
[2] Climate change adaptation
[3] Water and marine resources
[4] Pollution prevention and control
[5] Circular economy
[6] Biodiversity and ecosystems
[7] A more consistent evaluation of reportable expenses at the subsidiary level led to an adjustment of the prior year's figure.

Concluding comment

In the list below, the disclosure requirements of supplementary Delegated Regulation 2022/1214 of March 9, 2022 are met with regard to nuclear and gas energy.

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

ESRS E1 - Climate change

Impact, risk and opportunity management [IRO-1]

As Dräger is a manufacturing company and sells products and services, emissions are directly linked to our business model. They are generated in particular in the supply chain and during the use phase of our products, but above all in our own business operations, especially through purchased energy and our vehicle fleet.

The importance of the medical and safety technology sectors is not directly threatened by climate change; our customers in industry and firefighting as well as the healthcare sector will continue to be of great importance. Some of Dräger's key customers operate in changing industries, particularly in the fossil industry (oil and gas). We will also have to adapt our own business model to meet the changing demand of our customers.

Impacts, risks and opportunities in connection with climate change

Our corporate carbon footprint (CCF) forms the basis for assessment of our impact on climate change. This allows us to assess how our own and upstream and downstream business activities affect the climate in the form of CO_2 equivalents (CO_2e).

As part of the materiality assessment, we identified the following IROs (impacts, risks and opportunities) as material:

Negative impacts:

- Our business operations create emissions in the upstream supply chain, particularly through the goods and services we source.
- Our anesthesia machines require gases that have a very high global warming potential and are released to a certain extent into the atmosphere during production in our own operation, as well as when operating the machines at the customer's premises.
- Our business activities cause direct and indirect emissions at our locations through our vehicle fleet (Scope 1) and purchased energy (Scope 2).

Risks:

- The demand for inhalation anesthesia could potentially fall in the long term, if alternative, less climate-damaging anesthesia methods are developed.
- Our customers in the oil and gas industry may change their demand in the long term as a result of the green structural change, making us unattractive as a supplier of safety technology.

These IROs relate to our business model as follows:

Dräger has a direct impact on the climate with its corporate carbon footprint. In 2025, in relation to our own operations, Scope 1 emissions amounted to around 34,000 t CO_2e and Scope 2 emissions to around 28,000 t CO_2e (market-based). Emissions occur at our sites around the world via energy purchasing, particularly at our production sites. Our vehicle fleet and certain processes also contribute to emissions.

We also have an impact on the environment through upstream and downstream activities in our value chain. As a manufacturing company, emissions from purchased goods and services (Scope 3.1) and emissions during the use phase of our products (Scope 3.11) have the greatest impact.

Anesthesia machines are an important part of our medical division portfolio. We specialize in volatile anesthesia, which uses anesthetic gases from other manufacturers that have a high global warming potential (GWP) and therefore contribute to global climate change. Minimal-flow and low-flow anesthesia allow us to reduce the consumption of anesthesia gas and the associated costs, as well as the escape of gases into the atmosphere during product use. However, the loss of gases cannot be completely prevented. We have been reducing emissions from product testing at our factory premises since 2025 by using a system that captures and recovers anesthetic gases. All material impacts are actual impacts.

Physical climate risks

As part of the risk management of our supply chain and our own sites, we use a tool from the Group insurance department. NATHAN (Natural Hazard Assessment Network) for the assessment of natural hazards is integrated into the tool. All Dräger sites as well as the sites of the most important suppliers have been checked for natural hazards. In addition, the tool provides ad hoc warnings to the responsible purchasers and risk management officers in the event of a risk from natural hazards. Locational risks are assessed in categories including earthquakes, flooding, storms, forest and wildfires and other natural disasters.

In addition, we have all major Dräger sites that are relevant to the value chain assessed by AXA XL using their geodata. The result is the Natural Hazard and Climate Report, which examines the Company's own sites in terms of risks such as earthquakes, tsunamis, river flooding, coastal flooding, hurricanes, and forest fires, and conducts climate change analyses based on criteria such as heat index days, days with heavy precipitation, cooling degree days, and water scarcity ratios. Climate-related risks could lead to financial losses, particularly at our production sites. We carry out the risk assessment with this tool on an annual basis.

Based on this, we used two different scenarios to analyze the physical climate risks. In doing so, we followed the IPCC templates and selected the RCP 2.6 and 8.5 scenarios (Representative Concentration Pathways – RCPs). RCP 2.6 is the rather optimistic scenario, which specifically assumes that it will be possible to limit the global temperature rise to below 2°C by 2100 compared to pre-industrial levels. In reality, a maximum temperature rise of around 1.5°C to 1.8°C is expected in this scenario. RCP 8.5 represents the most pessimistic scenario, in which no significant actions are taken to reduce greenhouse gas emissions. In this scenario, the average global temperature increase by 2100 could be around 4°C to 5°C above pre-industrial levels. It is assumed that the inherent climate risks at our global locations will increase more strongly and more quickly as a result of more progressive climate change. We have not differentiated between different time horizons.

The upstream and downstream value chain is also part of the assessment. Dräger's products contain a large proportion of plastics (especially thermoplastics and elastomers) and metals (especially aluminum, steel and brass). The production of these materials and the associated global logistics lead to emissions and therefore contribute to climate change. For the assessment, however, we did not use geographical coordinates from the supply chain or the full extent and duration of the risks. Part of our medical technology product portfolio in particular is characterized by high energy requirements in the use phase. Our development areas can contribute to a reduction in emissions here; at the same time, a change in usage behavior is necessary, which we can only influence to a limited extent. An assessment at the end of the product life cycle can be found in the corresponding section on ESRS E5.

↗ Please refer to "Resource outflows" in the chapter on E5.

No material physical climate risks were identified in the assessment. We therefore do not consider our assets and business activities to be at risk. With regard to our qualitative resilience assessment, we identified no need for action.

Climate-related transition risks [SBM-3]

The results of the materiality assessment and in-depth discussions with internal experts from the strategy functions of both divisions were used to analyze climate-related risks and opportunities and their interaction with the strategy and business model. Based on the climate risks analyzed, the discussions had the target of evaluating the resilience of our business model. Transition risks in our own operation as well as in upstream and downstream stages of the value chain were considered. According to our internal experts and market observers, our Medical and Safety sectors are not directly at risk from climate change.

In both divisions, key areas of the business model that will change as a result of the green transformation of the economy have been identified. These developments are in particular defined by the global response to climate change, for example as defined in the Paris Climate Agreement. For this reason, only the 1.5 °C scenario was taken into account for the determination of the climate-related transition risks. All identified risks are medium and long-term.

Changing demand in the area of inhalation anesthesia
According to a report by the British National Health Service, around five percent of hospital emissions are caused by volatile anesthetic gases, which have a high global warming potential (GWP). Dräger provides anesthesia machines that largely recirculate gases (minimal and low-flow anesthesia). Nevertheless, gases are released into the atmosphere during production and use of the devices. In the long term, customer behavior may change due to the massive intensity of emissions, and the demand for other, lower-emission technologies could increase. This could have a negative impact on demand for and therefore also on sales of Dräger anesthesia machines, which are an important part of our medical division portfolio.

Changing demand from our customers in the oil and gas industry
The business model of many of our customers in the safety technology sector is traditionally dependent on fossil resources. The general shift away from fossil resources leads to changes for our customers in the safety division. The transformation at our customers has already begun and will continue for decades. As a partner specializing in gas detection and occupational safety, for example in the cleantech sector, we wish to support this. However, this development also includes the risk that demand will change significantly and our products and services will become unattractive to customers, resulting in financial losses for us.

We did not make any significant adjustments to the business model in 2025. Due to the rather long-term time horizon, neither of the two transition risks was included in the risk report in the reporting year. With regard to our qualitative assessment, we currently see no need for action.
↗ Please refer to the risk reporting in the chapter "Potential".

No assets or business activities have been identified that are not compatible with the transition to a climate-neutral economy without significant effort.

Concepts and policies related to climate change mitigation and adaptation [E1-2]
The Dräger Group has various policies and concepts that address the topic of climate change mitigation.

Certified environmental and energy management
Our publication "We take responsibility" sets the direction for our environmental management and energy management and is part of the Group-wide integrated management system, which also includes the environmental management system. As such, the policy applies to all certified and non-certified Dräger units. The environmental management system falls within the remit of the CSQO.
↗ Please refer to "Concepts and policies related to pollution" in the chapter on E2.

The policy addresses the four areas of quality, environment, employees and society and thus the topics of climate change mitigation, energy, and resource efficiency by including rules of conduct applicable to all employees, for example in the economical use of resources. Our long-term climate target of CO_2 neutrality is also integrated here. The policy also addresses the topics of environmentally friendly design of products and processes, logistics and infrastructure as well as company premises at the various locations. Improvements are to be achieved here by optimizing energy consumption. The policy also stipulates that suppliers and service providers should also be selected on the basis of environmental aspects; this means that emissions in the supply chain are also taken into account. Rules for cooperation with business partners are described in detail in the "Code of Conduct for Business Partners"; climate change mitigation is also an issue here.
↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

For us, climate change mitigation and energy are integral parts of the Group-wide environmental management system, which is certified in accordance with ISO 14001. Around the world, there are clear responsibilities and processes for environmental management. The same applies to planning targets and actions, including regular internal and external reviews. The policy on EHS management requirements specifies binding standards and provides EHS managers worldwide with guidance on implementation.

Five German companies were successfully certified according to ISO 50001 in the reporting year. Energy management thus became part of our integrated management system. In 2025 certification will replace the audits carried out as part of the energy audit in accordance with DIN EN 16247-1.
↗ Please refer to "Actions and resources" in the chapter on E1.

Another part of the environmental management system is the eco-design process, which is intended to act as leverage for the development of eco-efficient products. In the field of anesthesia, this also concerns the more efficient use of anesthetic gases.
↗ Please refer to "Concepts and policies related to resource use and the circular economy" in the chapter on E5.

Management handbook
The "Dräger Management Handbook" (DMH) contains Group-wide rules and responsibilities on various topics so that everyone is aware of the rules and decisions can be based on these.
↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

In terms of content, the handbook sets out requirements for sustainable energy management and energy efficiency in the areas of real estate, business travel, and company cars. In the area of real estate, the main target is to optimize the energy consumption of buildings by including specialists from the Real Estate department in major renovations and refurbishments. In the area of business travel, the focus is on reducing emissions: Employees are encouraged to review business trips for necessity and consider environmentally friendly alternatives. This addresses the issues of climate change mitigation and energy efficiency.

There are binding company-wide requirements for handling investments made in the context of sustainability. In the reporting year, new categories for the systematic recording of environmental and climate-related investments were added to the DMH on the basis of the investment policy. Since October, all relevant Dräger companies have been required to assign investment requests to the appropriate category, where applicable. These actions are intended to create transparency across the Group regarding investments made in climate action and environmental protection during the reporting year. Regular quantitative evaluations are planned starting in the 2026 reporting year.

The climate impact of anesthetic gases has been known to the development departments at Dräger for years. Research on resource-saving alternatives ("green anesthesia") is being conducted there. There is currently no separate policy on handling anesthetic gases. The topics of adaptation to climate change and the use of renewable energies have not yet been explicitly addressed in the policies.

Transition plan for climate change mitigation [E1-1]
Dräger has not yet adopted a transition plan for climate change mitigation. However, in 2025, we launched a project with the support of an external service provider that aims to develop an ESRS-compliant transition plan for climate change mitigation. Publication of this plan is scheduled for 2027.

Decarbonization is already a key focus of our sustainability strategy, regardless of this project. In this context, we are planning and implementing actions that are derived from our Company-wide climate targets.
↗ Please refer to "Integration of sustainability in our corporate strategy" in the chapter on ESRS 2.

Targets [E1-4]

Our decarbonization target is derived from the United Nations' climate target of limiting global warming to well below 2°C. In order to achieve this target, scientific findings indicate that net emissions of greenhouse gases worldwide must be reduced to zero by 2050. Dräger has adapted its own target in 2021 to the new German Climate Protection Act, which aims to achieve CO_2 neutrality for Germany by 2045.

Dräger does not have any scientifically based targets in terms of the ESRS.

Since 2024, Dräger has reported on CO_2 emissions in accordance with the definitions of the Greenhouse Gas Protocol (GHGP). We report on all material emission categories in Scope 1, 2, and 3. How the methodology is applied to Dräger can be found in more detail in the Metrics section of this chapter. Our emission reduction targets are based on 2024 as the base year.

↗ Please refer to "Gross GHG emissions of the Scope 1, 2 and 3 categories" in the chapter on E1.

The decarbonization targets were defined internally in cooperation with the Executive Board, the Global Sustainability Office and the individuals responsible for emissions reduction.

There is no adopted target for reducing emissions generated from the use of anesthetic gases. The use of anesthetic gases with less climate impact can reduce, but not fully prevent the release of anesthetic gases. Similarly, an increasingly closed gas flow is intended to reduce the quantities of gas required. On the one hand, our leverage lies in reducing emissions during testing at our own sites, training our customers in the use of the devices, and informing them about the amount of gas required. On the other hand, we can further optimize the amount of gas required when developing new devices.

30% reduction in emissions by 2030 in Scope 1 and 2

As an interim target, starting from the base year 2024, we are aiming to reduce our emissions in Scope 1 and 2 in a linear fashion by 2045. This results in a reduction of 30% by 2030. This is an absolute reduction target to be achieved across the entire GHG inventory in Scope 1 and Scope 2 reported in the section on E1-6. The reference value for measuring progress is the year 2024 and therefore 61,433 t CO_2e (in Scope 1 and 2; market-based). When it comes to achieving our targets, we are particularly focused on using renewable energies, sourced or generated ourselves, as well as on energy efficiency actions. Based on our modelings, this leverage has a reduction potential of up to 30%. This target shall be reached without the extraction of greenhouse gases and without compensatory actions such as financing projects for the reduction of greenhouse gases.

Climate neutrality by 2045

Dräger aims for climate neutrality by 2045 in Scope 1 to 3. This is an absolute reduction target to be achieved across the entire GHG inventory reported in the section on E1-6. The base year for measuring progress is the year 2024. There are no concrete modelings yet for achieving this target. This target and the associated definitions will be developed further in line with the requirements of the transition plan for climate change mitigation over the next few years.

Actions and resources [E1-3]

Action plan to reduce Scope 1 and Scope 2 greenhouse gas emissions

The Corporate Carbon Footprint (CCF) analyses for 2024 indicate that a significant portion of our greenhouse gas emissions originates at our German sites. We also identified that the five companies with the highest emissions are responsible for a significant proportion of Scope 1 and Scope 2 emissions. In order to address these challenges specifically, two cross-divisional committees were established in the reporting year: the Fleet Board and the Energy Board. The purpose of these committees is to raise awareness and promote the transfer of know-how between experts in the different countries in which we operate. In the future, cooperation in these committees will ensure that the individual Dräger companies make progress with their respective decarbonization strategies in line with the short-term climate target for 2030. Both boards are coordinated and managed from Lübeck by the head of indirect purchasing and the real estate department, respectively.

Actions in Germany

Our production site in Lübeck, with more than 6,000 employees, is the most relevant location for attaining the climate target. The actions implemented in Germany relate to both direct and indirect emissions (Scope 1 and 2) and address in particular the potential from the generation and use of renewable energies, as well as improving energy efficiency and increasing the electrification of facilities and the vehicle fleet.

In November 2025, energy management certification in accordance with DIN EN ISO 50001:2018 was successfully completed for five Dräger companies based in Germany. The aim of systematic energy management is to meet cost targets. Furthermore, identifying potential savings is intended to promote increased energy efficiency and reduced emissions. These two principles are also described in the "We take responsibility" policy and the environmental management system. As a component of the integrated management system, energy management is linked to the environmental management system, among others.

As part of the process for certification in accordance with DIN EN ISO 50001:2018 and the associated principle of continuous improvement, the CSQO, together with the relevant department, has set an annual CO_2 reduction target for Germany of six percent. The cross-divisional "Energy Team" ensures that continuous improvement is promoted within the framework of these targets. Two percent of the annual savings is to be achieved directly through efficiency measures such as process optimizations or through individual behavioral changes in energy consumption. The remaining four percent is to be achieved through the increasing use of renewable energies. The Energy Team conducts an energy assessment at least once a year to determine whether the targets have been attained; progress is reviewed on a monthly basis.

Procurement of renewable energies

Dräger has been purchasing electricity generated locally from renewable energies via the local energy supplier since February 2025. Dräger purchased approximately 1,350 MWh of electricity in 2025 for which local certificates of origin are available. The purchase of 1,500 MWh from the same source is planned for 2026. The investment sum involved is not considered a significant amount of money in terms of the ESRS.

Savings through efficiency measures

The efficiency measures consist of many small individual measures. Overall, two measures in particular led to savings of 400 MWh in 2025. Firstly, we continued to replace light bulbs with LEDs in Lübeck. Secondly, we replaced an air compressor at the Revalstrasse production site with a new, more energy-efficient one in the reporting year. Based on the annual consumption figures for compressed air in 2024, this results in savings of approximately 200 MWh, which corresponds to a reduction of approximately 64 t CO_2 per year. The capital expenditure for the new air compressor was approximately EUR 1.4 million.

Generation of renewable energies

At the two largest German sites, in Lübeck and Krefeld, we want to drive forward the expansion and use of our own generated electricity through photovoltaics by 2030. Self-generated energy is expected to save over 420 tons of CO_2 annually, reducing emissions from Scope 1 and Scope 2. The first relevant plant at the Krefeld site is scheduled to be put into operation in 2026. With this measure, we are contributing to the reduction target for Scope 2 by 2030. The investment sum involved is not considered a significant amount of money in terms of the ESRS.

Electrification of the sales and service vehicle fleet in Germany
As part of its decarbonization efforts and to reduce Scope 1 emissions, Dräger has accelerated the conversion of its company vehicle fleet to electric mobility. Pilot projects were carried out in selected areas in prior years to gain initial experience with various electric vehicle models and to confirm their suitability for everyday use.

At the beginning of 2025, the option to order and use fully electric vehicles was made possible for the sales and service vehicle fleet in Germany, which makes up the majority of vehicles used by the Company. In order to increase choice and acceptance among employees, several brands and models were added to the official approved vehicles list. These can be selected as options by employees, deviating from the respective reference vehicle.

Electric vehicles are primarily charged via the preferred charging card provider, which guarantees the supply of certified green electricity. Exceptions are made for charging at home and at smaller service providers, for which there is currently no clear green electricity certification regulation.

Approximately one third of the vehicles ordered in 2025 were electric vehicles. We view the proportion of new orders for fully electric vehicles as positive and see it as confirmation of our chosen path to advance the conversion of our fleet in line with the agreed climate target. Electric vehicles currently account for around ten percent of the fleet of vehicles registered in Germany. The investment associated with the conversion remained below the threshold of a significant amount as defined by the ESRS.

Action to reduce HFE gases at the Lübeck site
Hydrofluoroethers (HFEs) are fluorinated organic compounds and are therefore gases with an effect on the climate. In volatile anesthesia, these gases are used as anesthetics and partially escape into the atmosphere. In order to reduce emissions during product testing at our premises in Lübeck, a system that captures and recovers anesthetic gases was installed and commissioned in October 2025 in collaboration with external partners. The action is intended to significantly reduce greenhouse gas emissions caused by the release of anesthetic gases via the exhaust air. The action was initiated and implemented by the Development department and Product Management. According to internal estimates, the system is expected to save roughly 1,500 tons of CO_2e over the next two years. This technical solution makes a direct contribution to the decarbonization of our own sites, even though HFE gases are reported separately and are not part of the Corporate Carbon Footprint reported in accordance with the GHG Protocol. The investment associated with the conversion remained below the threshold of a significant amount as defined by the ESRS.

Progress in the creation of Product Carbon Footprints
In 2024, in order to prepare for robust and comparable emissions analyses in accordance with the requirements of the GHG Protocol, we introduced software that will increasingly enable the automated calculation of both our Corporate Carbon Footprint (CCF) and Product Carbon Footprints (PCF).

We made significant progress in the PCF calculation project during the reporting year. A total of seven pilot products were defined for our two divisions, and cross-divisional project teams were put together to manage the implementation. Responsibility for project implementation lies with the medical and safety divisions.

Our priority in 2025 was to develop the methodology, in particular structured data collection and validation, as well as the use of AI-supported training of the underlying models with the assistance of an external software firm. The aim in future is to use the calculated PCF to identify and specifically address potential for emissions and resource optimization in product development and portfolio management. Completion of the calculations for the pilot products and comprehensive documentation of the methodology developed are planned for 2026.

Energy consumption and mix [E1-5]

Method for determining energy consumption

The data for the key figures on energy consumption and energy mix are collected in our companies worldwide. This process involves collecting information from various sources, including invoices, meter readings and estimates in the event of data gaps. The majority of the calculations are based on information from invoices and meter readings. Estimates are particularly relevant if no invoicing has taken place for individual months at the time of reporting. The estimates are based on historical data, which is adjusted as necessary to take account of changes in production or consumption. Furthermore, there are smaller rental areas for which an extrapolation was applied on the basis of the rented space. The allocation of energy consumption to the individual components of the energy mix is based on contract data from our energy suppliers. Where such specific information is not available, we rely on the energy mix data from the regions from which the energy is sourced. Our activities are completely assigned to the energy-intensive sectors, so that the data basis for energy intensity indicators is determined with the method described for the calculation of energy consumption.

In the 2025 reporting year, the metrics for energy consumption and energy mix took into account the energy consumption of our Company fleet for the first time in addition to stationary energy consumption, in accordance with ESRS requirements. Due to this change in approach, the key figures are not comparable with our disclosures from the 2024 report.

Total energy consumption related to own operations / energy consumption and mix

	Unit	2025
Fuel consumption from coal products	MWh	-
Fuel consumption from crude oil and petroleum products	MWh	97,954
Fuel consumption from natural gas	MWh	26,561
Fuel consumption from other fossil sources	MWh	-
Consumption of purchased or acquired electricity, heat, steam, cooling from fossil sources	MWh	42,439
Total fossil energy consumption	**MWh**	**166,953**
Share of fossil sources in total energy consumption	%	83
Consumption from nuclear sources	**MWh**	**3,889**
Share of fossil nuclear sources in total energy consumption	%	2
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	472
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	28,841
The consumption of self-generated non-fuel renewable energy	MWh	594
Total renewable energy consumption	**MWh**	**29,908**
Share of renewable sources in total energy consumption	%	15
Total energy consumption	**MWh**	**200,750**

In the reporting period, energy production was divided into renewable energy production at 610 MWh and non-renewable energy production at 28,205 MWh.

The energy intensity from activities in high climate impact sectors was 0.000058 MWh/EUR (total energy consumption per net sales). All of Dräger's activities were allocated to sector C28 – Manufacture of machinery and equipment. Net sales amounted to EUR 3,481,898 thousand, while total energy consumption from these activities amounted to 200,750 MWh.

Gross Scopes 1, 2, 3 and Total GHG emissions [E1-6]

Method for determining the corporate carbon footprint

Dräger's corporate carbon footprint (CCF) is calculated in accordance with the requirements of the GHG Protocol and the ESRS. Scope 1 and 2 as well as Scope 3, namely the categories 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, and 3.11 are included in the reporting. The remaining seven Scope 3 categories were excluded due to an estimated relevance of less than one percent to the overall footprint (categories 3.8, 3.9, 3.12, 3.13 and 3.15) or due to lack of applicability within the Group (categories 3.10 and 3.14). For the estimation of categories 3.8, 3.12, 3.13 and 3.15, a conservative method was applied in order to include all relevant sources.

Dräger uses the operational and financial control approach, which means that the Company accounts for 100% of greenhouse gas emissions from operations over which it has financial and/or operational control. Emissions from operations in which Dräger has an interest but no operational control over account for less than one percent of Dräger's determined CCF and were therefore excluded. Overall, the CCF thus comprises the emissions of the companies from the scope of reporting.

We calculate the CCF partly manually and with the aid of the Makersite tool. Wherever possible, activity-based/mass-based emission factors from the ecoinvent database (version 3.10.1) or published values from the UK's Defra database (Department for Environment, Food & Rural Affairs; June 2025) are used. For transport emissions on a mass basis, we also use the DBEIS emission factors (Department for Business, Energy & Industrial Strategy, June 2025). For expenditure-based emissions, we use Exiobase (February 2025/November 2024), and in some cases we also use primary data on emission factors from transport service providers. For the calculation of CO_2 equivalents for non-CO_2 gases, the values for global warming potential (GWP) published by the IPCC in its Sixth Assessment Report were used.

Procedure for estimates

We generally use primary data when calculating key figures. We rely on estimates if this primary data is not available. This is the case for the following areas in particular:

- Category 3.1 and Category 3.2: Purchased goods and services and capital goods
- Category 3.4: Upstream transportation
- Category 3.7: Employee commuting
- Category 3.11: Use of sold products

Overall, only a small amount of the data comes from information on emissions that we receive directly from our suppliers.

Scopes and categories of the Dräger Corporate Carbon Footprint:

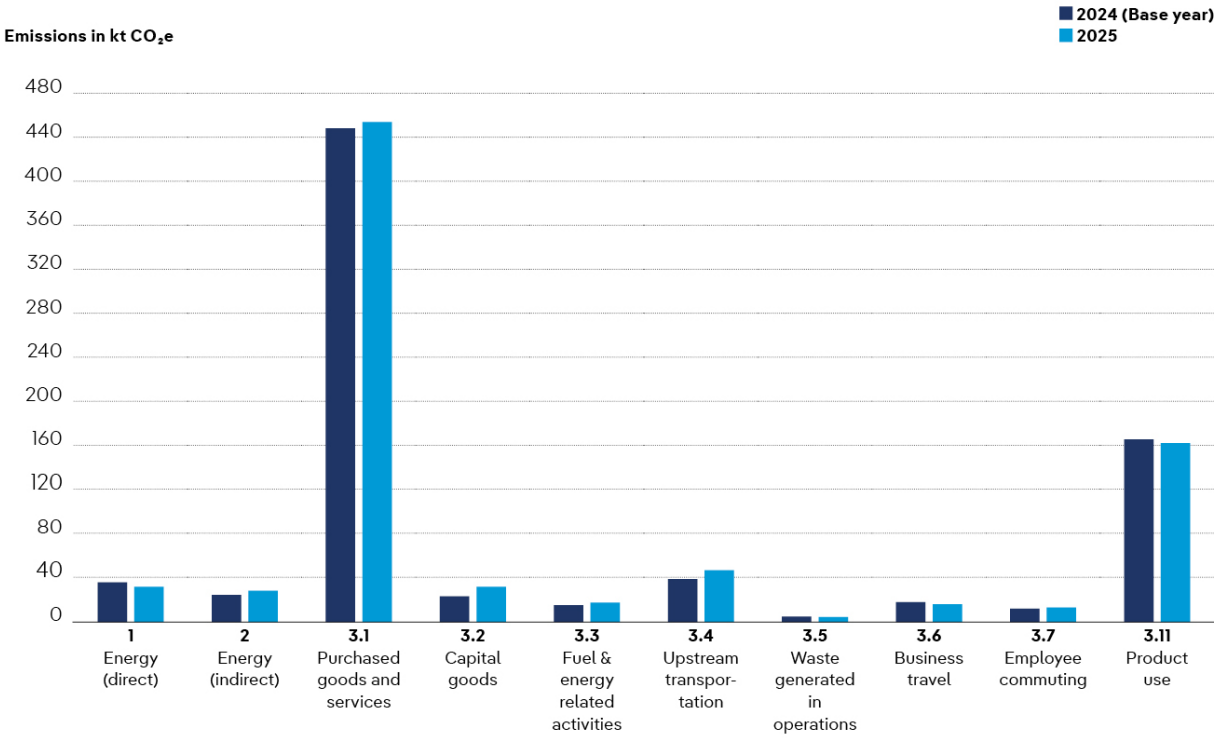
Scope 1: Direct emissions from fuels and mobility
- Primary data with mass-based calculation of fuel or gas consumption
- To determine biogenic emissions, we used the average proportions of biogenic fuels per country.

Scope 2: Purchased energy
- Primary data with activity-based calculation of electricity and heat consumption
- In individual cases, no provider-specific emission factor could be determined, so the regional grid average is also used as an approximate value when calculating the market-based result.

Scope 3: Upstream and downstream activities

- Category 3.1 Purchased goods and services and Category 3.2 Capital goods:
  Mostly primary data with expenditure-based calculation (expenditure-based approach). For smaller companies, the expenditure is estimated using the respective turnover based on the expenditure of the companies recorded with primary data.
  Category allocation: As the data basis for the allocation of purchasing processes for 3.1 or 3.2 is not uniform world-wide, both categories are calculated together. The overall result is divided into the two categories based on the financial volume of the investment statement in property, plant and equipment. The use of this data basis reduces the accuracy of the allocation to the categories. However, the allocation to specific emission factors is more granular to optimize the accuracy of the overall result.
  Period delineation: The calculation uses invoice data, as this allows the most accurate allocation to specific emission factors for each invoice item compared to other data sources. However, due to the time delay between the receipt of goods and the receipt of invoices, it is not possible to calculate an exact accrual for the calendar year. In some cases, invoices for goods received in the prior year are taken into account and goods received whose invoice was not recorded until the following year are not taken into account. As this procedure applies to all calculations, all goods or services are ultimately taken into account over several reporting years. This selection of the periods according to date of invoice receipt deviates from the approach of calendar year in the financial reporting.
- Category 3.3 Fuel and energy-related activities
  Primary data from Scope 1 and 2 with mass-based (Scope 1) and activity-based (Scope 2) calculation
- Category 3.4 Upstream transportation and distribution
  The following distinctions are made for data quality and the corresponding calculation method:
  (i) Inbound and Outbound – primary data with addresses, means of transportation and weight: Activity-based calculation
  (ii) Inbound and Outbound – primary data on costs and partly means of transportation: Expenditure-based calculation
  (iii) Inbound – delivery by the supplier without information on emissions: Estimate for such unknown deliveries based on the average of emissions from the known transports with data quality (i)
  In general, intercontinental transport with courier express services that are not specified in more detail is assumed to be by air and not by ship. If available, primary data on emissions from the service provider, for example DHL, is used as an alternative.
- Category 3.5 Waste generated in operations
  Primary data on waste quantities with mass-based calculation of emissions. Wastewater volumes are equated with fresh water consumption since Dräger does not have any processes that consume significant quantities of water, and emissions are also calculated on the basis of mass.
- Category 3.6 Business travel
  Primary data with activity-based calculation of air travel, hotel overnight stays (partly with regional information), fuel or energy consumption for rental cars, as well as expenditure-based calculation of costs for local public transport and taxi services. In individual cases, the fuel or energy consumption of rental cars could not be determined and instead the costs for an expenditure-based calculation were used.
- Category 3.7 Employee commuting
  Primary data from a survey based on 80% of commuting employees (without company car) with activity-based calculation. For simplification, all part-time employees are assumed to have a 50% attendance rate of a full-time employee. An average sickness rate is also included, based on an assessment of sick days in 2023. To estimate the commuting behavior of employees not covered by surveys, the behavior in one region is assumed to be identical. The average survey results of the three largest companies in each region are used as a basis for missing information on commuting behavior, average distance and means of transport.
- Category 3.11 Use of sold products
  Activity-based calculation based on energy consumption (electricity and partly gasoline) and direct emissions of nitrous oxide over the life cycle. Information on the net sales region and number of units was available for over 90% of turnover. The identical greenhouse gas intensity was assumed for the remaining portions.

Corporate Carbon Footprint



Total GHG emissions disaggregated by Scope 1 and 2 and significant Scope 3

				Milestones and target years	
	Unit	Base year 2024	2025	2030	Annual % target / Base year
Scope 1 GHG Emissions					
Gross Scope 1 GHG emissions	t CO_2e	35,796 [1]	30,584	-30%	
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	-	-		
Scope 2 GHG emission					
Gross location-based Scope 2 GHG emissions	t CO_2e	24,558	29,451		
Gross market-based Scope 2 GHG emissions	**t CO_2e**	**25,637**	**22,719**	**-30%**	
Significant Scope 3 GHG emissions					
3.1 Purchased goods and services	t CO_2e	448,673 [1]	454,487		
3.2 Capital goods	t CO_2e	24,483 [1]	32,338		
3.3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	t CO_2e	15,640	18,658		
3.4 Upstream transportation and distribution	t CO_2e	38,890 [1]	47,112		
3.5 Waste generated in operations	t CO_2e	4,899	4,410		
3.6 Business travel	t CO_2e	18,450 [1]	14,339		
3.7 Employee commuting	t CO_2e	12,033	12,385		
3.11 Use of sold products	t CO_2e	166,047 [1]	163,735		
Total Gross indirect (Scope 3) GHG emissions	**t CO_2e**	**729,115 [1]**	**747,464**		
Total GHG emissions					
Total GHG emissions (location-based)	t CO_2e	789,469 [1]	807,499		
Total GHG emissions (market-based)	t CO_2e	790,548 [1]	800,767		

[1] Data point corrected

GHG intensity per net sales

t CO_2e	2025
Total GHG emissions (location-based) per million euros net sales	232
Total GHG emissions (market-based) per million euros net sales	230

Net sales used to calculate GHG intensity

in Mio. EUR	2025
Net sales used to calculate GHG intensity	3,482
Net sales (other)	0
Total net sales (in IFRS Group financial statements)	3,482

In addition to the emissions reported in the table, 305 tons of biogenic CO_2e emissions were generated in Scope 1 and 135 kg in Scope 3.3 during the reporting year. Biogenic emissions are considered CO_2 neutral because they originate from biological sources and are produced or utilized as part of natural cycles. No biogenic emissions were generated in other Scope categories.

Disclosures on changes in the prior-year figures

Due to errors in data collection in the prior year, methodological adjustments, and improved assumptions used as the basis of estimates, we have made corrections to the data in the base year 2024.

Due to errors in data collection in the prior year, the data points for Scope 1 and 3.6 have been amended. Scope 1 emissions were revised upward by approximately seven percent and Scope 3.6 emissions were revised downward by approximately five percent.

In addition, the figures for Scope 3.1, 3.2, 3.4, and 3.11 were adjusted due to methodological changes that resulted in an improvement in data quality. The emissions data for categories 3.1 and 3.2 was revised upward by 18% and six percent, respectively, because we are now able to calculate in greater detail the extrapolation for companies that do not make their purchases through the Group's primary purchasing infrastructure. Emissions from upstream logistics (Scope 3.4) were revised downward by approximately 19%. The reasons for this are greater precision in calculating distances and more accurate allocation of emission factors. In contrast to the approach used in the prior year, we used the DBEIS database to calculate expenditure-based emissions. The Scope 3.11 emissions figure was revised downward by approximately eight percent. The reason for the methodological change is that this category now exclusively includes sales to third parties.

The quality of the estimate of Scope 3.9 emissions improved in the reporting year. Since emissions for downstream transportation now account for less than one percent of the corporate carbon footprint, this data has been excluded from the report for the 2024 and 2025 reporting years.

Our activities are completely assigned to the energy-intensive sectors, so that the data basis for energy intensity indicators is determined with the method described for the calculation of energy consumption.

The emissions represented in Scope 1 and Scope 2 relate entirely to the scope of sustainability reporting. There are no other associated companies over which Dräger exercises operational control. Our net sales in the IFRS Group financial statements are the basis for the emission intensity, as all sales-relevant activities are included in our total emissions. The emissions database for the greenhouse gas intensity parameters was determined with the method described for calculation of Scope 1, 2 and 3 gross emissions, and corresponds to the total greenhouse gas emissions from the "Total GHG emissions" table.

Other greenhouse gas emissions

HFE gases are not explicitly listed by the ESRS. Additional greenhouse gases may, however, be taken into account if significant. However, due to their high climate impact, emissions of volatile anesthetic gases are significant for Dräger both in the context of product testing (Scope 1) and in the use phase of the products (Scope 3.11). We therefore disclose this emission data below. Product tests of our anesthesia machines with anesthetic gases are necessary for ensuring that the devices work safely and efficiently without causing unnecessary pollution. During the use phase, emissions are generated when the devices are used on patients. Dräger optimizes anesthesia machines for low-flow and minimal-flow techniques in order to reduce emissions from anesthetic gases. These techniques minimize the flow of fresh gas during anesthesia, which provides both economic and environmental benefits. Dräger also provides training materials and policies to support medical personnel in the use of low-flow and minimal-flow anesthesia.

To determine the emissions of anesthetic gases during product tests, the type and amount of gases purchased in the fiscal year were defined and then multiplied by the respective emission factor for anesthetic gases. In 2025, 3,157 tons of CO_2e of anesthetic gases were emitted during product testing.

In order to estimate the consumption of anesthetic gases by Dräger devices, the consumption values of 914 Atlan and Perseus anesthesia machines that sent in consumption data in 2025 were evaluated. Low-flow anesthesia, which is used in many Dräger anesthesia workstations, is available in both these products. The annual consumption calculated from this is assumed as a realistic average value for all anesthesia workstations sold in the fiscal year and multiplied by the corresponding emission factors. In 2025, the anesthetic gas emissions from the use phase of our anesthesia machines made available on the market amounted to 81,234 tons of CO_2e. This also includes, to a lesser extent, cases in which anesthetic gases were sold directly to customers for use.

The method for collecting data on the consumption of anesthetic gases during the use phase of our products was updated in the reporting year due to improved data quality. As a result, the data reported in 2024 can no longer be compared with the data for the current fiscal year.

Removal of greenhouse gases [E1-7]

Dräger is not involved in projects that aim to reduce or store greenhouse gas emissions from its own business activities in the atmosphere.

Internal carbon pricing [E1-8]

There is currently no internal CO_2 pricing scheme at Dräger.

ESRS E2 - Pollution

Impact, risk and opportunity management [IRO-1]

Pollution covers a wide range of aspects, including the release of pollutants into the air, water and soil, which can affect both human health and the environment. In principle, the area of pollution is heavily regulated for emitters. Like all industrial companies, Dräger is subject to various legal regulations on emissions from the production and use of substances with hazardous properties, such as the Industrial Emissions Directive and the REACH Regulation. These also include the CLP (Classification, Labeling and Packaging) regulation, which governs the classification, labeling and packaging of chemical substances and mixtures. At our production site in Lübeck, the Hazardous Incident Ordinance also applies, which prescribes measures for prevention and limiting of incidents involving hazardous substances.

We assess the overall impact from air, water and soil pollution as not material, as no emissions above the quantity thresholds of the E-PRTR (European Pollutant Release and Transfer Register Regulation) occur at any site and no other material environmental impacts are known. We therefore focus our ESRS E2 reporting on the identification and management of substances classified as substances of concern (SoC) with the aim of minimizing their potential negative impact. In our reporting, we refer to processes and actions that cover the area of hazardous substances. Substances of concern form a subgroup of substances with specific hazard characteristics. In addition to SoC, hazardous substances also include other substances that are important for production at Dräger, such as soda lime.

Sustainable products are an important part of our sustainability strategy. In this context, we want to integrate environmental aspects into our product development and production, among other things. The area of pollution is not strategically pursued beyond compliance with regulatory requirements. By proactively managing substances of concern, we aim to achieve the best possible protection for employees when handling hazardous substances, reduce risks, and at the same time make our contribution to environmental protection.

Impacts, risks and opportunities related to pollution

In order to identify the impacts, risks, and opportunities (IROs) associated with pollution, we analyzed our business activities and divided all sites into two groups: production facilities and sites that only perform sales and service functions. Relevant environmental impacts as defined by ESRS E2 relate to production facilities. Moreover, we reviewed our compliance with legal requirements (e.g., the German Hazardous Incident Ordinance, 12th BImSchV, CLP Regulation) and technical regulations (e.g., TRGS 510 on the storage of hazardous substances) using our legal register. We assessed the IROs in the area of pollution on the basis of this analysis. We took into account that Dräger's activities at selected production sites are subject to legal limits designed to protect local communities.

The upstream value chain was analyzed by specialists from the Global Environmental Management and Procurement departments. Since the majority of our direct suppliers are based in Europe, they are subject to European environmental regulations. We are unable to accurately assess the impact of tier N suppliers based outside the EU due to the wide variety of legal regulations that apply in different jurisdictions. Nevertheless, we are aware that the extraction and processing of raw materials fundamentally causes pollution. As a manufacturing company, we utilize raw materials and therefore have a share in the pollution caused by their extraction and processing. For the materiality assessment, the interests of affected communities were taken into account by our internal representative stakeholders. The Global Environmental Management department acted as central stakeholder. As the department serves as contact partner for local incidents and is also in regular communication with local authorities, it has the necessary expertise to assess local environmental matters.

↗ Please refer to "Materiality assessment" in the chapter on ESRS 2.

The downstream value chain was analyzed by specialists from the Global Environmental Management department. Our products are sold and used all over the world and are mainly disposed of locally. If disposed of properly, we see no material risks from the substances of concern in our products. We offer a product take-back service for defined product categories and markets to ensure proper disposal at the end of the products' useful life. We have no direct influence on our customers' disposal practices, although we do provide extensive information on proper disposal to minimize the potential risks of incorrect handling. Furthermore, a large number of our customers are

themselves subject to regulations for professional disposal. We address the potential negative environmental impacts of the disposal of our products in the chapter on E5.
↗ Please refer to the information on this negative impact in the chapter on E5.

As part of the IRO assessment, we identified the following negative impacts as material:

- Along the entire value chain, there is the potential for health impacts on people due to the handling of hazardous substances.
- There is potential for environmental damage along the entire value chain from the storage, use, and transportation of hazardous substances.

These relate to our business model as follows:

The activities at our production sites can have health impacts on people through contact with hazardous substances; environmental damage can result from the storage, use, and transportation of hazardous substances. Transparent communication with the public is necessary at the Lübeck production site, as hazardous substances are used there. A large part of production is subject to the Hazardous Incident Ordinance in accordance with the 12th BImSchV. Potential environmental impacts as defined by ESRS E2 also exist at other sites. Our research, development, and production activities at these sites require the use of hazardous substances. These are located in China (Beijing, Shanghai), South Africa (Pefferville), the UK (Blyth), India (Mumbai), the USA (Telford, Andover), Sweden (Svenljunga) and the Czech Republic (Klášterec nad Ohří).

Concepts and policies related to pollution [E2-1]

The certified environmental management system in accordance with ISO 14001

Dräger has a certified environmental management system in accordance with ISO 14001. Our commitment to the environment is systematically embedded in internal policies and work instructions. The aim of the environmental management system is to reduce environmental impacts, ensure compliance with legal requirements, and promote the continuous improvement of our environmental performance.

The risks to human health, for example due to improper exposure of employees to hazardous substances, are assessed as part of local impact and risk analyses. Environmental damage such as groundwater contamination due to improper storage and risks associated with storage, use and transportation of hazardous substances are also analyzed. Actions for reducing the potential impact and damage as well as emergency plans are employed to reduce the associated risks.

In order to minimize environmental damage caused by the storage, use, and transportation of hazardous substances, we continue to implement the concept, introduced at the Lübeck Revalstrasse site in 2024, for the prevention of accidents in accordance with Section 8 of the Hazardous Incident Ordinance (12th BImSchV). The plant safety working group, consisting of production management, logistics, facility management, engineering, and environmental management, meets annually, conducts inspections and risk analyses, and updates actions as necessary to cover current risks.

Compliance with the requirements of ISO 14001 is regularly reviewed in accordance with our internal processes, namely through internal and external audits and annual EHS assessments (known as environmental discussions). The policies and processes described apply worldwide to all sites, activities, and substances. We require our suppliers to sign our Code of Conduct for Business Partners, which among other things covers environmental aspects. This allows us to promote the implementation of our environmental and social standards beyond our own business activities.
↗ Please refer to “Business conduct policies and corporate culture” in the chapter on G1.

Our environmental management system has provisions for the safe handling, storage and disposal of all hazardous substances at our certified sites. Through our Group certification, 46 units are currently certified in accordance with ISO 14001. This includes all major production sites. Test gases for calibration, activated carbon for the production of filters and sulfuric acid as a component of gas detector tubes are particularly important for Dräger's production processes.

Please refer to the complete list of the certified units that can be found on the website: www.draeger.com/en_uk/Certificates

A key element of our environmental management system is the continuous improvement process during which processes are regularly reviewed and optimized. Internal audits are carried out to check whether our handling of hazardous substances complies with specifications and that the necessary precautionary measures are taken. In addition, the product development process requires hazardous substances to be avoided as much as possible. New introductions of hazardous substances in production are accompanied by a review of alternative substances.

The proper handling of hazardous substances is part of our annual safety training, which every manager conducts with their employees. Employees handling hazardous substances in their duties or who are responsible for the storage and transportation of hazardous substances receive additional mandatory annual training on the safe handling and storage of these substances. This training is designed to minimize risks and prevent incidents. At our main production site in Lübeck, hazardous substances for production are stored in a restricted-access hazardous substances storage facility, with monthly inspections being carried out by the local Environmental Manager.

The hazardous substance management process developed in 2024 was rolled out across the entire Group in 2025. Employee training on this process is provided on an ongoing basis and it is continuously further developed. It focuses on uniform standards, increased safety, and continuous improvement, for example by regularly updating safety data sheets and optimizing documentation for hazardous substance testing. This makes the process a central component of our environmental management concept and aims to ensure transparent and legally compliant processes worldwide.

The environmental management system provides regular risk assessment of the relevant areas and management of the identified risks. Scenarios that could lead to incidents or emergency situations are also analyzed. Based on this, emergency plans are developed and implemented to effectively limit environmental impacts in the event of an emergency. In general, these plans stipulate that affected areas are cordoned off, actions are introduced to avert danger to people and the environment and a subsequent assessment is carried out to derive actions. Other local features are integrated into the local emergency plan on a site-specific basis.

The environmental management system falls under the responsibility of the Executive Board member for Sustainability and Quality.

Targets [E2-3]

Dräger is aware of the impact of its business activities on the environment. With our integrated management system, we focus on prevention in particular and aspire to comply with a common set of environmental standards above and beyond local legal requirements. All relevant production sites are included in our certified environmental management system. We have not set any specific targets in the area of pollution.

Actions and resources [E2-2]

In the context of pollution, Dräger has not defined any specific actions that meet the ESRS criteria. This is because our entire approach to environmental management is systematically targeted at prevention. We deliberately rely on preventive structures and processes to identify risks and potential environmental impacts in advance and to reduce their likelihood of occurrence in the long term.

Instead of individual, downstream actions, we aim to use regular inspections, hazard analyses, environmental discussions, and incident discussions to identify potential risks at an early stage and address them immediately as part of our continuous improvement process. This preventive approach is an integral part of our certified environmental management system and supports our aim of preventing environmental damage and ensuring the stability and safety of our operational workflows.

Metrics [E2-5]

Substances of concern

Hazardous substances and substances of concern are only present in our production facilities in quantities relevant to our operations. These substances are used in specific production and cleaning processes. Each production site maintains a register of hazardous substances to ensure transparency for the substances used or stored at each site. The register for hazardous substances is an integral part of and a prerequisite for ISO 14001 certification, and is reviewed through regular audits at our production sites.

For reporting purposes, we record the quantities (in weight) of substances of concern removed from storage and their respective intended use. In the evaluation in accordance with main hazard classes, a substance can be listed in several classes if the substance has been categorized accordingly by our supplier. For this reason, the sum of all substances of concern used is not equal to the sum of the substances reported by main hazard class.

To determine the quantity of substances of concern leaving the Company as emissions, products or as part of products or services, the substances used were analyzed in accordance with their typical area of use and categorized according to this assessment. This approach is based on the assumption that hazardous substances used leave the Company in the same year.

The substances of concern are presented in consolidated form below:

Hazardous substances

			Quantity of hazardous substances used in fiscal year 2025 which left the operating facilities		
in t	Total used	as emissions	as products	as part of products	as services
Total	**313.43**	**8.37**	**0**	**206.45**	**0**
Sensitization of the skin Category 1	34.41	0.05	0	0.02	0
Respiratory sensitization Category 1	14.17	0.00	0	0.01	0
Germ cell mutagenicity Category 1 - 2	0.05	0	0	0.01	0
Carcinogenicity Category 1 - 2	81.72	0.03	0	63.77	0
Reproductive toxicity Category 1 - 2	36.30	0.06	0	0.01	0
Specific target organ toxicity (single exposure) Category 1 - 2	0	0	0	0	0
Specific target organ toxicity (repeated exposure) Category 1 - 2	101.78	0.02	0	43.20	0
Chronic aquatic hazard Category 1 - 4	161.69	8.26	0	107.69	0
Harmful to the ozone layer	0	0	0	0	0

ESRS E5 – Resource use and circular economy

Impact, risk and opportunity management [IRO-1]

Our business model in the Medical and Safety divisions is based on bringing products consisting of various materials and components into the market. The topic of circular economy is therefore material for Dräger. As we operate in highly regulated industries in which specific material properties are required, such as for hygiene and safety regulations to protect lives, circular economy models have only been established to a limited extent to date. Dräger's portfolio is characterized by high-quality products with a focus on the eco-design criteria of repairability and durability. In addition, disposal is a key issue for us. In this context, Dräger operates a certified waste management company in Germany that takes back used devices and consumables and supplies them for recycling.

At the same time, new increasingly relevant business models are emerging, such as our rental service for technical equipment. This model will in the long term reduce the quantity of products in circulation, which will make a potentially positive contribution to promoting the circular economy. These developments show that Dräger is already applying the principles of the circular economy in various ways, integrating them more closely into its business strategy and actively working to implement them. In fall 2025, Dräger hosted an interactive workshop with various departments and external experts to establish a common understanding of the fundamentals of the circular economy within the Company. A structured assessment is also being carried out to analyze Dräger's status quo in key action areas. These results will allow us to identify strengths and areas for development and define strategic priorities for implementing a circular transformation. By taking this approach we aim to lay the foundation for the deeper integration of circular economy principles into our business strategy and product development.

Impacts, risks and opportunities in connection with the use of resources and the circular economy

In an assessment, both the organizational structure of the Dräger Group and the product-related material flows, and thus also the upstream and downstream value chain, were examined qualitatively. With regard to the use of resources and the circular economy, areas within the Company such as Research & Development, Production, Logistics, Service, Waste Management, Rental & Safety Services and Purchasing were identified as significant. They play a role along the product life cycle and can improve the circular performance of Dräger products with their decisions. Affected communities were not consulted directly as part of this assessment.

In addition, the product and value stream tools (ERP and PLM systems) were evaluated in terms of quantity and turnover and compared with the list of substances of concern. ERP (Enterprise Resource Planning) systems are used to optimize business processes such as production planning. PLM (Product Lifecycle Management) systems enable the central management of product-related data across the entire life cycle from development to disposal. The most important product groups and materials were identified based on this assessment.

To identify the material IROs, external communities, such as local communities near our sites and end users, were included via internal stakeholders, such as Global Sustainability, Waste Management and Supply Chain Management.

↗ Please refer to "Materiality assessment" in the chapter on ESRS 2.

As part of the IRO assessment, we identified the following IROs as material:

Negative impacts:
- The production of Dräger products contributes to the consumption of finite raw materials.
- The disposal of our products by the customer has an impact in the form of environmental waste.
- We create waste in our manufacturing and sales processes.

- Risk: The possible restriction of PFAS poses a risk, as many materials for Dräger products contain these substances and are difficult to replace.
- Opportunity: By establishing circular business models, such as the rental business, we can further develop our existing business model.

These relate to our business model as follows:

For Dräger as a manufacturer of physical products, the double materiality assessment results in three impacts with regard to resource use and the circular economy. The use of various materials in production contributes to the depletion of finite resources. The products also lead to waste on the customer side at the end of their life cycle. We can influence this through durability, service, and product return strategies. Dräger's business operations also generate non-hazardous and hazardous waste worldwide, the disposal of which is coordinated by the Dräger Waste Management Association at our headquarters in Germany, for example. All impacts are actual impacts.

At the same time, we believe that the use of secondary materials and circular business models offers the opportunity to decouple resource use and economic growth in the future. One risk arises from the fact that certain materials may face regulatory restrictions in the future. This applies, for example, to PFAS, which are used in many of our products and are currently difficult to replace due to their unique chemical properties. This includes, for example, lubricity, temperature resistance, as well as resistance to oxygen, and other aggressive media. If the use of PFAS is restricted, this could result in significant material impacts for Dräger. Details can be found in the risk report.
↗ Please refer to the risk reporting in the chapter "Potential".

Concepts and policies related to resource use and circular economy [E5-1]

The certified environmental management system in accordance with ISO 14001
The ISO 14001 environmental management system plays a central role in our approach to managing our impacts in the areas of resource consumption, product disposal, and waste, as well as the opportunity in relation to circular business models.
↗ Please refer to "Concepts and policies related to pollution" in the chapter on E2.

Our environmental management system aims to minimize the environmental impacts of our business activities while taking advantage of opportunities arising from a sustainable and circular economy. Dräger's environmental standards are binding for all Group companies worldwide. Our Group certification includes ISO 14001 certification for all major production sites relevant for the IROs determined in the area of resource use and circular economy. For our products, the use of secondary raw materials must be analyzed on a case-by-case basis due to strict safety requirements, so our policy does not specify any corresponding requirements. In principle, processes at Dräger are strongly oriented towards the waste hierarchy. Exceptions arise when regulatory requirements or product safety requirements necessitate different treatment. The environmental management officer reports to the Executive Board member responsible for sustainability and quality.

Our environmental management system also includes the upstream value chain. Our collaboration with suppliers is based on our "Code of Conduct for Business Partners", which calls for the responsible use of natural resources and the continuous reduction of environmental impacts. Business partners are expressly recommended to be certified in accordance with ISO 14001 or an equivalent environmental certification.
↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

Eco-design process
The eco-design process is an important part of our sustainability strategy. In order to minimize the environmental impact from the disposal of our products on the customer side, we have implemented the eco-design process as a fundamental component of new product development. As part of our ISO 14001 environmental management system, it ensures that ecological criteria such as durability, reparability, recyclability, and waste avoidance are systematically taken into account across the entire product life cycle. Implementation is based on the eco-design criteria of the international standard IEC 62430:2019 (Environmentally conscious design). Our aim is to achieve continuous improvements across all product clusters and offer our customers sustainable solutions. Employees with relevant role profiles, such as product managers, system engineers, mechanical engineers or electrical engineers, complete mandatory web-based training on the eco-design process. Experts from the Global Environmental Management department moderate workshops on the topic of optimizing the product life cycle at the start of the product development process. As the process owner, the Global Environmental Management department is responsible for implementing and improving the eco-design process within our environmental management system.

“We take responsibility”
Our publication titled “We take responsibility” is particularly relevant with regard to the two identified impacts of resource scarcity and waste generation. Its purpose is to continuously reduce the resource consumption of our products. The policy also contains criteria for circular product design, including the durability of our products.

Environmental aspects are also taken into account when selecting suppliers and service providers. In this way, we aim to reduce our environmental impact and strengthen our competitiveness by using resources more efficiently, reducing costs, and preparing early for future regulatory requirements. In order to minimize waste generation, the policy calls for consistent avoidance of waste and the highest possible quality of recycling for the waste that is generated. The policy applies to all Group companies worldwide and has been approved by the CEO.

Handling risks and opportunities
Our policies do not directly address the identified risks and opportunities. The approach to manufacturing environmentally friendly products is integrated in our sustainability strategy and set out in our policy, “We take responsibility”. To strengthen its sustainability strategy, Dräger has a department in the Executive Board dedicated to sustainability and quality. As part of its annual strategy reviews, the Executive Board discusses the extent to which we want to exploit the opportunities offered by circular business models by adopting new policies, actions, and targets. Our Dräger Rental & Safety Services business area in the Safety division has been utilizing the advantages of a circular business model for years: By renting out gas detection systems as well as breathing air supply and fall protection systems, we can offer our customers flexible support when their needs fluctuate. At the same time, we help to ensure that fewer products are needed on the market overall, as these are only rented when needed. We have not currently implemented any additional strategies to further decouple product or service sales from raw material extraction.

The CSQO is responsible for the coordination of a working group that analyzes the extent to which we wish to implement new policies, actions and targets, and plans the corresponding actions in order to reduce the risk posed by PFAS restrictions. In order to continue to meet the increasing global requirements for product components in the future, back in 2015 we introduced systematic monitoring for substances for which restrictions are foreseeable or under discussion.

Our current approach to the risk of using PFAS can be found in the risk report.
↗ Please refer to the risk reporting in the chapter “Potential”.

Targets [E5-3]

We support our customers' environmental targets by specifically incorporating eco-design criteria into new products and reducing packaging waste. Compliance with our environmental standards and processes is monitored through regular reports and audits to promote continuous improvement. Currently, no specific targets or other methods for tracking the effectiveness of our concepts in line with the ESRS have been adopted in the area of resource use and circular economy, as reliable quantification is not yet possible due to diverse requirements and complex material structures. Instead of quantitative targets, Dräger is pursuing three qualitative priorities for 2026. These include a clear strategic orientation in the overall context of the business strategy in order to firmly anchor the principles of the circular economy within the Company. Moreover, we intend to focus on flagship projects that serve as practical examples of innovative approaches and pave the way for further actions. In addition, a systematic knowledge management system is being established to pool internal expertise and foster dialog with external partners. These plans form the basis for the long-term integration of circularity into product development and business processes.

Actions and resources [E5-2]

In 2025, we initiated and implemented various actions in connection with the circular economy. These are mainly pilot projects on possible uses of environmentally friendly material alternatives and recycled materials. This gives us an overview of how we can align our strategy towards the circular economy and set targets in the coming years.

In principle, processes at Dräger are strongly oriented towards the waste hierarchy. As a result, resources should be saved starting from the concept phase by minimizing variants and designing products in a modular way. The development process focuses on reducing material consumption. Both smaller components and complete devices are recycled through the Company's own product take-back system. By taking back products, disassembling them and recycling the materials at our German headquarters, we are making a contribution to our customers' environmental footprint and strengthening the infrastructure of a functioning circular economy.

Studies and pilot projects in the area of circular economy

In 2025, Dräger initiated a new project to specifically address key challenges in the areas of circularity and decarbonization. We want to use the results to reduce the impact of our business activities in terms of resource scarcity. We rely on close cooperation with external partners from industry and scientific institutes in order to strengthen internal knowledge building and develop innovative solutions. A key product has been selected for each of two main business areas, which in 2026 will be subjected to a comprehensive analysis. In this first step, internal product structures and comparable products are systematically examined to identify potential for improved circularity and a reduction in CO_2 emissions. As the project progresses, these findings will be used to devise concrete actions and strategies that support the sustainable transformation of our products.

In spring 2025 we completed a study on the impact of the disposal of our products. It serves to analyze the sustainable product design of our powered air purifying devices in the field of safety technology. We collaborated with a university that developed models and visions for optimizing the reparability and recyclability of products. One focus of the study was to analyze the impact of different materials. New product concepts were also discussed with the aim of reducing resource consumption and replacing disposable components, for example. A new product concept has been developed on the basis of the study that increases the cleanability and reparability of products, thereby increasing their service life.

Actions in the area of packaging

In 2025 we continued with projects aimed at optimizing our product and transport packaging. One example of this is the switch to a lighter folding box, which weighs around 30% less, and a more efficient packing method, which means that twice as many products are transported per pallet as before. This reduces the number of pallets required and the number of transport routes by around 50%. Compared to the prior year, the total weight of packaging has been significantly reduced while production volumes remain unchanged. The switch was completed in 2025. At the same time, we continue to work on increasing the proportion of recycled materials in our products and work with internal and external partners to explore the expansion of reusable systems.

Metrics

Resource inflows [E5-4]

Dräger processes various metals in its equipment throughout the entire value chain, in particular iron, copper, brass, and aluminum. We also use various plastics in both large devices and small components. Thermoplastics such as PA, PP, PE, PC, and ABS as well as elastomers such as EPDM and silicones make an essential contribution to the required properties and functionalities of our products. Selected chemicals are also used in production and in certain products, including “substances of concern” (SoC), for example in our Dräger gas detector tubes or in the manufacture of soda lime. We use these resources in the production of our devices, thereby contributing to the scarcity of finite raw materials.

↗ Please refer to “Concepts and policies related to pollution” and “Actions and resources” in the chapter on E2.

Another focus of our own production is on activated carbon and filter paper. We also use electronics, batteries and rechargeable batteries in many of our products. In terms of packaging, we mainly use cardboard, plastic film, and wood. In addition to the individual materials, we purchase semi-finished products, mainly in the form of electronic assemblies, hospital accessories and consumables, batteries, and even finished products. These purchased components contain only small amounts of critical raw materials, such as gold, copper or lithium.
In the reporting year, we also recorded additions to technical equipment and machinery (production machinery and machinery for service) as well as other equipment, operating equipment and our office equipment, such as office machinery and furniture. For further information on the additions to property, plant and equipment, please refer to the explanations in the notes to the annual financial statements. Water is not one of the main resource inflows.

↗ Please refer to the “Consolidated statement of changes in equity of the Dräger Group” in the notes to the annual financial statements.

Resource inflows 2025

	2025
Total weight of components, products, and materials used, including packaging, in tons	24,149
Percentage of recycled components, products, and materials in tons	-
Percentage of recycled components, products, and materials in %	0 %
Percentage of biological materials from certified, sustainable sources in %	0.1%

The resource inflow is determined based on the material master data. The gross weight recorded in the master data is multiplied by the number of corresponding outward movements from our system. If no gross weight is available, the net weight or a weight calculated from product information is used as an alternative. For the remaining materials – approximately four percent of all outward movements in 2025 – to which no weight can be assigned, we extrapolate the weight. This extrapolation is based on the assumption that materials with no weight specifications have the same weight distribution as materials with known weights.

The proportion of recycled components, products, and materials is determined by first identifying the suppliers who provide the recycled parts or materials. For these suppliers, we record the weight of the materials they supply. The weights of all materials originating from these suppliers are then added together. Based on this sum, the proportion of recycled materials is calculated in relation to the total weight of materials purchased. The calculation did not take into account the fact that in line with market standards certain material categories – in particular metallic materials with a high weight percentage – already contain an average proportion of recycled content. Since these market averages are not taken into account, the reported proportion of recycled materials is significantly lower.

Resource outflows [E5-5]

Circular principles are an integral part of our strategy for providing sustainable products to our customers and are defined, for example, in the “We take responsibility” policy. Our consumables are always designed in accordance with the criteria of durability as well as disassembly and reparability.

In the medical division, we base our anesthesia and respiratory equipment, hospital infrastructure products, patient monitoring technology, and devices for thermoregulation and jaundice management (neonatal jaundice) on these criteria. Other medical division products include consumables and accessories, most of which are sold as disposable products for reasons of hygiene.

In the Safety division, the designs for the product groups gas detection system, breath alcohol tests, head protection, protective suits, escape equipment, diving equipment, respiratory protection workshops, training systems, heavy respiratory protection, and our powered air purifying basic devices for light respiratory protection are based on the criteria of durability, disassembly, and reparability. Other safety technology products, such as drug tests, are designed for single use due to their mode of operation. Masks and filters in light respiratory protection have a limited service life to ensure proper function. In both segments, we want to use these design decisions regarding the durability and reparability of our products to reduce the amount of waste at the end of the product life on our customers’ side.

Expected durability

Our product managers determine the expected durability based on instructions for use and technical product requirements. Depending on the product cluster, customer requirements from development projects and field experience gained by our service employees are also taken into account. For classification purposes, we also compare durability with products from a representative competitor for each product cluster. To do this, we use publicly available information from instructions for use and data sheets, along with our own product tests carried out as part of our product testing, as no generally recognized industry average exists. We then calculate the metrics by dividing the durability of our products by that of our competitors.

Durability of products

in %	Dräger vs. representative competitor
Medical	
Anesthesia workstations	100
Ventilators and lung monitoring	100
Medical gas management systems	100
Medical supply units	100
Medical lights and video systems	117
Patient monitoring	133
Thermoregulation and jaundice management	143
Consumables and accessories for hospitals [1]	-
Safety	
Drug tests [2]	-
Breath alcohol tests	160
Light respiratory protection: FFP [2]	-
Light respiratory protection: Half masks	104
Light respiratory protection: Filters	100
Light respiratory protection: Blower filter basic devices	125
Head protection	100
Training systems for safety technology	125
Heavy respiratory protection	100
Escape equipment	100
Respiratory protection workshop	111
Protective suits	100
Diving equipment	100
Portable gas detection equipment	170
Gas warning systems - Controllers	133
Gas warning systems - Transmitters	140
Gas warning systems - Electrochemical sensors	150
Gas warning systems - Catalytic sensors	164

[1] The Indicator is not applicable, as the products in question are essentially single-use products.
[2] The indicator is not applicable as the products are for single use.

Reparability

We place great emphasis on reparability as early as the product development stage in order to ensure that our devices are highly durable. Product-specific recycling passports for electronic and electrical devices contain detailed disassembly instructions that enable efficient recycling. In addition, our comprehensive “Dräger Service Connect” service database provides simple and structured explanations for carrying out repairs.

Criteria that contribute to reparability include the use of detachable, standardized connections, the availability and prices of spare parts, standardized tools, the ability to replace wear parts and the availability of information and access to instructions. Some of this information is integrated in the product design and some is available in the service database. To ensure that our customers benefit from a long service life for their Dräger devices, we offer professional maintenance and repairs worldwide. In addition, Dräger Service ensures a long-term supply of replacement parts and software updates. There are no established rating systems that we can apply for the reparability of our Medical and Safety division products.

Recyclable content

By 2025, the recyclable content of our products and packaging was 64% of the total weight of the components, products, and materials used, including packaging (please refer to Resource inflows). We use an approximation for this indicator. Our IT system distinguishes between material categories, but there is currently no specific label for the recyclable content of a component. Therefore, based on the product groups, expert assessments were used to determine whether the materials in a product group could be assigned to a recycling stream, in other words a system in which the material is collected, sorted, processed, and recycled. The assessment is carried out for the entire product cluster in each case. This means that all materials in a product cluster are classified as either 100% recyclable or 0% recyclable. This methodological simplification can lead to deviations at the level of individual materials or components, as it does not reflect potential differences within a product cluster. However, due to the large number of materials used, we work on the assumption that any potential over- and underestimates will offset each other and that the reported key figure represents an appropriate approximation. The total weight of all materials classified as recyclable is then compared with the total weight of all materials used.

Waste

Particularly relevant waste streams for our activities are packaging waste, metals, municipal waste and waste from inorganic chemical processes. These consist largely of cardboard/paper, wood, mixed packaging, aluminum, iron and steel, mixed municipal waste and lime waste. Waste from inorganic chemical processes can sometimes include hazardous materials.

Depending on local availability, waste statistics from our disposal companies, invoices and weighing slips are used as the basis for determining our waste data. In individual cases, we use estimated values. Where possible, historical data forms the basis for estimated values. If necessary, these are adjusted to take account of changes in production or consumption. In cases where no historical data is available, we use industry standards and average values to estimate typical waste volumes generated in similar internal and external processes.

The waste data for all Dräger companies is consolidated below:

Resource outflows in the form of waste 2025

in t	Hazardous	Non-hazardous	Total
Diverted from disposal			
Preparation for reuse	0	17	17
Recycling	164	3,177	3,341
Other recovery operations	563	1,500	2,063
Total diverted from disposal	**727**	**4,695**	**5,421**
Directed to disposal			
Incineration	228	726	953
Landfill	12	780	792
Other disposal operations	144	83	227
Total directed to disposal	**384**	**1,589**	**1,973**
Total	**1,111**	**6,284**	**7,394**

Dräger does not carry out any activities that generate radioactive waste. Accordingly, the total amount of radioactive waste in 2025 was 0 tons.

Information on the recycling rate

	2025
Total amount of non-recycled waste in t	4,054
Percentage of non-recycled waste in %	55

Social information

We take the protection of our employees very seriously. In particular, we are absolutely committed to the topic of occupational health and safety – also due to the industries in which we operate. Good working conditions and development opportunities are designed to allow our employees to perform at their best. This includes creating an environment in which they can carry out their activities free from discrimination and in compliance with human rights. We want to transfer these values to all employees in our value chain, which we address with our Code of Conduct for Business Partners, among other things. We also feel responsible for the safety of consumers and end-users. These must be able to rely on the quality of our products and services at all times.

ESRS S1 – Own workforce

Impact, risk and opportunity management

Dräger is an international medical and safety technology company with more than 16,000 employees. They contribute significantly to the Company's success through their expertise, commitment, inventiveness, and customer focus. Dräger therefore attaches great importance to the well-being and satisfaction, as well as the health and safety of its employees.

Dräger produces Technology for Life – this requires well-trained specialists. In order to attract and retain these, we must provide good working conditions and opportunities for further development. We are committed to equal opportunities, regardless of ethnicity, gender, age, religion or ideology, disability or sexual identity. Back in 2008, Dräger signed the Diversity Charter to promote the acceptance, appreciation and inclusion of diversity in the working world. We see compliance with human rights as an essential part of our social responsibility.

We also have a responsibility to offer all employees a safe working environment and to promote their health. This also applies to our temporary employees.

We are in contact with our employees on various levels so we can take their interests and views into account. Among other things, their needs and concerns are communicated and represented via employee representatives. Every two years, we conduct an employee satisfaction survey. The last one took place during this reporting year. [SBM-2]

When we refer to employees, this includes all persons who have a fixed-term or permanent employment contract directly with a Dräger company, and who are employed on a full-time or part-time basis. In addition to our employees, Dräger also employs outside labor, which refers to self-employed persons and temporary workers. They are provided to Dräger by a third-party company for a specific period of time, but do not have an employment contract with Dräger directly. According to the ESRS definition, outside labor is counted as part of the company's own workforce. Not included are trainees and working students, drivers or security guards if they do not have an employment contract with Dräger, inactive employees (e.g. employees on maternity leave, parental leave, leave of absence) and temporary employees.

Impacts, risks and opportunities [SBM-3]

In order to determine material IROs, we involved internal, representative stakeholders in the areas of Human Resources (HR) and Health & Safety. The results were shared and discussed with the works council. The most significant impacts associated with the Company's own business activities were identified as part of the materiality assessment. These apply to all employees working at Dräger, as well as outside labor.

↗ Please refer to "Materiality assessment" in the chapter on ESRS 2.

Positive impacts and opportunities:
- Dräger offers secure employment to over 16,000 employees worldwide.
- Our products save, protect and support lives. This meaningful activity leads to a high level of employee commitment and motivation.
- We offer employees qualification and further training measures. These help to improve and maintain the employability of employees.
  We see the diversity of our more than 16,000 employees in terms of gender, nationality, perspectives, and working methods as a strategic opportunity: it strengthens our innovative capabilities, leads to more balanced decisions, and promotes an inclusive corporate culture.

Negative impacts and risks:
- With more than 16,000 employees, there are a few isolated cases of discriminatory behavior, threats, and violence in the workplace.
- Occupational accidents and work-related illnesses occur. These have a negative impact on the health of employees.
- The limited availability of qualified workers can lead to a decline in the quality of Dräger's products and services and jeopardize existing or future certifications. This can result in financial losses for Dräger.

However, with our existing health and safety management systems, policies, and complaint mechanisms, we do not see any structural risk in connection with these negative impacts, but rather consider them to be isolated incidents.

The material IROs relate to the business model as follows:

Dräger's business model is geared toward competitiveness and profitability in order to develop system-relevant products and offer reliable jobs. Qualified employees are essential to achieving this. A qualification matrix is designed to ensure that all employees complete the required training. In many countries, an annual performance review takes place between employees and managers to determine requirements, development prospects, and training needs. The promotion of equality and diversity contributes to a positive corporate image and can be a decisive factor in retaining and attracting employees.

Our negative impacts are not inherent to our business model. Rather, they are common in workplaces where many people work together. In our view, individual cases of discriminatory behavior, for example, are not caused by the nature of our activities or our industry. Although Dräger is a manufacturing company, the majority of workplace accidents are work-related commuting accidents caused by carelessness, with a much smaller proportion of incidents occurring in production.

Interactions and impacts on the risk of skilled labor shortages
Demographic change, staff turnover, a shortage of skilled labor for certain positions, absenteeism, and new job requirements make it difficult to recruit and retain employees with the right qualifications. Without appropriate measures, this may lead to a decline in the quality of products and services, and potentially to the loss of certifications, resulting in significant financial risks for Dräger. Workplace accidents, occupational illnesses, and discriminatory behavior accentuate the risk of losing qualified employees. Diverse teams and the promotion of equality are seen as an opportunity, as they contribute to our innovative capabilities and can enhance the Company's image.

Company-wide policies and reporting channels are in place to prevent structural risks. The Employee Handbook sets out rules on how to deal with discrimination, threats, and violence in the workplace. Continuous training and individual employee performance reviews are used to ensure employability. Equal opportunities and diversity are parts of our human resources strategy.

With regard to child or forced labor, the materiality assessment did not identify any increased risk for the Company's own workforce due to the activities or in the countries in which the Company operates. This was also based on the results of the risk assessment as part of the Supply Chain Due Diligence Act (LkSG). Overall, there is no specific group of employees that is particularly exposed to the identified impacts and risks.
↗ Please refer to "Metrics" in the chapter on S1.

Concepts and policies related to own workforce [S1-1]

Dräger has developed strategies and actions to reduce negative impacts and minimize risks in relation to its own employees. Particularly noteworthy are "Vision Zero" from the area of occupational safety and the HR strategy described below, which deals with the identified material impacts, as well as the expanded sustainability strategy, which addresses material IROs of the ESRS S1 with its "Company/Employees" section. The concepts and policies listed below apply to all employees directly employed by Dräger. There are no specific employee groups that are particularly affected by the identified impacts and risks, and therefore require protection beyond a basic level.

HR strategy

In addition to the HR vision and mission, the HR strategy describes areas of action and is therefore the strategic basis for HR work worldwide. The implementation of the HR strategy affects all departments of the Company. The Chief Human Resources Officer (CHRO) is responsible for its implementation. The strategy also provides the framework for the regional HR managers. However, the definition of specific actions is the responsibility of the respective regional management as each region has to address individual challenges.

The HR strategy comprises four areas of action:

- Attracting and retaining the right people
- Creating attractive and healthy working conditions
- Living effective leadership and collaboration
- Tackling change and taking people with us

↗ Please refer to "Employees" in the chapter on "Principles of the Group".

Through its areas of action, the HR strategy also addresses and manages some of the identified material IROs: healthy working conditions are necessary to prevent occupational accidents and work-related illnesses. In order to attract the right employees with the right qualifications, strategic recruitment initiatives are required, as well as attractive working conditions that make Dräger an attractive employer. This also includes further training programs with which we continuously qualify employees so that they can meet the current job requirements; in particular this includes equal rights for all employees regardless of their gender or origin.

Additional concepts and policies

In our sustainability strategy, which was revised in 2024, we have also defined the action field "Company and employees" in the section of social affairs. This also contributes to the improvement of working conditions and is therefore relevant to the IROs identified in the S1 standard. Improving occupational safety is intended to reduce occupational accidents and work-related illnesses. Furthermore, increasing the number of women in management positions to 30% by 2035 signals our support for equal opportunities and curbing discrimination. Further development of the training offered for employees is another important step towards comprehensive qualification.

↗ Please refer to "Integration of sustainability in our corporate strategy" in the chapter on ESRS 2.

The foundations of our corporate culture and values are set out in our international business and conduct principles. This overarching framework is linked to all material impacts, risks and opportunities from ESRS S1.

The principles of business and conduct prescribe the importance of compliance of all managers, employees, outside labor, and business partners worldwide with the applicable laws and standards. These include human rights in particular, but also laws on working hours and pay standards. The Principles of Business and Conduct are aligned with international standards for a responsible corporate governance, such as the ILO Core Labor Standards, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. Diversity and equal opportunities are pursued throughout the company. It is explicitly stated that discrimination on the basis of ethnic or national origin, gender, religion, ideology, age, disability, or sexual identity is not tolerated. Nor is child or forced labor, modern slavery or labor facilitated by human trafficking tolerated. Dräger is also committed to providing healthy and safe workplaces.

↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

The "Dräger Employee Handbook" and the "Dräger Management Handbook" contain further key principles for the workforce. With regard to the material impacts, opportunities and risks identified, the "We act responsibly" chapter in the employee handbook is particularly noteworthy. It sets out our requirements with regard to important issues

affecting our workforce, including our principles on diversity, discrimination, and violence. Another chapter of the Management Handbook specifies the practical implementation of the Principles of Business and Conduct as they relate to human rights. It describes, for example, the prohibition of child and forced labor and Dräger's obligation to pay employees a fair wage. Reference is also made to the equal treatment of all employees.
↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

The chapter "Occupational safety, health, and environmental protection" of the Management Handbook is also relevant. It sets out the minimum requirements for an occupational safety system if individual national companies do not have official certification. The Vision Zero mission statement is also explained in this chapter. This overarching information forms the basis for the prevention of occupational accidents and work-related illnesses.
↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

Global occupational safety management

Occupational safety is part of our integrated management system, which is also certified in accordance with ISO 45001 and 14001. One component of the integrated management system is the "Dräger EHS Management Requirements Guideline"; it describes the basic requirements for the introduction and maintenance of a management system in Dräger organizations. The guidelines are intended to support our subsidiaries without a certified system in meeting the Dräger requirements for environmentally friendly behavior and the provision of safe and healthy working conditions for all employees at Dräger.
↗ Please refer to "Concepts and policies related to pollution" in the chapter on E2.

These basic principles for our occupational safety management are mandatory throughout Dräger via occupational safety trainings and instructions. The guideline applies to all Dräger subsidiaries and their employees and is to be classified as a minimum standard. Companies that are certified beyond this standard must comply with the certification standards in addition to these basic requirements.

Currently, 44 companies have implemented an occupational health and safety management system and are certified in accordance with ISO 45001. Within the Group, 46 companies have an environmental management system and ISO 14001 certification. In addition, one business area is certified in accordance with SCC (Safety Certificate Contractors – international standard for safety, health and environmental protection management). This means that around 80% of employees work in certified units. They are therefore subject to both an internal audit system and the annual external audits by TÜV Nord GmbH.

The central Occupational Safety department at headquarters in Lübeck has the task of ensuring that those responsible for occupational safety (Environmental, Health and Safety – EHS) at the individual national companies are aware of this policy. It can be viewed by all employees on the intranet. The local EHS managers are responsible for implementing the content and provide information about it, for example as part of occupational safety briefings.

We also support the "Vision Zero" campaign of the International Social Security Association (ISSA) through an internal program of the same name, with which we aim to reduce the number of occupational accidents and work-related illnesses. Vision Zero has three dimensions: Safety, health and well-being. The aim is to establish a comprehensive preventative safety culture at Dräger at all levels and in all activities and to implement it in everyday working life. In the long term, this should almost completely prevent accidents at work and work-related illnesses. Since the majority of reportable incidents at Dräger are attributable to risky behavior, numerous actions are aimed at bringing about a lasting cultural change with regard to safety-related routines. These focus on raising awareness and changing typical behaviors that increase the risk of accidents, such as not using the handrail when climbing stairs, or using phones or tablets while walking.

We pursue the overarching goal of a working environment free of occupational accidents and work-related illnesses at all our sites.

Commitments in the area of human rights policy

Dräger attaches great importance to respecting human rights and, in particular, to creating good working conditions, both within the Company and with business partners. To this end, we published a human rights

declaration in 2024 in which we describe in detail our approaches to identifying and prioritizing risks relating to human rights violations and their risk management in our own business operations and in the supply chain.
↗ Please refer to "Concepts and policies related to workers in the value chain" in the chapter on S2.

Our human rights declaration describes how we deal with negative impacts related to discrimination, threats, and violence, as well as the positive contribution we make to reducing the impact of occupational accidents and work-related illnesses.

The declaration sets out the priorities and preventive measures that have been identified as a result of the evaluation of the risks identified. These include:

- compliance with occupational health and safety standards,
- the prevention of slavery, child labor, and forced labor,
- the prevention of discrimination of any kind, and
- compliance with environmental standards.

The aim of this declaration is to communicate our expectations to all potential stakeholders and to clarify our corporate approach where necessary. The options for reporting violations are also outlined. This policy statement is regularly reviewed following the supply chain due diligence risk analysis, and in the event of specific risks that arise, and is amended as necessary.

At Dräger in Germany and at some European locations, the rights of employees are also safeguarded by employee representatives. At locations where there is employee representation, these representatives are involved in decisions affecting employee rights on a proxy basis. In addition, or if there is no employee representation, HR management forms the link between employees and the Company.

All employees are obliged to familiarize themselves with the contents of the relevant policies when they join the Company and to confirm that they have been notified of these. The Human Rights Officer is responsible for monitoring the human rights risk management system within the Dräger Group. Various indicators are considered for this purpose, which are described in the Declaration of Principles on Respect for Human Rights.
Please refer to "Declaration of Principles on Respect for Human Rights" at www.draeger.com/de_de/About-Draeger/Compliance

The Human Rights Officer is part of the Global Sustainability department and is therefore integrated into Dräger's sustainability organization. If a human rights violation is suspected, it can be reported directly to the relevant manager, to Compliance or to the HRO. If a personal meeting does not seem appropriate, there is the option of anonymous reporting via the Dräger Integrity Channel.
↗ Please refer to "Investigation of incidents" in the chapter on G1.

Dräger promotes a "Speak Up" culture to receive reports of human rights violations. We pursue reported incidents vigorously and strive to investigate them fairly, respectfully, objectively, and thoroughly, taking appropriate remedial action where necessary. If this results in a need for change, we review the adaptation of our strategies and processes to counteract any structural abuses.

However, Dräger does not pursue a specific strategy that deals exclusively with the elimination of discrimination and the promotion of equal opportunities, diversity and inclusion. These topics are rather incorporated into the aforementioned policies and strategies as sub-aspects.

Human rights issues are addressed preventively through mandatory training on relevant policies. Due to Dräger's decentralized organization, responsibility for implementation lies with the regions. The assignment of training and its successful completion is documented in our IT system set up specifically for this purpose. [S1-3]

Processes for engaging with own workforce and workers' representatives [S1-2]

In accordance with the applicable legal framework, directly elected employee representatives protect the interests of our employees. This applies to 99% of employees in Germany. They are represented by a works council. The remaining one percent are senior employees who are represented by a committee of executive employees. In Germany, more than 400 company agreements govern a wide range of topics related to working hours, pay, IT, and more. They ensure a balance between employer and employee interests.

On the European level, a separate works council, the "Dräger European Forum" (DEF), supports cooperation between employees and central management. The DEF communicates and represents the interests of all European employees to the Group's management. It is responsible for all matters that concern at least two member states of the European Union. The council complements the existing representation bodies at the plant, company, and national level without limiting their rights. The DEF currently represents employees from Germany, the Netherlands, France, Spain, Belgium, Austria and the Czech Republic.
↗ Please refer to "Collective bargaining coverage and social dialog" in the section on "Metrics" in this chapter.

In order to protect the interests of special employment groups, a representative for severely disabled employees and a youth and trainee representative are elected in Germany. In addition, there are so-called ASA committees (Occupational Safety Committee) or Health & Safety Committee Boards, which deal with occupational safety issues with the involvement of employee representatives where necessary. These bodies discuss and evaluate reported safety-related incidents.

The results of the global employee survey show us how satisfied our employees are with the working atmosphere at Dräger. In addition to the employee turnover rate, the results of the survey are also an indicator for us of whether we have involved our employees appropriately. We also ask specific questions about diversity, discrimination and the working environment. This gives us indications of structural anomalies that may require action.

As part of the annual performance review, which is offered annually in many countries, employees and their respective managers have the opportunity to address personal problem areas and, for example, agree on additional training requirements. This is an example of how the views of employees are incorporated in order to ensure the level of qualifications.

In principle, the CHRO (Chief Human Resources Officer), as the person responsible for HR, is responsible for considering the views of employees worldwide. The actual implementation is carried out in the regional structures. Responsibility may vary depending on the topic. The CEO or the managing directors of the national entities must also ensure that the works council is involved in issues relevant to occupational safety.

As part of occupational safety, regular internal and external inspections are also carried out to check whether safety standards are adhered to and whether the requirements of the Safety Committee Boards and ASA committees have been implemented.

In the area of health, surveys on mental stress are carried out at Dräger's German locations. They relate to separately selected areas of the Company and are based on the policies of the Federal Institute for Occupational Safety and Health.

In general, we continuously inform our employees on sustainability matters, for example via our intranet and our employee magazine, and provide forums for discussion.

No separate financial or personnel resources are allocated to the involvement of our own employees; we deal with the issues as part of the general works council activities. We comply with the legal requirements in this regard. There are also elected representative bodies in other national entities; participation there is governed by the relevant national law.

Targets [S1-5]

Working conditions

Our long-term goal for occupational health and safety is clear: Vision Zero – zero accidents, because every accident is one too many. In order to measure our progress in this area, we use the LTIR (Lost Time Incident Rate)[1] key indicator. We want to reduce this accident rate to a minimum worldwide. A rate of less than 4.0 has been set as

[1] The internationally used key figure LTIR refers to the number of accidents at work with at least one day's absence from work in relation to one million hours worked.

a concrete interim target for 2025. All employees who are directly employed at Dräger are included in the calculation.

To determine the target value, the historical values were examined and the framework conditions evaluated. Benchmark data from the employers' liability insurance association was also used. The target value was initially agreed with the Works Council and the ASA Control Board, consisting of the Chairman of the Executive Board, representatives of top management and specialists from the field of occupational safety, and finally with the Executive Board.

We determine the LTIR annually and discuss it in the relevant committees. The target was not achieved in the reporting year, as the global LTIR was 4.5. For this reason, we will maintain the current interim target for the coming year and continue to work toward bringing the LTIR below 4.0 and maintaining it there. From the Company's perspective, the target remains challenging. However, a certain degree of deviation is to be expected and is part of the process of developing toward a preventive safety culture. There is no base year for this target.

Equal treatment and opportunities

Dräger's vision is a working environment free of threats, violence, and discrimination; this also describes a cornerstone of the corporate culture. We do not currently use any KPIs for this sustainability aspect, as the various results of the actions and the content of the incident reports must be evaluated in the overall context. The annual risk assessment carried out as part of the LkSG will also be used to verify whether the reporting options provided are sufficient and effective.

We measure our progress through the effectiveness of the actions. The combination of the results of the actions leads to an overall statement as to whether Dräger has come closer to its vision of providing a working environment free of discrimination, threats, and violence.

We see diversity as a strategic advantage that leads to greater innovation and valuable decisions. To take advantage of this, we aim to promote equal treatment and equal opportunities. This is evident from the "Leadership and cooperation" section of the HR strategy. To achieve this, we have set ourselves the target of increasing the proportion of women in management positions to 30% by 2035. A leadership position is defined as the management of an employee in a direct line of command. Prior to setting the target, an internal analysis was conducted on regional conditions and the framework conditions for achieving the target. Factors taken into account for this purpose included fluctuation rates and future departures. This Group-wide target was approved by the entire Executive Board.
↗ Please refer to "Metrics" in this chapter.

In 2025 milestones were defined as interim targets for 2028 and 2032, against which we can measure our progress and review whether actions are sufficiently effective or need to be intensified. By 2028, the total proportion of women in leadership positions is expected to rise to 28%, and to 31% by 2032.

The proportion of women in management positions is surveyed annually. At the end of 2025, it was 26.9%.

Beyond this, there are no targets as defined by the ESRS.

Actions and resources [S1-4]

The following actions have been defined or implemented to reduce the number of occupational accidents and work-related illnesses in the future and to achieve a preventive safety culture at Dräger:

- There has been one permanent FTE at Drägerwerk AG & Co. KGaA working on the Vision Zero program since 2025 to coordinate global activities. The program is being continuously developed at the strategic and operational levels.
- A global Health & Safety (H&S) network was established in 2024, which will serve as the basis for the development of a global H&S organization in the long term with the goal of simplifying and accelerating coordination. Several virtual events with external thought leaders were held on this topic in 2025. In addition, other contact persons from the subsidiaries were included in the network. The development into a global H&S organization will take several years and is intended to be implemented without increasing the number of employees in order to establish uniform structures and leverage synergies across the Group.
- Successful actions, such as the Safety Coin, are published internally and externally to further strengthen preventive development and generate awareness. The Safety Coin is an incentive program for healthy and safe behavior, which has already been rolled out in individual areas of the Company.
- Vision Zero Days and a Vision Zero Award are planned for 2026 or were already launched before the end of 2025.
- Dräger is committed to the health of its employees worldwide and offers a wide range of actions and programs to promote their well-being and to reduce the number of work-related illnesses and accidents.

Further actions are not prescribed centrally, but are implemented at the national level. Raising employees' awareness of occupational safety is an ongoing process. This includes occupational safety training and the expansion of health-promoting actions.

The ASA Control Board meets regularly to define overarching actions that serve as the basis for global work to reduce the number of accidents and work-related illnesses. In addition to members of senior management, this committee also includes the Chairman of the Executive Board, who approves these actions. The design and further differentiation of the actions is the responsibility of the national companies, which also define individual actions as required.

Incident analyses on reported incidents and the key figures determined serve as a guide for evaluating the effectiveness of the actions implemented. We carry out these analyses on a quarterly basis and share the results and key figures in the ASA meetings or Safety Committee Boards (annually for the ASA Control Board Meeting). We involve employee representatives where necessary. Based on the results, benchmark comparisons are made with the relevant market and the existing actions are evaluated.

To achieve a working environment free of threats, violence and discrimination, we implemented the following actions in the reporting year, most of which are of a continuous nature:

Actions for a working environment without threats, violence and discrimination

Actions	Expected result	Effectiveness
The mandatory training on the business and conduct principles for new employees should be completed within a reasonable period of time after the start of employment. To this end, all relevant employees are assigned the corresponding qualification in the training system. In the industrial sector, training sessions are conducted in person and subsequently recorded in the training system.	As a result, employees are aware of Dräger's corporate culture and can comply with these principles. The aim is for the qualification matrix for this training to be "fulfilled" by the end of the year.	For the 2024 fiscal year, 98% of all allocated training courses were carried out. The missing two percent can be explained by the fact that new employees only joined the Company at the end of the year or that the previous working hours were not sufficient to complete the training. Passing the final test is a prerequisite for successfully completing a training course.
All reported incidents were dealt with promptly and brought to an appropriate conclusion, regardless of the channel through which they were reported.	The measures derived from the incident handling process are intended to contribute to a further improvement in the culture and compliance with the duty of care.	Five incidents were reported relating to threats, violence or discrimination. These have already been dealt with conclusively. The number of reported incidents is classified as low. In addition, the content was extremely diverse, meaning that no structural fields of action can be identified.
A risk assessment was carried out in accordance with the LkSG.	Compliance with human rights in the supply chain, but also in the Company itself, is examined and evaluated.	The risk analysis did not identify any increased risk in our own business area.

Uniform global standards apply to the actions. The national companies are free to define their own specific actions as necessary.

The departments responsible for the content develop actions and coordinate them with the decision-makers in the Company. Possible negative impacts were also weighed up when developing the actions. All actions must be tracked continuously.

The proportion of women in management positions will be increased in order to strengthen equal opportunities. To this end, the following actions, applicable worldwide, were defined and implemented:

- In addition to better management, the overarching target has been broken down into the various geographical regions.
- Responsibilities were defined both in the divisions and the Sales department, as well as in HR.
- Milestones were defined as interim targets, against which we can measure our progress.
- Action plans were drawn up for each region. For Germany, consideration was given to the categories of training, recruiting, career development, work-life balance, communication, and representation of interests. The APAC region also adopted these pillars. The other regions are guided by them, but have not agreed on and implemented actions for all pillars. The regional CEOs and regional heads of HR are responsible for implementation in their region.

The action plans are continuously reviewed and updated. The project team regularly reviews the proportion of women in leadership positions and shares this information with HR managers worldwide. Furthermore, progress is also presented to the Executive Board at regular intervals. By regularly monitoring the figures, the action plans can be adjusted in good time.

Actions regarding the risk of limited availability of qualified employees were implemented as part of the HR strategy. The "Attracting and retaining the right people" area of action focuses on addressing the aforementioned risk. Globally standardized actions, measurable targets or metrics have not been defined. The Company has made a conscious decision not to do so and has instead decided to focus on the general implementation of the identified areas of action. The reason for this is that, from a global perspective, it does not appear to make sense to define specific actions, targets and metrics in this area. A uniform global approach is not expedient due to differing regional needs.

Metrics

We obtain a large proportion of the data on the employees from our central systems. Information that is only available locally is requested from the subsidiaries together with the other sustainability metrics. An integral part of the query is an approval process in which the data is approved by a second person once it has been entered.

Characteristics of employees [S1-6]

The employee figures are reported on monthly basis by all subsidiaries worldwide via the financial reporting system, which the finance department manages and is responsible for. This section uses only headcount (not full-time equivalents).

When we refer to employees, this includes:

- Temporary employees as well as permanent employees
- Employees regardless of their working hours

Not included are trainees and working students, drivers or security guards if they do not have an employment contract with Dräger, inactive employees (e.g. employees on maternity leave, parental leave, leave of absence) and temporary employees. This definition also applies to all subsequent key indicators in this report, unless expressly stated otherwise.

The metrics on employee characteristics provide an overview of the employment relationships of the company's own workforce. The information reported on headcount is based on the figures in the "Employees" section of the "Principles of the Group" chapter.

↗ Please refer to "Employees" in the "Principles of the Group" chapter.

Headcount by gender

	Number of employees as of December 31, 2025
Male	11,592
Female	5,091
Non-binary	4
Not reported	0
Total	**16,687**

Top 4 countries by headcount per country

Country [1]	Number of employees as of December 31, 2025
Germany	7,768
USA	1,061
People's Republic of China	836
Great Britain	735
Total	**10,400**

[1] This table takes into account the largest companies in terms of employee numbers and adds them up at the state level. As a result, the total employee numbers may differ from those in other tables. Extended presentation according to the ESRS definition, according to which only companies with more than 50 employees and more than ten percent of the total workforce in the respective state are to be taken into account. Within the Dräger Group, this only applies to Germany.

Headcount by gender and contract type

December 31, 2025	Male	Female	Non-binary	Not disclosed	Total
Permanent employees	11,208	4,882	4	0	16,094
Temporary employees	384	209	0	0	593
Total	**11,592**	**5,091**	**4**	**0**	**16,687**
Full-time employees	11,141	4,141	4	0	15,286
Part-time employees	301	908	0	0	1,209
Non-guaranteed hours employees	150	42	0	0	192
Total	**11,592**	**5,091**	**4**	**0**	**16,687**

At Dräger, 96.4% of employees have a permanent employment contract. This demonstrates the secure employment conditions and the reliability of Dräger as an employer. Of the temporary contracts, 3.6% serve to compensate for the various pressures in capacity requirements. Part-time employees make up 7.2% of the total workforce.

Headcount by region and contract type

December 31, 2025	Germany	EMEA	APAC	Americas	Total
Permanent employees	7,612	4,365	1,887	2,230	16,094
Temporary employees	156	19	387	31	593
Total	**7,768**	**4,384**	**2,274**	**2,261**	**16,687**
Full-time employees	6,853	4,118	2,070	2,245	15,286
Part-time employees	915	266	12	16	1,209
Non-guaranteed hours employees	0	0	192	0	192
Total	**7,768**	**4,384**	**2,274**	**2,261**	**16,687**

Globally, just under 47% of the workforce is located in Germany. EMEA (Europe, Middle East, Africa) is the second largest region, followed by APAC (Asia, Pacific) and the Americas as the smallest region.

Employees leaving the Company

We break down the number of departures into so-called natural fluctuation, for example when employees retire or their contract expires, and external fluctuation, for example, due to resignation or termination. To calculate the fluctuation rate, the number of all recorded departures is divided by the annual average of the total number of employees and then multiplied by 100.

Departures are calculated cumulatively over the entire year; the annual average of the total number of employees is calculated from the twelve-monthly employee figures reported by all subsidiaries.

In 2025, Dräger's global turnover rate was 9.5, with 1,574 employees leaving the company worldwide.

Collective bargaining coverage and social dialog [S1-8]

The information on the coverage of employees by collective agreements was determined via the subsidiaries' reporting. They were asked whether collective agreements apply to the local unit and how many employees fall within the scope of these agreements. The percentage coverage is provided as the ratio between the number of covered employees and the total number of employees.

Dräger generally concludes collective bargaining agreements and negotiates with trade unions where these exist. The structure and validity of collective agreements is a matter for the individual countries and is organized on a decentralized basis. In the reporting year, around 88% of our employees in the European Economic Area were covered by a collective agreement.

At Dräger, “social dialog” means establishing employee interest groups. The number of employees in branches with employee representation was surveyed. Here too, the percentage coverage is calculated as a quotient of the number of employees covered and the total number of employees.

In Germany, the employee interest representatives are the Group Works Council, the General Works Council and the works councils of the individual business operations. The works councils are responsible for the interests of all employees except senior executives. In accordance with Section 5 (3) of the Works Constitution Act, senior executives are represented by the Senior Executives’ Committee. This means that 100% of employees in Germany are represented.

On the European level, a separate works council, the “Dräger European Forum” (DEF), supports cooperation between employees and central management. To this end, a company agreement was concluded in the relevant countries in 2009. Employees from Germany, the Netherlands, France, Spain, Belgium, Austria and the Czech Republic are currently represented by the DEF. The representation of employee interests in other countries (EEA and non-EEA) is subject to the respective local regulations; there are no central requirements in this regard.

Collective bargaining coverage and social dialogue 2025

	Collective Bargaining Coverage		Social dilogue
Coverage Rate	**Employees – EEA [1, 2]**	**Employees – Non-EEA**	**Workplace representation (EEA only)**
0-19%		Americas APAC EMEA (excluding EEA)	
20-39%			
40-59%			
60-79%			
80-100%	Germany France Spain Netherlands Austria		Germany France Spain Netherlands Austria

[1] EEA - European Economic Area
[2] Top 5 largest EEA countries in terms of employee numbers. Extended presentation based on the ESRS definition, according to which only companies with more than 50 employees in the respective country and accounting for more than ten percent of the total workforce are to be taken into account. Within the Dräger Group, this only applies to Germany.

Diversity [S1-9]

In Germany, top management only includes senior executives and employed managing directors. Internationally, top management corresponds to the country managing directors. These functions are generally situated at the first two management levels below the Executive Board; country managing directors may also be situated at the third level below the Executive Board. In addition, there are isolated regional roles that are also assigned to top management due to the importance of the activity, even if they are below the second level under the Executive Board.

Gender distribution at the top management level 2025

	Headcount	Share in %
Women	16	13.6
Men	102	86.4
Total	**118**	

Dräger also reports the proportion of women in disciplinary management positions as a company-specific key figure. We define this as management of teams of one or more people. This allows us to measure progress toward our new target of increasing this proportion to 30% by 2035.

This figure is determined annually across the Group through reporting by the subsidiaries. It is based on the total number of all disciplinary management positions across all levels.

At the end of the year, the proportion of women in disciplinary management positions was 26.9%.

The age composition of employees worldwide is surveyed annually at the end of the year. The average age is reported in the chapter on "Employees".
↗ Please refer to the "Employees" section in the Principles of the Group.

Age structure of employees

Age groups in %	2025
under 30 years	11
30 to 50 years	59
over 50 years	30

Adequate wages [S1-10]

Wage data is collected based on Group-wide reports from subsidiaries in order to verify that remuneration is appropriate. Remuneration is defined as the contractually agreed basic income plus all fixed additional payments to which each employee is entitled. Only guaranteed and non-variable salary components are taken into account.

To ensure comparability between companies, the lowest remuneration is determined on an hourly wage basis. To this end, the subsidiaries report the lowest contractually agreed gross salary and the regular contractually agreed working hours, from which the corresponding gross hourly wage is calculated. Reference values for minimum wages that are not given as hourly wages are converted to an hourly wage basis in the same way.

The lowest hourly wage determined in this way is compared with the applicable reference values for appropriate remuneration. In the European Economic Area (EEA), it is generally compared against the statutory or collectively agreed minimum wage in the respective country. In EEA countries without a statutory or collectively agreed minimum wage, a reference value is used that corresponds at least to the minimum wage of a socioeconomically comparable neighboring country or an internationally recognized standard (e.g., at least 60% of the national median wage or 50% of the national gross average wage).

Outside the EEA, the comparison is made against the applicable statutory, collectively agreed, or otherwise recognized reference value for appropriate remuneration. In countries without a statutory minimum wage, internationally recognized external reference values are used, based in part on publicly available comparative data (e.g., Trading Economics).

The subsidiaries also indicate the number of employees whose remuneration is below the respective comparative values. All employees of the Dräger Group were remunerated appropriately in line with the applicable reference values in the reporting year.

Health and safety [S1-14]

Dräger's occupational health and safety management is based on binding standards that apply to all companies worldwide. This includes the systematic identification of work-related risks and their minimization according to the hierarchy of "preventive actions before technical and personal protective actions" (in accordance with Section 4 Occupational Safety and Health Act, General principles). The ratio of employees covered by our ISO 45001-certified management system in the reporting year amounts to approximately 80%.

Dräger uses a separate report from the subsidiaries to the Occupational Safety department to report accidents. Accidents that occur in connection with work are reported. This also includes accidents in connection with travel activities for Dräger and accidents during mobile work for example from home. Accidents on the way to work and on the way home from work that occur directly to or from the home are recorded separately as commuting accidents and are not included in the LTIR index.

No fatal accidents at work were reported in the reporting year for Dräger employees or employees of Dräger partners on Dräger premises.

The internationally used key figure LTIR (Lost Time Incident Rate) refers to the number of accidents at work with at least one day's absence from work in relation to one million hours worked. The Lost Time Incident Rate 2025 for Dräger worldwide was 4.5. The working hours in subsidiaries without time-recording systems were estimated here on the basis of contractually agreed hours, minus the average sum of absences, such as for holidays.

Unlike the internally used LTIR metric, the rate of notifiable workplace accidents as defined by the ESRS also includes accidents that did not result in at least one day of lost work time or death. According to this definition, there were 236 notifiable incidents worldwide at Dräger, resulting in a rate of 8.2 at the end of the reporting year.

In total, there were 2,596 days lost due to notifiable work-related injuries and fatalities.

Remuneration metrics [S1-16]

In order to determine the average hourly wage and the median of the total remuneration, we collect salary information for every employee via the subsidiary reports. This takes into account all employees who correspond to the definition above and who worked for Dräger in the reporting year, including those who joined or left the Company during the year. In addition, we also record the salary data of the members of the Executive Board, as this is relevant for assessing the ratio of total annual remuneration. The subsidiaries record all payments made and relevant non-cash benefits per employee that were made to or for the employee during the fiscal year and were primarily settled via individual payroll accounting. Salary components are determined based on the guaranteed total remuneration (base salary), benefits in kind, and actual annual incentives received.

Calculation scheme for salary information

Salary category (in local currency)	May be included in addition to the basic salary (exemplary list)
(1) Guaranteed total remuneration	Vacation allowance, length of service allowance, coronavirus allowance, location allowance, meal allowance paid directly to the employee, travel allowance, home office allowance, health insurance, pension insurance, other social protection, other fixed cash benefits
(2) Non-cash benefits	Accident insurance, meal subsidy via the provider, car (subsidy, leasing, purchase)
(3) Actual annual incentives	Short-term incentive (STI) Long-term incentive (LTI)

The following definitions are derived from the remuneration components stated:

- Actual total remuneration comprises: (1) + (2)
- Actual direct total remuneration comprises: (1) + (2) + (3)

Gender pay gap

In order to determine the gender-specific pay gap, first the individual gross hourly earnings were calculated for each employee based on the salary data collected through Group-wide reporting. To do this, the respective remuneration amounts, where stated in local currency, were converted into euros. The actual direct total remuneration for a calendar year was divided by the contractually agreed annual working hours, resulting in a gross hourly wage for all employees.

The average gross hourly earnings were then calculated separately for women and men. Employees whose gender was not specified were not included in the analysis for data protection reasons and to preserve anonymity, in particular due to the small number of cases this concerns. No other adjustments were made to the gender pay gap.

Note on the harmonization of reported annual working hours

In the current reporting year, we have determined that for some of the companies included in the Group report, the annual working hours reported do not correspond to the contractually agreed annual working hours. In order to avoid distortions in gross hourly earnings and thus in the gender pay gap, we conducted a detailed review of the

25 largest subsidaries, which together cover 85% of the total workforce. For six of these subsidaries, it was necessary to methodically correct the annual working hours.

The adjustment ensures that the gender pay gap is calculated on the basis of harmonized, contractually defined working time models, thereby ensuring greater comparability and methodological consistency within the Group.

The gender pay gap was then calculated using the following method: the average gross hourly earnings of male employees were subtracted from the corresponding figure for female employees. The result was divided by the average gross hourly earnings of male employees.

At the end of the reporting year, the unadjusted gender pay gap at Dräger was 15.6%.

Annual total remuneration ratio
In order to calculate the total annual remuneration ratio, first the actual direct total remuneration of each individual employee was recorded. This comprises the contractually guaranteed salary, all benefits in kind, and all annual incentive payments. In order to allow for a comparison between full-time and part-time employees, as well as those employees who joined or left the company during the year, all salaries were extrapolated to a uniform reference period of twelve months and the contractually agreed total working hours.

The salary data of all employees was then ranked. The remuneration of the highest-paid individual was not taken into account when calculating the median. The median of the actual, direct total annual remuneration of all employees (excluding the highest-paid individual) was determined from the ranking. The values were not adjusted for purchasing power.

Unlike the calculation of the wage gap, this calculation includes not only guaranteed income but also benefits in kind and incentives.

The resulting ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all other Dräger employees was 35.2:1 in the reporting year.

Incidents, complaints and severe human rights impacts [S1-17]

Through its Dräger Integrity Channel, Dräger provides employees with a possiblity to report harassment, discrimination or human rights violations. Information on reported incidents is requested from the subsidiaries and supplemented and validated with other internal sources (reporting channels).
↗ Please refer to “Business conduct policies and corporate culture” in the chapter on G1.

With more than 16,000 employees, inappropriate employee behavior may occur in individual cases worldwide. This includes discrimination, threats, and violence.

Incidents of discrimination

	2025
Total number of incidents of discrimination, including harassment, recorded during the reporting period.	5
Number of complaints received from own employees through Dräger internal complaint channels (including grievance mechanisms) and complaints to external contact points (excluding those already included in the total number of reported cases of discrimination).	45
Total amount of fines, penalties and compensation payments resulting from cases and allegations.	0
Number of serious human rights violations related to own workforce (employees and non-employees).	0
Thereof serious cases that violate the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.	0
Total fines, penalties and compensation payments for forced labor, human trafficking and child labor.	0

ESRS S2 – Workers in the value chain

Impact, risk and opportunity management

We are aware of our responsibility to respect human rights in our value chain. Our goal is to provide Technology for Life that protects human lives. We therefore also expect our business partners to adhere to our human rights and labor standards. This applies throughout the entire cycle of cooperation with our suppliers.

Impacts, risks and opportunities [SBM-3]

As part of the assessment of our impacts, risks and opportunities, we have identified the following IROs as material:

Negative impacts:

- Negative impacts on workers' health are possible in our supply chain due to risks in the area of occupational safety.
- We cannot rule out the possibility of child or forced labor in the extraction of some of the raw materials used in our products (e.g. cobalt in batteries).

Positive impacts:

- We contribute to improving the working conditions of our suppliers' employees.
- Qualified training and further training of our suppliers can have a positive impact on the working and living conditions of all employees.

These relate to our business model as follows:

For a medical and safety technology company like Dräger, the requirements in the respective industries with regard to compliance with production standards are particularly high. Dräger is actively involved in enforcing these high standards throughout the industry and the associated value chains. This has a positive impact on the working situation of many employees at the various levels of the value chain. Nevertheless, we are aware that there is always a residual risk for this systemic negative impact in the area of occupational safety, which we try to keep as low as possible with various actions.

Our business model enables us to exert an indirect influence on the workforce in the value chain through our approval and process audits for our suppliers. By also paying attention to the qualifications of our suppliers' employees, we can influence their training and development and ultimately have a positive impact on the working and living conditions of all employees.

With regard to child labor and forced labor, we see systemic risks along the deeper supply chains, especially in the extraction of critical raw materials and minerals. Due to their severity, we consider these issues to be material for Dräger. Other human rights violations can also occur along the deeper supply chains, but we have not classified them as material. The resilience of the supply chains is crucial for Dräger. This depends to a large extent on the availability of qualified workers.

Risk assessment [SBM-2]

When analyzing risks in the value chain, we focus on the employees of our direct suppliers. This explicitly includes the employees who work on our premises. Other groups of workers in the value chain that could be significantly affected by our Company's activities include the employees of our freight forwarders and those who work in the extraction and processing facilities for the raw materials we use. It also affects the employees of our customers – for example in hospitals, the police, the fire department or in oil and gas plants.

We process the deeper supply chain taking into account the German Supply Chain Due Diligence Act (LkSG) as soon as we become aware of risks. We have not differentiated between individual groups with increased risk among our direct suppliers, as the vertical integration of our suppliers does not reveal any areas with a particular risk disposition. The results of the risk assessment have confirmed this.

The downstream value chain is not currently included in our risk assessment with regard to the employee situation. We do not currently see any increased risk with regard to working conditions in the area of our investments. These are part of the risk assessment in accordance with the LkSG in our own operation. No specific risks were identified for the investments.

We are aware of our impact on vulnerable groups in the deeper supply chain – particularly in the extraction of raw materials – but are currently unable to localize these beyond statistical values. Accordingly, we did not identify any material risks or opportunities that could arise from such impacts. On this basis, we have addressed the situation of employees in areas of particular risk. Further planning and implementation of measures depends on regulatory developments and how customer requirements evolve.

Most of our direct suppliers are based in Europe and are therefore subject to comparable regulations themselves. In other regions, our analyses of direct suppliers have not yet revealed any specific risks at sub-topic level.

However, as conflict minerals and other high-risk raw materials are only contained in our products in small quantities and are highly processed, we are currently unable to draw any specific links to our business activities beyond the statistical risk.

Our suppliers and the products we purchase are subject to complex approval processes. Changing or replacing materials and suppliers is therefore only possible with time and financial effort. At the same time, we have long-standing business relationships with our suppliers, which means that negative changes are easier to identify and we can therefore address problems at an early stage. We therefore see more benefits than risks for employees: Long business relationships promote financial stability, high safety standards, and qualifications for employees. This can contribute to increased competitiveness and resilience for both Dräger and our suppliers and ultimately also strengthen the situation of employees.

Activities with a positive impact

Some of our customers are also our suppliers. Together, we try to continuously improve the health and safety of all employees in the value chain with our products, but also with our policies. These improvements can help to make our supply chains sustainable.

Our system of controls for direct strategic suppliers, particularly with regard to occupational safety, health protection and employee qualifications, is essential as part of our long-term business relationships and ultimately also helps the employees of our business partners.

The active development and implementation of industry standards worldwide, in which a dedicated team at Dräger is involved, means that good qualifications and occupational safety standards must also be met by other market participants beyond our immediate sphere of influence. Overall, this has a positive impact on the situation of employees in our industry, our markets and the associated value chains.

Concepts and policies related to workers in the value chain [S2-1]

Our standards with regard to workers in the value chain are governed by our Code of Conduct for Business Partners and our Human Rights Declaration.

The "Code of Conduct for Business Partners" (CoC BP) explicitly prohibits all forms of forced labor, modern slavery and child labor. The Code of Conduct also addresses the issues of fair working conditions, non-discrimination, health and safety in the workplace, freedom of association, and the appropriate deployment of security forces. These topics are directly related to employees in the supply chain.

↗ Please refer to "Business conduct policies and corporate culture" in the chapter on G1.

The heads of Purchasing are responsible for implementing the requirements formulated in the policies for direct suppliers, and the sales organization for sales channel partners.

In 2023, we reviewed the Dräger CoC BP to ensure that it is up to date and made changes with regard to the LkSG. Among other things, topics such as the appropriate use of security forces, the prohibition of land grabbing and the responsible use of resources were added.

The CoC BP can be viewed on our website and is therefore available to all interested parties. All new quality-relevant suppliers sign the Dräger CoC BP or an equivalent document and are therefore responsible for its implementation within their sphere of influence. The document is regularly discussed with suppliers with potential risks in particular and signed by these. No significant changes were made to the CoC BP in the reporting year.

Please refer to www.draeger.com/compliance

Based on the LkSG, the risks for all employees in the supply chain and in our own operation are considered in the "Declaration of Principles on Respect for Human Rights". The policy statement describes in detail our approach to identifying and prioritizing risks in the supply chain. The aim is to communicate our expectations to all potential stakeholders and to clarify our approach where necessary. It is updated annually based on the LkSG.

The Executive Board, in particular the Chief Sustainability and Quality Officer (CSQO), is responsible for implementing the Company's internal standards. Dräger expects all stakeholders to comply with human rights. We conduct regular business reviews, which include assessments of compliance with human rights. Furthermore, we insist on an assessment by Ecovadis (a provider of corporate sustainability ratings) for strategically important and high-risk suppliers. In addition, we conduct selective audits of our suppliers at irregular intervals at their site. The audits also focus on the topics of qualification and occupational safety standards. In the event of questionable situations on site, other human rights issues are addressed as required (for example by checking the age of workers). Dräger is guided by the "United Nations Guiding Principles on Business and Human Rights", the "International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and its Follow-up" and the "Guidelines for Multinational Enterprises of the Organization for Economic Co-operation and Development" (OECD).

Dräger has published its human rights declaration on the Company website in German and English language.

Please refer to www.draeger.com/compliance

The policies described above explicitly address human trafficking, modern slavery, forced labor and child labor and address all legal positions of the LkSG. Beyond this, we have no policies that focus exclusively on human rights issues.

Management approach for human rights and workers' rights in the value chain

We have implemented a human rights-related risk management system in order to identify and prevent the negative impacts of our business activities. This system monitors compliance with human rights and environmental standards in our own operation and at our suppliers. At its core is the annual risk assessment, which we use to review and further develop the effectiveness of our various preventive and remedial actions.

We also assess potential human rights risks on an ad hoc basis, both in our own operation and at our suppliers. Our risk management system is supplemented by a freely accessible grievance channel. In order to effectively develop the various instruments for implementing our human rights strategy, we have appointed a human rights officer to

monitor the risk management system. This person provides regular and ad hoc information to management and coordinates the documentation and reporting on human rights issues.

We were unable to identify any systemic risks within our own sphere of influence. As far as we are aware, these lie in the deeper supply chains. Due to our broad product portfolio, our supply chains are very diverse. We therefore only have limited access to the results of industry-specific working groups on supply chain transparency. In anticipation of European supply chain legislation (CSDDD), we are currently developing methodological approaches to prioritize sustainability risks appropriately. In addition, we only observe individual cases of violations of the legal positions of the LkSG in the areas of discrimination and occupational health and safety. These are dealt with individually and solutions are found.

To the best of our knowledge, there have been no substantiated cases in our value chain of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines.

In the area of international standards management, we have a central coordination office within the Group that manages employees to establish industry standards worldwide and, in turn, implement these in our business unit and, derived from this, in the value chains. Most of the standards that affect Dräger contribute to achieving the UN's Sustainable Development Goals (SDGs).

We promote the topic of occupational safety at an overarching level through our involvement in the "Vision Zero" campaign of the International Social Security Association (ISSA). This has an impact not just on our own business operations, but also on the entire target group of the initiative, such as service providers and relevant partner companies involved in our operational value creation processes.
↗ Please refer to "Global occupational safety management" in the chapter on S1.

Processes for engaging with value chain workers [S2-2]

We communicate our expectations to all stakeholders with the "Declaration of Principles on Respect for Human Rights". In addition, our approach focuses on supplier audits that include employees in the value chain. During the audits, Dräger employees are on site at the supplier's premises and come into contact not only with management but also with employees from various departments.

In addition, due to the regional focus of our suppliers in Europe in highly specialized industries with a lower risk of human rights violations, we assume that a large number of the employees of our direct suppliers can use our grievance channels – either directly or via trade union representatives.

There is currently no active engagement with employees or their legal/trustworthy representatives, as no risks have been identified in Dräger's direct sphere of influence. Therefore, there is also no responsible function. If issues come to our attention, this is a case-by-case decision– responsible functions from the operating business are involved on a "need-to-know" basis.

Reports and complaints are processed in close coordination between Purchasing and the Human Rights Officer in Global Sustainability. If Dräger receives information via these channels, we develop systematic preventive actions to contact the potentially affected groups and the accused directly and take remedial action.

Targets [S2-5]

The basis for long-term successful partnerships with our business partners is a common set of values and compliance with the applicable laws. In the reporting year we therefore increased our annual target for the coverage rate with a valid signature of our CoC BP or an equivalent supplier-specific code of conduct for strategically important suppliers in the production materials sector from 90% to 93% of our purchasing volume. This change was based on our ambition to continuously increase the coverage rate. With this high level of coverage with our CoC BP or comparable codes, suppliers commit to implementing our values in their business area and with their suppliers.

In 2025, we were able to cover 92% of our purchasing volume with our strategically important suppliers for production materials (measured by purchasing volume) via the CoC BP.

The target is annually reviewed when determining the coverage rate. When setting targets, we focus on our direct sphere of influence (direct suppliers) in order to make the best possible use of the leverage we have as a company.

Employees in the value chain or their representatives were not included in the target setting. Instead, we are guided by the usual standards in the economy and in our sphere of influence.

Beyond this, there are no targets as defined by the ESRS.

Actions and resources [S2-4]

Due to the many years of close cooperation and ties with our strategically important suppliers, we see considerable possibilities to exert influence here and are convinced that the form of cooperation can have a positive impact on the employees of our direct suppliers. Like Dräger itself, our suppliers are often highly industrialized and have a low vertical range of manufacture.

We use various levers to mitigate our potential negative impacts. For example, at the production sites every new quality-relevant supplier to Dräger undergoes a comprehensive, globally standardized supplier approval process. This includes automated partner screening; potential business partners are checked for sanctions or criminal activities, for example. The next steps in the supplier approval process only follow if the screening is successful.

As most of our supplier relationships at Dräger are very long-standing, we audit our strategically important suppliers on a regular basis. In addition to product quality, occupational health and safety issues, qualifications with regard to key functions and selected CoC BP issues (e.g., child labor) are audited to varying degrees or on an ad hoc basis.

In addition to the actions mentioned above in relation to our suppliers, we prepare abstract risk analyses of our suppliers once a year or on an ad hoc basis based on the requirements of the LkSG. Risks are assessed on the basis of country and industry indices. The 2025 risk assessment did not reveal any serious human rights risks or violations. All actions that we implemented in 2025 were preventive.

By monitoring workplace safety and qualifications during our supplier audits, we identify risks at an early stage and develop remedial actions together with the respective supplier. Our risk analyses showed that audits of suppliers with potential risks can uncover real hazardous situations that can then be remedied. We see this as evidence of an improvement in the situation of the supplier's employees and as confirmation of the effectiveness of our actions. No systemic risks in relation to immediate suppliers were derived from the previous audit results, it is more a matter of individual incidents.

Regarding actions that have a positive impact on employees in the supply chain, Dräger is actively involved in establishing global product standards in medical and safety technology. In order for a supplier to achieve these standards, intensive training of employees and high safety standards in production are necessary at numerous stages of the supply chain. At the same time, we strive to avoid negative impacts through trusting and dialog-oriented cooperation. If we receive indications of violations of employee rights, we examine the situation and take individual remedial actions.

We use business reviews, audits and continuous media screening to check the effectiveness of the actions taken by our direct suppliers. We are aware of the considerable demands placed on everyone involved. At the same time, we are convinced that this will help us achieve greater awareness and a higher standard with regard to the sustainable actions of our suppliers and their suppliers. These analyses and actions can not only have a positive impact on the working conditions of our suppliers' employees, but also on the resilience of our supply chains.

We have no substantiated knowledge of human rights violations in our supply chains that are related to our business activities.

Key actions to implement our policies and their impact

In 2025, we again carried out a risk analysis of direct suppliers taking into account the LkSG and to implement the contents of our human rights declaration. The requirements of the LkSG are implemented for all direct suppliers of Drägerwerk AG & Co. KGaA and Dräger Safety AG & Co. KGaA. In 2025, our employees in production resources procurement received training on sustainability issues and how to enforce them with suppliers. Further actions concern suppliers that fall under the upcoming regulations, particularly those from the EU Green Deal. We carry out dedicated risk analyses for this purpose. These usually take place annually and on an ad hoc basis.

With regard to the CSDDD, we have carried out an initial assessment of the supply chains based on numerous studies, internal data and expert knowledge. In addition, we have selected a new tool to improve due diligence for conflict minerals, which we implemented in full in 2025.

Important remedial and support actions for injured parties due to negative impacts [S2-3]

No actual negative impacts have been identified to date. Therefore, there is currently no prioritization of our actions beyond the RMI (Responsible Minerals Initiative). Indications for individual cases (e.g., from audits) were examined and, if necessary, remedial actions were initiated in cooperation with the business partner.

Financing of actions

In 2025, we allocated additional human and financial resources for the implementation of sustainability criteria in Purchasing. Purchasing works in close coordination with the Global Sustainability department created in 2023 and Dräger's Human Rights Officer to adapt processes and thus indirectly achieve improvement for employees in the supply chain.

External tools were used to assess direct suppliers and for due diligence checks on conflict minerals.

Remediation and grievance mechanism [S2-3]

All persons, including employees of business partners, representatives of employees in the supply chain and others, can use the Dräger Integrity Channel to report grievances or complaints, including anonymously.

↗ Please refer to "Investigation of incidents" in the chapter on G1.

Another tool is risk monitoring in the form of media screening of individual suppliers via an external provider. If indications of violations of employee rights in the value chain become known through this or other channels, we respond on a case-by-case basis.

Any anomalies in supplier audits are reported to the supplier; a plan is then drawn up jointly to rectify the defects. Implementation is monitored by our Supplier Quality department.

All the channels described above are managed by Dräger itself. We are not currently involved in a corresponding multi-stakeholder initiative or other complaint channels. Employees in the value chain can find the Dräger Integrity Channel via search engines or our website. It is also communicated via our CoC BP. As the majority of Dräger's suppliers are based in Europe and employ highly qualified employees, we consider this channel to be sufficiently communicated.

ESRS S4 – Consumers and end-users

Impact, risk and opportunity management

For our customers, the reliability and application safety of our products are the top priority. Our end users include firefighters, police officers, industrial workers, doctors, and nursing staff in hospitals. There are no end users for whom our products are harmful or increase the risk of chronic illness, or for whom our services negatively affect their right to privacy or the protection of their data. Through our materiality assessment, we have also developed an understanding that none of our end-users are exposed to a greater risk of harm than others. As a B2B company, we also do not have any end users who are particularly vulnerable and, in this sense, in need of protection from the impacts of marketing and sales strategies. Instead, every solution we develop aims to make our customers' work safer, more productive, and easier. This also includes providing customers with comprehensive information about our products (product descriptions, intended uses, applications) so that they know how to use the products, and informing them quickly and reliably about important issues. Internal policies and processes help us to comply with legal requirements as well as cultural and ethical standards. Our approval process for the external use of marketing materials regulates in detail which departments at Dräger approve the materials and how the approvals must be documented. This ensures that they contain only accurate information, without exaggerations, misleading wording, or similar, across all our customer groups in our various medical and safety markets.

However, our criteria for customer satisfaction not only cover these basic rights, but also go well beyond them. The safety of our customers is our most important value and is an integral component of our brand and our corporate principles. The subtopics of information rights and information security, as well as customer safety, are essential to us across all our customer groups in our various medical and safety markets.

Our customers' interests and their impact on our business model [SBM-2]

The interests, views and rights, including respect for the human rights of Dräger's end users, play an important role in the strategic direction and business activities of Dräger. Our target is to protect, support, and save human lives with our Technology for Life.

Our customers and users across all of our markets and business models have a legitimate interest in ensuring that our products offer the highest quality and reliability. We operate in a highly regulated environment. We therefore attach great importance to quality assurance and the associated exchange with our customers within our business models and processes. A new Executive Board department for sustainability and quality was established in the prior reporting year.

Impacts, risks and opportunities [SBM-3]

As part of the materiality assessment, impacts and risks were identified that significantly affect customers and users of Dräger products or the Company itself. Customer safety was identified as a material issue. This concerns only individual incidents, not systemic impacts. For users of Dräger products, safety and health risks arise from the potentially improper use of our products. Clear and user-friendly instructions for use and a user training concept are therefore essential in order to reduce these safety risks. Intensive market observation and effective product improvement, as described below, are also important.

We see a positive impact identified in the materiality assessment in the provision of reliable products worldwide. This includes the way in which we communicate about our products and inform customers quickly and reliably about important issues (e.g., in the event of product recalls). This positive impact concerns our direct customers and user groups as described above.

↗ Please refer to "Materiality assessment" in the chapter on ESRS 2.

Negative impact:

- If one of our products does not meet specifications or is not used in the correct application, this “automatically” poses a risk to the health and safety of the user due to the nature of our business.

Positive impact:

- Our “Technology for Life” products guarantee the safety of our customer and protect life.

These relate to our business model as follows:

Product stewardship is an essential part of our corporate strategy and business models in every respect. Without the trust of our customers and users in our products and services, which are often designed to protect their lives in dangerous situations, our business models are unsustainable. At the same time, our business models make a positive contribution to healthcare and occupational safety. In this respect, there is no need to adapt our business models and strategies. Due to the industries in which Dräger operates, there are no inherently harmful products or services in our portfolio.
↗ Please refer to “Our business model” in the chapter on ESRS 2.

Management approach

Our integrated quality management system forms the basis for the management of all quality-related issues. Among other things, it complies with international standards ISO 9001 and ISO 13485. Not only does this aid us in ensuring compliance with the prescribed quality standards and country-specific requirements, but it also enables us to set our own ambitious quality targets. This applies to our processes, products, and services. Our production, sales and service locations are subject to both an internal audit system and regular external audits.

We manage product and information security issues by monitoring our products on the market, processing information and complaints from our customers and, if necessary, informing them about incidents and recalls. In doing this, we aim to ensure the safety and reliability of our products through regulated, secure processes in accordance with specifications, policies and standards. This covers customers and end users across all our markets worldwide. Proper compliance with these processes is monitored and confirmed by a large number of independent internal and external audits. In addition, our products must undergo numerous country-specific approvals before being launched on the market.

Concepts related to consumers and end-users [S4-1]

The highest level in the Company responsible for implementing the quality strategy and the corresponding processes is the Chief Sustainability and Quality Officer (CSQO). Among other things, this Executive Board function is responsible for all overarching quality issues relating to the medical and safety divisions as well as Sales & Service and all central departments. We continuously strive for improvement in order to promote our positive impact and increase efficiency. At the same time, we want to ensure that all processes at Dräger meet internal and external requirements at all times.

Our publication “We take responsibility” provides information on our quality and environmental policy, our approach to occupational health and safety, some of our ethical principles and the principles of our social commitment. The chapter on quality covers topics such as “Safe and durable products” and “Reliable processes”.
↗ Please refer to “Concepts and policies relating to climate change mitigation and adaptation” in the chapter on E1.

We use various processes to avoid our potential negative impact. These include those that identify and direct defective materials and related quality information. The information is analyzed, evaluated and reported in corresponding control loops; if necessary, actions to improve products are initiated and implemented. At the same time, potential risks are assessed and, if necessary, production or delivery stops and field actions (recalls) are initiated.

These processes are used to collect quality information in the field in the event of a defect. The purpose of this documented procedure is to collect information on warranty claims worldwide and, if necessary, to make defective material and information available for further investigations. Secondly, the processes regulate the

correction or replacement of a faulty delivery, the assessment of the faulty material and the documentation of the results. This is followed by a root cause assessment and the initiation of actions. This can include labeling, blocking and processing faulty material. These processes are accompanied and monitored by Control Review Committees and Product Quality Boards (PQBs).

There is a separate standard for product improvement actions (product corrective and preventive actions). These actions may be triggered by product defects or potential risks identified through a risk assessment process. A risk assessment is always carried out by the company with development responsibility when a product, software, or process deviates from accepted limits to an extent that could potentially cause harm to a user. If the risk assessment indicates a possible threat or danger to the user, the Competence Board must be convened to decide on the implementation of what is known as a field safety corrective action. Other findings, such as potential reputational damage to the Company, may lead to a quality improvement action. Field Action Managers are responsible for tracking these two types of field actions.

We have also established processes to ensure the accuracy of the content of our marketing materials. These apply both to the creation of the original materials and to the translation process. Our internal "Approving Marketing Communication Materials for External Use" process is designed to ensure that all product-related statements are accurate, verifiable, and formally confirmed by all relevant stakeholders through their signature. We are guided by the principle of avoiding dishonest advertising. According to this approval process, statements must be true, correct and objectively verifiable. We must not make false statements and should refrain from exaggeration, for example by avoiding superlatives. In addition, the rights of other persons or competitors must not be infringed. We pay particular attention to trademark rights and copyrights. We provide important product information in the form of instructions for use, product labels and websites in accordance with the relevant legal requirements. The globally applicable process is anchored in corporate communication; the highest level of responsibility for implementing this process lies with the CEO.

Human rights aspects do not play a significant role in our quality processes beyond the company-wide regulation of human rights issues. Accordingly, we have not currently formulated any commitments in the area of human rights policy regarding end users and consumers and therefore do not have processes and mechanisms in place to monitor compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises for end users. To our knowledge, there are no particularly sensitive or marginalized groups among Dräger's customers.

Processes for engaging with consumers and end-users about impacts [S4-2]

In order to continuously improve our products, we focus on customer intimacy and accompany users in early stages of product development, for example in their working environment (Customer Process Monitoring, CPM). We derive user requirements on the basis of these findings, which are reviewed in later product development phases. We collect specific feedback in two structured feedback rounds: First, users evaluate initial concept approaches and provide qualitative and measurable assessments. This is followed by a second feedback loop with an advanced prototype, during which participants assess the extent to which their requirements are met.

Before a product is brought to market, it undergoes a practical test in which selected customers try out the product in their own working environment for four to six weeks. They then evaluate it again qualitatively and quantitatively. This ensures that the customer requirements defined at the very beginning of the project remain the focus throughout the entire product development process.

Between these mandatory tests, we conduct focus groups/online interviews, competitor analyses, internal usability tests, and surveys via online customer panels as needed throughout the course of the project.

Before market launch, we also subject all products to comprehensive verification and validation in our own and external testing laboratories. Every Dräger device must function perfectly, even under extreme conditions, before it receives market approval.

If our products are defective or give the customer any other cause for complaint, they can contact us via our various channels. If we identify deviations relevant to safety during our quality checks, we write to the customers

affected to recall the products for repair; many of these incidents must also be reported to the relevant authorities.

The primary responsibility for the CPM and other customer engagement processes described above is shared by the division boards of the medical and safety divisions and the management of the Research and Development department. The CSQO is responsible for complaints from consumers and end users.

Actions and resources [S4-4]

We have an established quality management system that we review and improve continuously. In this context, minor actions are implemented every year and internal metrics are collected to help ensure their effectiveness. We do not consider it necessary to set measurable targets beyond our guiding principle of "continuous improvement". [S4-5]

The "Channel One" project was launched in 2022 to future-proof our processes in relation to field issues in light of increasing regulatory requirements and a growing installed base of Dräger devices. During the reporting year, primary responsibility for this project, which is scheduled for completion in mid-2026, was transferred from the Executive Board member responsible for sustainability and quality to the Head of the Business Unit Therapy. The project will work out how to focus even more on efficiently solving customer problems, simplify the communication of problems to the relevant areas within Dräger, improve the exchange of information and transparency for all parties involved and standardize and increase the data quality for field information. This action therefore extends to all of our global operations and, in the value chain, to our own operation and the downstream value chain. Accordingly, it affects our own employees as well as our end users.

The effectiveness of our concepts and actions can be verified using existing procedures and metrics. For example, reports based on suitable indicators are used for this purpose. These are analyzed on an ongoing basis; actions are then defined where necessary. Internal indicators are, for example, processing times for complaints or quotas in the processing of field actions. Field actions are only completed when the effectiveness of the actions can be proven. All information from the quality input channels (e.g., claims, complaints) is evaluated in PQBs by the product specialists. Actions are then developed to respond to specific actual negative effects on end users or to prevent potential effects. Criteria such as frequency of errors, severity and detectability are used for this purpose.

The respective PQB also takes actions in relation to specific negative impacts on end users. In addition, it controls the lessons learned in relation to product design, marketing or sales, if applicable, and decides whether further actions are required beyond those already implemented.

We aim to ensure the availability of procedures to take remedial action in the event of negative impacts as follows: We provide resources for all Product Steering Boards (PSBs) and PQBs, whose meetings are documented and whose proper implementation is regularly reviewed through internal audits. The same applies to the teams that carry out the risk assessment and any competent groups that decide on field actions. The expenses for quality management are recorded in quality cost reporting. In addition to personnel costs, they also include material costs.

With our quality management system, we want to fully prevent the occurrence of any possible adverse effects. The protection and safety of our customers is our top priority; economic objectives take a back seat in the event of conflicting objectives in connection with danger to life and limb.

Serious problems and incidents relating to human rights in connection with our end users were not reported.
↗ Please refer to "Metrics" in the chapter on S1.

Remediation and grievance mechanism [S4-3]

In the event of a specific incident in form of a complaint about a defect, the information is analyzed, evaluated, and reported. If necessary, actions to improve products are initiated and implemented. At the same time, potential risks are assessed and, if necessary, production or delivery stops and field actions (recalls) are initiated.

In addition to the possibility of contacting the responsible Dräger branches or distributors at any time, customers can contact us via our websites.

If customers wish to submit a complaint, for example, they can contact us directly as part of our complaints management. If they wish to communicate concerns or needs, they can contact us in the usual industry channels. If necessary, they can reach out to their contact person in Sales at any time to ask for support. We generally assume that our end users are aware of these contact options. However, we do not verify this.

Some channels are also available on our website for product-related complaints. For example, customers can submit information through a simple online form about a serious quality problem, possible personal injury, or cybersecurity deficiencies. In the case of medical or in-vitro products in particular, any information that indicates deficiencies in terms of quality, durability, reliability, user-friendliness, cybersecurity, safety or performance can be reported. Customers receive feedback from Dräger via quality reports, if necessary also via direct contact.
Please refer to “Dräger complaints management” at www.draeger.com/de_de/Complaint

The availability of the reporting channels is ensured by the aforementioned processes. Their effectiveness is evaluated in internal and external audits, among other measures. Dealing responsibly with whistleblowers and protecting them from any negative consequences is important to us. This also includes a ban on discrimination and protection against retaliation.
Please refer to “Investigation of incidents” in the chapter on G1.

Governance information

Dräger attaches great importance to corporate governance. In an effort to emphasize this, we apply the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK), which is aimed at stock corporations, to Drägerwerk AG & Co. KGaA. Deviations from the DCGK's recommendations are published and justified in accordance with the "comply-or-explain" principle. The significant deviation is based on the grounds that, in terms of the exclusively shareholder value-based recommendations of the DCGK, the Supervisory Board considers a balanced increase of the Company value preferable for all stakeholders. The latest declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) was published on our website in December 2025; it is based on the German Corporate Governance Code as amended on April 28, 2022. Dräger complies with all recommendations of the Code with the exception of two justified deviations in the area of Executive Board remuneration. Our corporate governance report in the declaration of corporate governance describes the features of the management and control structure of Drägerwerk AG & Co. KGaA, as well as the significant rights of our shareholders, and explains the special features compared to a stock corporation. The full text of our declaration of conformity is also printed in the report.

Please refer to the declaration of conformity at www.draeger.com/en-us_us/Investor-Relations/Corporate-Governance
Please refer to the corporate governance report in the "Declaration/Group declaration of corporate governance (Sections 289f and 315d of the German Commercial Code [HGB])" chapter.

The description of ESG governance – i.e. how we manage cross-divisional sustainability issues, which committees are involved and how responsibilities are assigned – can be found in the chapter on ESRS 2. The following chapter deals with topics relating to corporate policy and corporate culture.

Please refer to "Sustainability organization" in the chapter on ESRS 2.

ESRS G1 - Business conduct

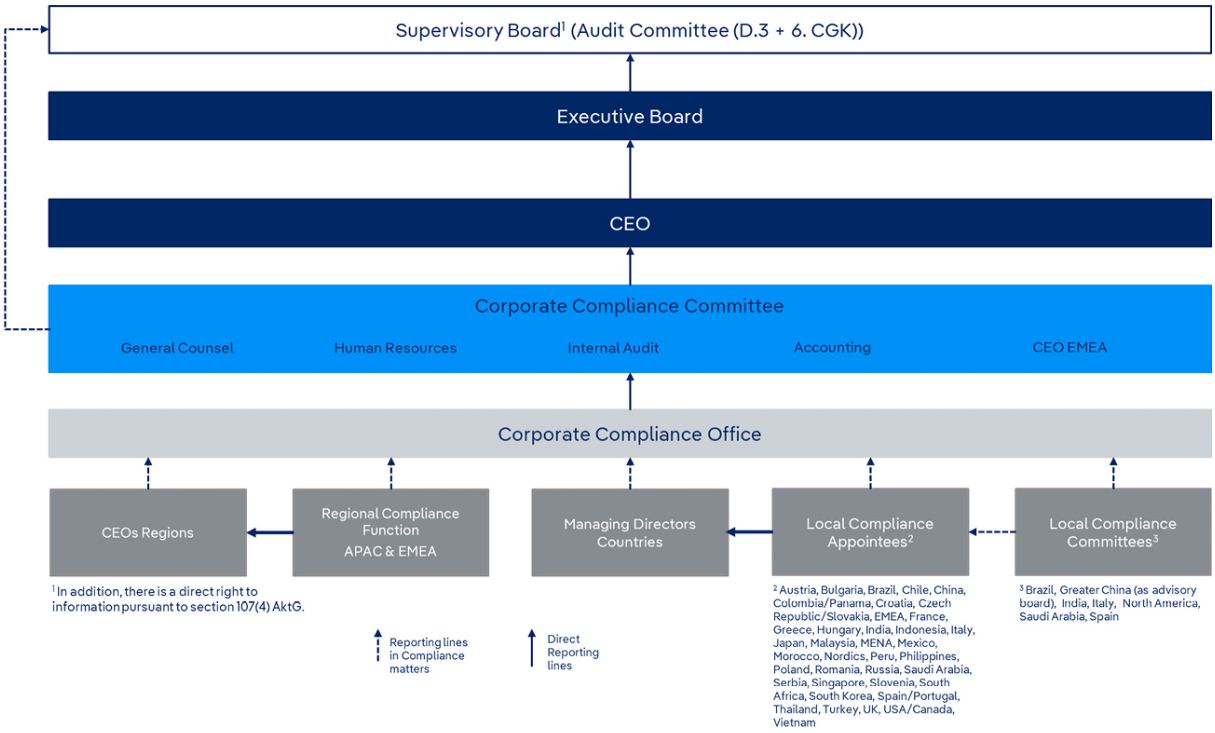
With all of our entrepreneurial activity, compliance with legal and regulatory requirements, as well as the safeguarding of free and fair competition, are the basis of our long-term success. We therefore comply with the applicable laws in every country in which we operate as a matter of course. It is the responsibility of each and every employee, including management and the Executive Board, regardless of location or business area, to comply with all locally applicable laws, our Principles of Business and Conduct and all other Dräger rules.

The role of the administrative, management and supervisory bodies in relation to corporate governance [GOV-1]

The responsibilities of the Executive Board include instituting and monitoring the Group-wide compliance management system (CMS). The responsible member of the Executive Board is the Chairman. The area of responsibility of the corporate compliance function at Dräger comprises the compliance components of anti-corruption, anti-trust law, prevention of fraud and dealing with conflicts of interest ("components"). Other compliance risk areas such as data protection & information security, customs & export control, anti-money laundering and tax compliance are handled by other relevant departments at Dräger.

The Executive Board has established the Corporate Compliance Committee (CCC) and delegated the following tasks: The CCC develops and implements actions to maintain and further develop the CMS for the aforementioned components. The CCC's rules of procedure adopted by the Executive Board specify in detail, among other things, the cases in which the CCC is to inform the Supervisory Board of Drägerwerk Verwaltungs AG and the Audit Committee of Drägerwerk AG & Co. KGaA on behalf of the Executive Board on a regular and ad hoc basis. At the foreign subsidiaries, the respective managing directors are responsible for compliance; in some cases, they are supported by local compliance appointees. The rules of procedure of our Supervisory Board stipulate that the Audit Committee of the Supervisory Board monitors actions to ensure compliance with statutory provisions and internal company policies (compliance) and receives reports on compliance within the Company.

Compliance organization



Expertise in the administrative, management and supervisory bodies in relation to corporate management

The managing directors of the companies are required to attend training courses on topics such as anti-corruption and bribery as well as other internal requirements from the Code of Conduct (CoC). The Executive Board deals with the aforementioned components of the Compliance Management System (CMS) at least on a quarterly basis, with the development of the system and relevant aspects being presented by the Head of the Corporate Compliance Office and an annual report being sent to the Executive Board and the Chair of the Audit Committee. In addition, a report on the CMS of the abovementioned components is presented once a year at the meeting of the Audit Committee.

Suitable candidates for the election of shareholder representatives to the Supervisory Board are assessed and selected by the Nomination Committee. This committee ensures that the Supervisory Board always includes members who have the knowledge, skills and professional experience required to properly perform their duties on the Supervisory Board.

Impacts, risks and opportunities in relation to corporate policy [IRO-1]

As part of our materiality assessment, we have identified various impacts, risks and opportunities in relation to the ESRS G1 corporate policy. One source for the evaluation of impacts and risks is the Compliance Risk Assessment, which takes into account both the risk assessment of the countries and external indicators (such as the Corruption Perception Index of Transparency International) in a standardized form.

↗ Please refer to “Materiality assessment” in the chapter on ESRS 2.

Negative impacts:

- Dräger operates in countries with an increased risk of corruption and/or uses business partners for local sales whose behavior can only be controlled to a limited extent.
- Dräger sources materials either directly from suppliers or indirectly via sub-suppliers – also from countries with an increased risk of corruption.

Positive impacts:

- With a corporate culture based on integrity, Dräger is contributing to the ethical behavior of its employees, external partners and customers.
- Our reporting channel enables anonymous reporting in compliance with whistleblower protection.
- With our compliance management system and the standards enshrined therein, we contribute to the global fight against corruption and bribery.

Risks:

- Despite prevention measures, there may be incidents of corruption, which, if uncovered, could lead to financial damage in the form of fines and loss of reputation.
- Incidents of corruption uncovered in Dräger's deeper supply chain can also lead to financial damage through fines and reputational damage.

These relate to our business model as follows:

Dräger is represented worldwide with its products and services and operates development and production sites in various countries. Our subsidiaries or sales channel partners are responsible for the sales and service of our portfolio. We are aware that there is an increased underlying risk of corruption and bribery in certain regions and countries where we provide solutions for our customers. We are also aware that our actions and the actions of our sales channel partners can have a significant impact on social development and a negative impact on the community. We use external sources of information, such as the annual Corruption Perceptions Index published by Transparency International, to assess these risks in the individual countries and markets and derive actions.

Dräger's corporate culture is based on integrity. This is based on the Principles of Business and Conduct, which set out binding values and responsibilities for every employee and the Executive Board. These values have been implemented in the form of rules and behavioral requirements in handbooks for employees and managers. We are aware of our responsibility to establish this value system in our globally active subsidiaries. The corporate culture described promotes sustainable and long-term business relationships. Mutual trust is the basis for successful cooperation. The Executive Board and managers promote a "Speak Up" culture: Employees are encouraged to ask questions and openly communicate weaknesses and potential problems. Among other things, Dräger provides an anonymous reporting channel (Integrity Channel) for this purpose. Through these actions, Dräger contributes to value-oriented behavior on the part of employees, external partners and customers.

We offer our employees and external stakeholders the possibility to submit reports anonymously to counteract fears of discrimination and reduce the inhibition threshold that many people feel when it comes to pointing out potential problems or grievances. The Dräger Group has a ban on discrimination that is embedded in the Principles of Business and Conduct as well as in the Management and Employee Handbooks. It protects employees who in good faith point out possible misconduct, provide information or help with an internal investigation.

Business conduct policies and corporate culture [G1-1]

Principles of Business and Conduct (Code of Conduct – CoC)

The binding framework for our daily responsibility towards our employees and business partners is provided by our Principles of Business and Conduct, which were introduced by the Executive Board at the highest level and which the management and all managers and employees are obliged to comply with. These principles apply throughout the Company. These describe our value system on which our corporate culture is based. The Principles of Business and Conduct are complemented by the handbooks for employees and managers, which contain the rules pertaining to how these values are to be reflected in our everyday work. When starting their job at Dräger, employees must familiarize themselves with the Principles of Business and Conduct and commit to following them. We supplement the Principles of Business and Conduct in a risk-related and target group-oriented manner with specialist and company-wide regulations regarding anti-corruption, antitrust law, dealing with potential conflicts of interest and preventing economic crime.

Please refer to www.draeger.com/Compliance

All employees at Dräger must be familiar with our Principles of Business and Conduct and act accordingly in order to make appropriate decisions. During the performance review, employees and managers discuss the qualifications required for the respective position from the training catalog. The manager can then track whether all qualifications have been met, as the qualification check is documented in the HR system. In addition, the system automatically sends reminders when qualifications are outstanding.

The Principles of Business and Conduct address our corporate values and aspects from international standards for a responsible corporate governance, such as the ILO Core Labor Standards, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises, as well as various environmental agreements. Relevant departments at Dräger are consulted to decide whether content should be included in the CoC for employees. The Code of Conduct including updates is approved by the Executive Board. They apply to all Group companies worldwide, whereby the respective managing directors are responsible for ensuring that the rules are observed and followed. The effectiveness is reviewed by means of audits.

Availability of the Principles of Business and Conduct
Our Principles of Business and Conduct are accessible to all employees on the intranet and are also part of the work or employment contract. The document is currently available in 14 languages. Furthermore, our CoC is also available on our website. All Dräger managers have a duty to ensure that their employees know and understand and comply with the Principles of Business and Conduct. For this purpose, management will assign corresponding training to every relevant[1] employee in the form of a mandatory course of self-study (CoC reading material) in the training portal.

Code of Conduct for Business Partners – CoC BP

The Code of Conduct for business partners is intended to integrate our values, set forth in the principles of business and conduct, into the relationship with our business partners. The CoC BP is intended for all business partners and the entire supply chain. Relevant departments at Dräger are consulted to decide whether content should be included in the CoC BP.

Please refer to www.draeger.com/Compliance

We expect our business partners to fully comply with our Code of Conduct for Business Partners in addition to their economic value contribution. Business partners include all third parties who act for, on behalf of or together with Dräger, for example suppliers, consultants, service providers, sales channel partners, commercial agents, and subcontractors. The Code of Conduct for Business Partners including its updates is approved by the Executive Board. Application of the CoC BP is promoted by the managing directors, who are responsible for communicating it to members of the management team and all employees, especially those involved in the processes with business partners. In procurement in particular, the Code of Conduct for Business Partners is a mandatory part of the approval process for quality-related suppliers. In the event of a violation of the principles of this document, Dräger will act appropriately and take actions to limit the damage. The effectiveness of the Code of Conduct is reviewed by means of audits.

[1] Without industrial employees

Availability for potentially affected stakeholders
The Code of Conduct for Business Partners is publicly available on the website and is currently offered in 15 languages. All Dräger managers have a duty to ensure that their business partners are aware of and have understood the CoC BP. To this end, strategic business partners are contractually obliged to comply with our Code of Conduct for Business Partners.

Dräger handbooks for employees and managers

Our anti-corruption rules and our rules on correct handling of gifts and other benefits define, among other things, which benefits may and may not be promised, offered, accepted and granted in relation to business partners. These rules are described in the Dräger Employee Handbook and the Dräger Management Handbook.

The governance of the handbooks is regulated Group-wide as follows: Both handbooks apply for all Group companies around the world with a majority stake held by Dräger, whereby the respective management is responsible for the localization of and compliance with the rules.

Rules of conduct from the Employee Handbook
The Employee Handbook provides all employees worldwide with guidance on how to conduct themselves, make decisions and act in their work for Dräger. It contains rules applicable to all employees, regardless of function or country.

The daily actions of an employee must always be in accordance with our rules and values, because a corporate culture characterized by integrity and compliance with rules is crucial for our long-term and sustainable success. This also includes taking responsibility for product quality, for employees, for the environment and for society. The four most important compliance principles must be observed in order to meet expectations with regard to integrity and compliance:

- Documentation principle (comprehensive documentation of all business transactions)
- Equivalence principle (appropriate ratio of contractual relationships, payments or services)
- Separation principle (separation of the acceptance or granting of benefits from business transactions)
- Transparency and approval principle (transparency in the business activities of all employees, including managers)

The Employee Handbook also contains information on various compliance topics such as addressing allegations about corruption, the correct handling of gifts and other benefits, and dealing with potential conflicts of interest.

The Employee Handbook also includes regulations on the “Speak Up” culture and information on the prohibition of retaliation. In the corresponding chapter, we encourage our employees to report suspected violations or merely concerns without concrete evidence.

Rules of conduct from the Management Handbook
In the Management Handbook, selected topics from the Employee Handbook are further explored. It contains provisions that are relevant for all Group companies with a majority stake held by Dräger. Depending on the chapter, for certain departments or groups of managers and employees from the respective company. At the same time, all requirements from the Employee Handbook are also binding for managers. The Management Handbook defines that management is responsible for the introduction, maintenance, further development, evaluation and improvement of an adequate and effective CMS with regard to anti-corruption, antitrust law, conflicts of interest, and prevention of economic crime within a Dräger company. For a compliance management system to be effective, the Executive Board must act as a role model by initiating and supporting compliance actions. The Management Handbook also contains details of the responsibilities and competencies of the Executive Board.

Raising concerns and dealing with them in confidence is of particular importance for managers. Management must ensure that all employees can contact their respective manager or the local compliance appointee at any time if they have doubts or uncertainties regarding the permissibility of certain procedures or actions. The experts from the Corporate Compliance Office are available for consultation as necessary.

Engagement with stakeholders, release and availability of handbooks
Our handbooks govern conduct towards customers, employees, business partners, suppliers and sales channel partners. To decide whether content should be included in the Employee or Management Handbook, the Internal Audit Global Policies & ICS Monitoring department consults with those responsible for the rules and with selected users on the basis of predefined criteria. Furthermore, neither the deeper upstream value chain nor more distant potential stakeholder groups are directly or indirectly involved in the design. The handbooks are updated once a year and, if necessary, on an ad hoc basis. The authors responsible for the various chapters of the manuals are responsible for their content and for updating them on a regular basis.

The Employee Handbook is published internally in German and English and additionally in the following languages: Mandarin, French, Spanish, Dutch, Italian, Arabic, Portuguese, Czech, Hindi, Japanese, Polish, Turkish and Russian. The handbooks are maintained in accordance with good documentation practice with regard to document identification, revision control, approval and archiving.

The effectiveness of the handbooks is monitored as part of ongoing internal audits and through other actions. The annual update cycle ensures that feedback from the various functions or organizations is incorporated into the handbooks.

Establishing, developing and promoting the corporate culture
For a compliance management system to be effective, the management must act as a role model by adhering to and actively supporting compliance actions. Our management is therefore obliged to strengthen the compliance culture through actions and training that raise awareness of compliance issues. In addition, the members of the Executive Board emphasize the importance of our corporate culture when communicating with employees. For example, they use video messages to provide direction for the culture in our Company and explain the associated objectives. The Executive Board participates in communication campaigns on an ad hoc basis and addresses compliance aspects in various formats. Every two years, employees must complete online training courses on compliance-relevant topics such as anti-corruption, antitrust law, dealing with potential conflicts of interest and avoiding fraud. In addition, there is special training on topics in the Management Handbook from the chapters on these aforementioned subject areas, which managers assign to the employees concerned. A non-compliance-specific evaluation/assessment of the corporate culture takes place as part of the employee survey, which is conducted every two years. The compliance function also carries out a local evaluation in some cases, for example as part of reviews or surveys.

Investigation of incidents
Secure and reliable communication channels for employees and business partners, as well as every other stakeholder, are a prerequisite for effective compliance. The employees in the Corporate Compliance Office (CCO), as well as the respective compliance appointees, advise and support employees in the implementation of applicable compliance rules for the four compliance components described above.

Questions from external stakeholders that we receive, for example during the course of supplier audits or that concern issues for which the compliance function at Dräger is not originally responsible, are answered cross-departmentally.

Dräger encourages employees who wish to raise concerns to discuss these with their managers. If this does not resolve the issue or if clarification with the manager seems inappropriate, it is possible to raise concerns directly with the CCO. The Compliance Helpline compliance@draeger.com is also available by email for internal and external advice requests. The requests for consultation and the exchange of information serve as an important source of potential improvements in the compliance management system or for deriving internal training requirements. Whistleblowers can also use the Dräger Integrity Channel to report possible compliance and legal violations of any kind.
Please refer to www.draeger.com/Compliance

The Dräger Integrity Channel is a web-based whistleblower channel that is available around the clock and from any location, not only to employees but also to our business partners and anyone else. The channel can be used to provide information about potential breaches of Dräger's Principles of Business and Conduct, internal company rules, or applicable laws, or obtain advice about such matters. It is important to Dräger that whistleblowers who

report, responsibly and in good faith, possible compliance violations via the Integrity Channel are protected against any reprisals or disadvantages. On our compliance intranet page, we provide our employees with information on the use of the internal reporting procedure and on external reporting offices as defined by the German Whistleblower Protection Act. We provide employees with a training video in German and English, which focuses in particular on anonymous reporting to protect whistleblowers. Employees can also find out more in interactive learning sessions. Information on the use of the Integrity Channel for external parties is also available on the compliance website.

Other mechanisms for identifying violations of our Principles of Business and Conduct and the handbooks are compliance audits and business standard audits.

Reported and detected violations are dealt with in the following processes, depending on responsibility:

- Allegation Management Process for violations of compliance requirements and in the event of a suspected violation of the non-retaliation principle
- Procedure description in accordance with the German Supply Chain Act (LkSG) for violations relating to human rights or environmental protection

The processes for handling allegations of violations are intended to ensure a prompt, independent and objective investigation.

Training on corporate culture

The responsibility for creating a training plan for compliance-relevant qualifications is described in the rules of procedure of the Corporate Compliance Committee (CCC). We want to use continuous improvement actions to ensure that the training actions are appropriate for the targets and the defined target groups. Depending on the target group, different actions may be necessary to train compliance with our values and rules.

In order to implement the internal requirements with regard to the documentation and tracking of training actions carried out and to ensure that the training is assigned to the relevant employees, Dräger manages the training data of employees worldwide using an IT system.

Functions that are exposed to a particular risk with regard to corruption and bribery due to their activities, provide advice or are responsible for control activities include Sales & Service, Finance and Legal as well as Product Management, Academy, HR and Purchasing.

Prevention and detection of corruption and bribery [G1-3]

Dräger has implemented a compliance management system (CMS) and is continuously developing it further. The aim of the CMS is to avoid risks of material violations of laws and regulations as far as possible or to identify them in good time. The CMS is intended to help eliminate these risks and support Dräger employees in this endeavor in their daily work, as well as to promote the integrity of the Company and strengthen its competitiveness.

Combating corruption in our business segments is one of the objectives of the CMS, as are compliance with antitrust regulations, the avoidance of potential conflicts of interest and the prevention of offenses in the area of commercial criminal law.

The system we use at Dräger to prevent, detect and respond to incidents of corruption and bribery, among other things, is based on the following elements:

Elements of the CMS

Dräger continuously records compliance risks. The process for identifying and assessing risks related to corruption and bribery, competition law, and economic crime takes into account the country-specific risk factors via the Corruption Perception Index (CPI) as well as the customer groups, sales channels and risk scenarios. The individual companies regularly assess the likelihood of occurrence and severity of the identified risks. The appropriateness and effectiveness of the available mitigation measures are taken into account when considering the net risks. This process provides Dräger with a comprehensive global overview of the risks that can arise in connection with corruption and bribery and enables it to work preventively to reduce the risks.

In addition to the compliance risk assessment, and the resulting actions and controls, Dräger conducts interview-based compliance reviews at selected locations to determine the compliance maturity of the respective national companies and identify optimization potential.

The design and effectiveness of the internal control system is also analyzed and evaluated as part of internal audits. Recommendations for improvement and further development are derived from this. Compliance with legal requirements and internal Group policies and processes is checked. This takes place at company or country level as well as at regional or Group level.

The “Letter of Assurance and Request for Improvement” is sent annually to the managing directors with a focus on the sales and service companies as well as the production sites abroad and the subsidiaries in Germany. This allows managing directors to report potential improvements, for example in the handling of processes, requirements for supporting tools or risk areas that have been identified but not yet sufficiently addressed. At the same time, they also confirm compliance with their duties.

We have established appropriate processes and reporting structures to ensure the independence of investigations based on information and to guarantee that the supervisory bodies are informed appropriately. The Compliance function then keeps the Executive Board and the Supervisory Board regularly up-to-date, or as appropriate and whenever necessary. In addition, the allegation management process contains criteria for the evaluation of incoming reports, policies for the protection of whistleblowers and sensitive data as well as clear policies for the processing and documentation of investigations and for the involvement of the Corporate Compliance Committee. Dräger’s compliance organization has separate reporting lines from the line organization to ensure independent investigation and reporting.

Incidents of corruption or bribery [G1-4]

We determine the number of convictions for violations of anti-corruption and anti-bribery laws and the amount of fines on a decentralized basis by contacting our subsidiaries. The data is available centrally for the German companies. We use the ECRIS definition (ECRIS – European Criminal Records Information System) as the basis for the term "conviction". This includes all convictions relating to corruption, bribery and money laundering. The total fines include all amounts paid by the Company as a result of a final conviction for corruption, money laundering or bribery in the reporting period.

The number of convictions for violations of anti-corruption and anti-bribery laws was zero in the reporting year. Accordingly, we have paid a total of zero fines in the past year.

Training programs to combat corruption and bribery

The training program is divided into general training on policies and further target group-specific training on individual special topics.

As the requirements of the Employee Handbook are mandatory for all employees, the relevant training courses are mandatory for the target groups listed below. A training interval of 24 months has been set for Employee Handbook training. This interval can be shortened if there are significant changes to the requirements listed in the Employee Handbook.

On the basis of a risk assessment, the CCO determines the target groups for the training on compliance-relevant topics from the Management Handbook. The target groups are provided in the form of a matrix as supplementary information to the respective DMH chapters and serve as a basis for management to assign the training sessions. They take place during the same interval as those for the Employee Handbook.

The managers of the respective employees are responsible for the assignment of the aforementioned training.

The training courses are designed as web-based training (WBT), i.e. they can be completed online from any location and at any time. They contain content-related test questions, more than 80% of which must be answered correctly for the training to be considered complete. They are available in 10 to 14 different languages.

The qualification of the administrative, management and supervisory bodies is described in "Expertise in the administrative, management and supervisory bodies in relation to corporate management".

Targeted training is offered for employees working in a specific context or function (e.g. tenders, association work). The need for this is reported to the CCO by the management or may result, for example, from internal audits, investigations and findings from requests for consultation.

Context and target-group oriented training courses are planned as one-off events. They can be repeated as required. They are generally designed as (virtual) classroom training sessions; they are conducted, for example, by the CCO's local compliance appointees or compliance managers.

For internal and external advice on compliance issues, the Compliance Helpline (compliance@draeger.com) is available by email in addition to the employees in the CCO and the respective compliance appointees. The requests for advice and the exchange of information serve us as an important source for identifying possible potential for improvement in the CMS or a possible need for internal training.

How can we avoid corruption?

Target groups	All managers and employees (except production employees)
Contents	Raising awareness of key compliance rules, countering and minimizing the risk of corruption
Type of training	Web-based training
Duration	5-15 minutes
Regular repetition	Every two years (refresher)

Correct handling of gifts and other benefits

Target groups	All managers and employees (except production employees)
Contents	Employee Handbook content: Dealing with gifts, invitations and other benefits to and from business partners
Type of training	Web-based training
Duration	5-30 minutes
Regular repetition	Every two years (refresher)

How do we avoid fraudulent activity?

Target groups	All managers and employees (except production employees)
Contents	Raising awareness of key compliance rules to counter and minimize the risk of economic crime
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Anti-Corruption – Rules for due diligence checks

Target groups	Sales & Service, Academy, Finance, Health & Safety, Administration, Legal, Purchasing
Contents	Rules for auditing business partners. Goal: Ensuring the integrity of all Dräger business partners
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Anti-Corruption – Sponsoring

Target groups	Sales & Service, Academy, Finance, Legal
Contents	Overview of the special rules in sponsoring (form of cooperation with business partners) to reduce corruption risks
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Anti-Corruption – Certain forms of cooperation

Target groups	Sales & Service, Product & Applications Management, Academy, R&D, Finance, HR, Health & Safety, Administration, Legal, Quality, Purchasing, Operations
Contents	Contractual cooperation with employees of business partners, government agencies, planners, consultants
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Anti-Corruption – Grants

Target groups	Sales & Service, Academy, Finance, Legal
Contents	Overview of the special regulations on financial support for research, science and education (“grants”) in the area of anti-corruption
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Anti-Corruption – Invitations to Dräger product and advanced training courses

Target groups	Sales & Service, Product & Applications Management, Academy, Finance, HR, Legal, Purchasing
Contents	Overview of the special rules for reducing corruption risks in connection with invitations to Dräger product and training events
Type of training	Web-based training
Duration	5-10 minutes
Regular repetition	Every two years (refresher)

Training for risk functions coverage rate

The training is assigned to the employees using what are referred to as (global) qualification profiles or as a separate qualification. This assignment is the responsibility of the respective manager and based on the globally valid process for employee qualification at Dräger, as well as the policies provided in the Dräger Management Handbook. The assignment of training and its successful completion is documented in our IT system set up specifically for this purpose. A reporting tool can be used to determine the corresponding fulfillment rate shown below. It represents the percentage ratio between the assigned and the successfully completed training.

Training coverage rate for risk functions 2025

Training program	Rate of completion
Dräger Employee Handbook – Overview	97%
How can we avoid corruption?	92%
Correct handling of gifts and other benefits	90%
How do we avoid fraudulent activity?	91%
Anti-Corruption – Rules for due diligence checks	90%
Anti-Corruption – Sponsoring	91%
Anti-Corruption – Certain forms of cooperation	90%
Anti-Corruption – Grants	92%
Anti-Corruption – Invitations to Dräger product and advanced training courses	89%

Appendix

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
E1.2 – Climate change mitigation	Negative impact	Our business operations create emissions in the upstream supply chain, particularly through the goods and services we source.	Quality and environmental policy: “We take responsibility”; Environmental management system; Management handbook; Sustainability strategy		CO_2 neutrality by 2045	upstream	actual	short-, medium- and long-term
E1.2 – Climate change mitigation	Negative impact	Our anesthesia machines require gases that, in part, have a very high global warming potential and are released to a certain extent into the atmosphere during production in our own operation, as well as when operating the machines at the customer’s premises.	Eco-design process	Installation of filters in the Company’s own test center		own operation/ downstream	actual	short-, medium- and long-term
E1.2 – Climate change mitigation	Negative impact	Our business activities cause direct and indirect emissions at our locations through our vehicle fleet.	Quality and environmental policy: “We take responsibility”; Environmental management system; Management handbook	Establishment of “Fleet Board”	CO_2 neutrality by 2045	own operation	actual	short-, medium- and long-term
E1.2 – Climate change mitigation	Negative impact	Our business activities cause direct and indirect emissions at our locations through purchased energy.	Quality and environmental policy: “We take responsibility”; Environmental management system; Management handbook	Introduction of annual CO_2 reduction target for Germany of six percent; procurement of locally generated renewable energies in Lübeck; efficiency measures to reduce consumption; expansion of photovoltaics in Lübeck and Krefeld; ISO 50001 certification for the five largest German sites; establishment of the “Energy Board”	CO_2 neutrality by 2045	own operation	actual	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
E1.2 – Climate change mitigation	Risk	The demand for inhalation anesthesia could potentially fall in the long term, if alternative, less climate-damaging methods are developed for anesthesia.	Risk management system			downstream	-	long-term
E1.2 – Climate change mitigation	Risk	Our customers in the oil and gas industry may change their demand in the long term as a result of the green structural change, making us unattractive as a supplier of safety technology.	Risk management system			downstream	-	long-term
E2.5 – Substances of concern	Negative impact	Along the entire value chain, there is the potential for health impacts on people due to the handling of hazardous substances.	Environmental management system			entire value chain	potential	short-, medium- and long-term
E2.5 – Substances of concern	Negative impact	There is potential for environmental damage along the entire value chain from the storage, use, and transportation of hazardous substances.	Environmental management system			entire value chain	potential	short-, medium- and long-term
E5.1 – Resource inflows	Negative impact	The production of Dräger products contributes to the consumption of finite raw materials.	Quality and environmental policy: “We take responsibility”; Environmental management system; Eco-design process	Launch of overarching project on circular economy and product decarbonization; pilot projects on possible applications of environmentally friendly alternative materials and recycled materials		upstream/ own operation	actual	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
E5.1 – Resource inflows	Risk	The possible restriction of PFAS presents a risk, as these substances are found in many materials for Dräger products and are difficult to replace.	Risk management system; working group for measures to reduce PFAS risk; systematic monitoring for upcoming substance regulations			upstream/ own operation	-	short-, medium- and long-term
E5.2 – Resource outflows	Negative impact	The disposal of our products by customers has an impact on the environment in the form of waste.	Environmental management system; Eco-design process	Study on the environmental impact of our products; development of a new product concept to increase cleanability, reparability, and durability		downstream	actual	short-, medium- and long-term
E5.2 – Resource outflows	Opportunity	With the establishment of circular business models, such as the rental business for example, we can further develop our existing business model.	Environmental management system			own operation	-	medium- and long-term
E5.3 – Waste	Negative impact	We create waste in our manufacturing and sales processes.	Quality and environmental policy: “We take responsibility”; Environmental management system			entire value chain	actual	short-, medium- and long-term
S1.1 – Working conditions	Negative impact	Occupational accidents and work-related illnesses occur. These have a negative impact on the health of employees.	Principles of business and conduct; Vision Zero; Management Handbook on occupational safety, health, and environmental protection; HR strategy	ASA Control Board; establishment of a global health and safety organization; Vision Zero Days & Award; Safety Coin program; other health promotion measures and offerings	LTIR < 4; Vision Zero	own operation	actual	short-, medium- and long-term
S1.1 – Working conditions	Positive impact	Dräger offers secure employment to over 16,000 employees worldwide.	Principles of business and conduct for all managers, employees, and business partners: human rights, working time laws, and remuneration standards; HR strategy	96.1% of employees at Dräger have a permanent employment contract; training offers		own operation	actual	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
S1.1 – Working conditions	Positive impact	Our products save, protect and support lives. This purpose leads to a high level of commitment and motivation among our employees.	Employee Handbook; Management Handbook			own operation	actual	short-, medium- and long-term
S1.1 – Working conditions	Positive impact	We offer employees qualification and further training measures. This helps to improve and maintain the employability of employees.	HR strategy; Employee Handbook; Management Handbook; Sustainability strategy	Training opportunities/qualification matrix, employee appraisals		own operation	actual	short-, medium- and long-term
S1.2 – Equal opportunities	Negative impact	With over 16,000 employees, we cannot rule out the possibility of discriminatory behavior, threats or violence in individual cases.	Sustainability strategy; Human rights declaration; Employee Handbook; Management Handbook	Mandatory employee training on the Code of Conduct; monitoring and processing of reports in the Integrity Channel; risk assessment in accordance with LkSG		own operation	actual	short-, medium- and long-term
S1.2 – Equal opportunities	Risk	The limited availability of qualified workers can lead to a decline in the quality of Dräger's products and services and jeopardize existing or future certifications. This can result in financial losses for Dräger.	HR strategy	Measures relating to the risk of limited availability of qualified employees are continuously reviewed and implemented as part of the HR strategy "Attracting and retaining the right people"		own operation	-	short-, medium- and long-term
S1.2 – Equal opportunities	Opportunity	The diversity of more than 16,000 employees in terms of gender, nationality, perspectives/viewpoints, and working methods is a strategic advantage. Exploiting this potential leads to greater innovative strength, more diverse decisions, and a more inclusive corporate culture.	HR strategy; Sustainability strategy	Definition of specific target (both overall and broken down into different geographical areas); definition of responsibilities in both business and HR; definition of milestones (2028, 2032); definition of action plans for each region with regard to training, recruiting, career development, work-life balance, communication, and representation of interests	Proportion of women in leadership positions: 30% by 2035	own operation	-	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
S2.1 – Working conditions	Negative impact	Negative impacts on workers' health are possible in our supply chain due to risks in the area of occupational safety.	Integrity Channel; Code of Conduct for Business Partners (CoC BP)	Conducting audits; risk assessment in accordance with LkSG	Increase coverage rate for signing the CoC BP among our strategically important suppliers in the production materials sector to 93%.	upstream and downstream value chain	potential	short-, medium- and long-term
S2.1 – Working conditions	Positive impact	We contribute to improving the working conditions of our suppliers' employees.	CoC BP; Vision Zero	Globally standardized supplier approval process	Increase coverage rate for signing the CoC BP among our strategically important suppliers in the production materials sector to 93%.	upstream	actual	short-, medium- and long-term
S2.2 – Equal opportunities	Positive impact	Qualified training and further training of our suppliers can have a positive impact on the working and living conditions of all employees.	CoC BP; intensive employee training and high safety standards in production, extending into the deeper supply chain	Globally standardized supplier approval process	Increase coverage rate for signing the CoC BP among our strategically important suppliers in the production materials sector to 93%.	upstream	actual	short-, medium- and long-term
S2.3 – Other work-related rights	Negative impact	We cannot rule out that extraction of the raw materials required for our products (e.g. cobalt) will involve child or forced labor.	Integrity Channel; CoC BP	Abstract risk assessments of our suppliers	Increase coverage rate for signing the CoC BP among our strategically important suppliers in the production materials sector to 93%.	upstream	potential	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
S4.2 – Personal safety	Negative impact	If one of our products does not meet specifications or is not used in the correct application, this "automatically" poses a risk to the health and safety of the user due to the nature of our business.	Integrated quality management system (ISO 9001 and ISO 13485); customer complaint channels; product corrective and preventive actions; internal approval process for marketing materials; quality and environmental policy: "We take responsibility"	User training; Channel One project		downstream	potential	short-, medium- and long-term
S4.2 – Personal safety	Positive impact	Our "Technology for Life" products guarantee the safety of our customer and protect life.	Integrated quality management system (ISO 9001 and ISO 13485); customer complaint channels; product corrective and preventive actions; internal approval process for marketing materials; quality and environmental policy: "We take responsibility"			downstream	actual	short-, medium- and long-term
G1.1 – Corporate culture	Positive impact	With a corporate culture based on integrity, Dräger is contributing to the ethical behavior of its employees, external partners and customers.	Speak-up culture; Principles of business and conduct CoC BP; Employee Handbook; Management Handbook; Integrity Channel	Compliance culture through measures and training		entire value chain	actual	short-, medium- and long-term
G1.2 – Protection of whistleblowers	Positive impact	Our reporting channel enables anonymous reporting in compliance with whistleblower protection.	Employee Handbook; Management Handbook; Speak-up culture; Integrity Channel	Compliance culture through measures and training		entire value chain	actual	short-, medium- and long-term

List of material impacts, risks and opportunities

ESRS sub-topic	IRO category	IRO description	Concept	Action	Target	Value chain allocation	Potential/ actual	Time frame
G1.6 – Corruption and bribery	Negative impact	Dräger operates in countries with an increased risk of corruption and/or uses business partners for local sales whose behavior can only be controlled to a limited extent.	Compliance management system; Integrity Channel; Compliance helpline; Employee Handbook; Management Handbook	Annual risk assessment and derivation of measures		downstream	actual	short-, medium- and long-term
G1.6 – Corruption and bribery	Negative impact	Dräger sources materials either directly from suppliers or indirectly via sub-suppliers – also from countries with an increased risk of corruption.	Compliance management system	Annual risk assessment and derivation of measures		entire value chain	potential	short-, medium- and long-term
G1.6 – Corruption and bribery	Positive impact	With our compliance management system and the standards enshrined therein, we contribute to the global fight against corruption and bribery.	Compliance management system	Compliance culture through measures and training		own operation/ downstream	actual	short-, medium- and long-term
G1.6 – Corruption and bribery	Risk	Despite prevention measures, there may be incidents of corruption, which, if uncovered, could lead to financial damage in the form of fines and loss of reputation.	Compliance management system	Annual risk assessment and derivation of measures		own operation/ downstream	-	short-, medium- and long-term
G1.6 – Corruption and bribery	Risk	Incidents of corruption uncovered in Dräger's deeper supply chain can also lead to financial damage through fines and reputational damage.	Compliance management system	Annual risk assessment and derivation of measures		upstream	-	short-, medium- and long-term

List of mandatory disclosures [IRO-2]

ESRS	Description	Page
General information		
ESRS 2 - General disclosures		
BP-1	General basis for preparation of the sustainability statement	73
BP-2	Disclosures in relation to specific circumstances	74
GOV-1	The role of the administrative, management and supervisory bodies	75, 87
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	75, 88
GOV-3	Integration of sustainability-related performance in incentive schemes	75
GOV-4	Statement on due diligence	75
GOV-5	Risk management and internal controls over sustainability reporting	76
SBM-1	Strategy, business model and value chain	76
SBM-2	Interests and views of stakeholders	89
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	86, 166, 116
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	82
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	173
Environmental information		
ESRS E1 - Climate change		
E1-1	Transition plan for climate change mitigation	105
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	103
ESRS 2 IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	102
E1-2	Policies related to climate change mitigation and adaptation	104
E1-3	Actions and resources in relation to climate change policies	106
E1-4	Targets related to climate change mitigation and adaptation	106
E1-5	Energy consumption and mix	109
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	110
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	115
E1-8	Internal carbon pricing	115
ESRS E2 - Pollution		
ESRS 2 IRO-1	Description of the process to identify and assess material pollution-related impacts, risks and opportunities	116
E2-1	Policies related to pollution	117
E2-2	Actions and resources related to pollution	119
E2-3	Targets related to pollution	118
E2-5	Substances of concern and substances of very high concern	119
ESRS E5 - Resource use and circular economy		
ESRS 2 IRO-1	Description of the process to identify and assess material resource use and circular economy-related impacts, risks and opportunities	120
E5-1	Policies related to resource use and circular economy	121
E5-2	Actions and resources related to resource use and circular economy	123
E5-3	Targets related to resource use and circular economy	123
E5-4	Resource inflows	124
E5-5	Resource outflows	125

List of mandatory disclosures

ESRS	Description	Page
Social information		
ESRS S1 - Own workforce		
ESRS 2 SBM-2	Interests and views of stakeholders	128
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	129
S1-1	Policies related to own workforce	130
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	132
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	132, 142
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	135
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	133
S1-6	Characteristics of the undertaking's employees	137
S1-8	Collective bargaining coverage and social dialogue	138
S1-9	Diversity metrics	139
S1-10	Adequate wages	140
S1-14	Health and safety metrics	140
S1-16	Compensation metrics	141
S1-17	Incidents, complaints and severe human rights impacts	142
ESRS S2 - Workers in the value chain		
ESRS 2 SBM-2	Interests and views of stakeholders	143, 146
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	143, 144
S2-1	Policies related to value chain workers	145
S2-2	Processes for engaging with value chain workers about impacts	146
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	148, 148
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	147, 148
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	144
ESRS S4 - Consumers and end-users		
ESRS 2 SBM-2	Interests and views of stakeholders	149
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	149, 149
S4-1	Policies related to consumers and end-users	150
S4-2	Processes for engaging with consumers and end-users about impacts	151
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	152
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	152
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	152
Governance informationen		
ESRS G1 - Business conduct		
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	154
ESRS 2 IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	155
G1-1	Business conduct policies and corporate culture	156
G1-3	Prevention and detection of corruption and bribery	160, 162
G1-4	Confirmed incidents of corruption and bribery	162

List of data points derived from the various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS 2 GOV-1 Gender diversity in management and supervisory bodies, paragraph 21 (d)	Indicator no. 13 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	75
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	75
ESRS 2 GOV-4 Declaration on Commitment of Due Diligence, paragraph 30	Indicator no. 10 in Appendix 1 Table 3				Material	75
ESRS 2 SBM-1 Participation in activities in connection with fossil fuels, paragraph 40 (d) (i)	Indicator no. 4 in Appendix 1 Table 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 28, Table 1: Qualitative information on environmental risks and Table 2: Qualitative information on social risks	Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Not material	
ESRS 2 SBM-1 Participation in activities in connection with the manufacture of chemicals, paragraph 40 (d) (ii)	Indicator no. 9 in Appendix 1 Table 2		Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Not applicable	
ESRS 2 SBM-1 Participation in activities in connection with controversial weapons, paragraph 40 (d) (iii)	Indicator no. 14 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable	
ESRS 2 SBM-1 Participation in activities in connection with the growing and production of tobacco, paragraph 40 (d) (iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable	
ESRS E1-1 Transition plan for the achievement of climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	105

List of data points derived from the various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS E1-1 Companies excluded from the Paris-aligned benchmarks, paragraph 16 (g)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)		Not applicable	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator no. 4 in Appendix 1 Table 2	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	106
ESRS E1-5 Energy consumption from fossil fuels broken down by source (climate-intensive sectors only) paragraph 38	Indicator no. 5 in Appendix 1 Table 1 and Indicator no. 5 in Appendix 1 Table 2				Material	109
ESRS E1-5 Energy consumption and energy mix paragraph 37	Indicator no. 5 in Appendix 1 Table 1				Material	109
ESRS E1-5 Energy intensity related to activities in climate-intensive sectors paragraphs 40 to 43	Indicator no. 6 in Appendix 1 Table 1				Material	109
ESRS E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions paragraph 44	Indicators no. 1 & 2 in Appendix 1 Table 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 para 1, Article 6 and 8 paragraph 1		Material	113
ESRS E1-6 Intensity of GHG Gross Emissions paragraph 53 to 55	Indicator no. 3 in Appendix 1 Table 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	113

List of data points derived from various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS E1-7 Reduction of greenhouse gases and CO2 credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Material	115
ESRS E1-9 Risk position of reference value portfolio compared to climate-related, physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not applicable	
ESRS E1-9 Breakdown of sums of money according to acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location at which there are substantial assets with considerable physical risk paragraph 66 (c)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk			Not applicable	
ESRS E1-9 Breakdown of carrying value of real estate by energy efficiency class paragraph 67 (c)		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not applicable	
ESRS E1-9 Degree of exposure of the portfolio with respect to climate-related opportunities, paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		Not applicable	
ESRS E2-4 Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) that is emitted into the air, water, and soil paragraph 28	Indicator no. 8 in Appendix 1 Table 1, Indicator no. 2 in Appendix 1 Table 2, Indicator no. 1 in Appendix 1 Table 2, Indicator no. 3 in Appendix 1 Table 2				Not material	
ESRS E3-1 Water and maritime resources, paragraph 9	Indicator no. 7 in Appendix 1 Table 2				Not material	
ESRS E3-1 Special strategy paragraph 13	Indicator no. 8 in Appendix 1 Table 2				Not material	

List of data points derived from various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator no. 12 in Appendix 1 Table 2				Not material	
ESRS E3-4 Total quantity of recovered and reused water paragraph 28 (c)	Indicator no. 6.2 in Appendix 1 Table 2				Not material	
ESRS E3-4 Total water consumption in m^3 per net income from own activities paragraph 29	Indicator no. 6.1 in Appendix 1 Table 2				Not material	
ESRS 2 – IRO-1 – E4 paragraph 16 (a) (i)	Indicator no. 7 in Appendix 1 Table 1				Not material	
ESRS 2 – IRO-1 – E4 paragraph 16 (b)	Indicator no. 10 in Appendix 1 Table 2				Not material	
ESRS 2 – IRO-1 – E4 paragraph 16 (c)	Indicator no. 14 in Appendix 1 Table 2				Not material	
ESRS E4-2 Sustainable practices or strategies in the area of land use and agriculture paragraph 24 (b)	Indicator no. 11 in Appendix 1 Table 2				Not material	
ESRS E4-2 Sustainable practices or strategies in the area of oceans/seas, paragraph 24 (c)	Indicator no. 12 in Appendix 1 Table 2				Not material	
ESRS E4-2 Strategies to combat deforestation, paragraph 24 (d)	Indicator no. 15 in Appendix 1 Table 2				Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator no. 13 in Appendix 1 Table 2				Material	127
ESRS E5-5 Hazardous and radioactive Waste, paragraph 39	Indicator no. 9 in Appendix 1 Table 1				Material	127
ESRS 2 SBM-3 – S1 Risk of forced labor paragraph 14 (f)	Indicator no. 13 in Appendix 1 Table 3				Not material	
ESRS 2 SBM3 – S1 Risk of child labor, paragraph 14 (g)	Indicator no. 12 in Appendix 1 Table 3				Not material	
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator no. 9 in Appendix 1 Table 3 and Indicator no. 11 in Appendix 1 Table 1				Material	131

List of data points derived from various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS S1-1 Regulations governing due diligence in relation to questions dealt with in the Fundamental Conventions 1 to 8 of the International Labor Organization paragraph 21			Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	130
ESRS S1-1 Procedures and measures to combat human trafficking, paragraph 22	Indicator no. 11 in Appendix 1 Table 3				Not material	
ESRS S1-1 Strategy or management system in relation to the prevention of occupational accidents paragraph 23	Indicator no. 1 in Appendix 1 Table 3				Material	131
ESRS S1-3 Processing of complaints paragraph 32 (c)	Indicator no. 5 in Appendix 1 Table 3				Material	132
ESRS S1-14 Number of fatalities and number and rate of occupational accidents paragraph 88 (b) and (c)	Indicator no. 2 in Appendix 1 Table 3		Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	141
ESRS S1-14 Number of absences due to injury, accident or illness paragraph 88 (e)	Indicator no. 3 in Appendix 1 Table 3				Material	141
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator no. 12 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	142
ESRS S1-16 Excessive remuneration of members of the management bodies paragraph 97 (b)	Indicator no. 8 in Appendix 1 Table 3				Material	142
ESRS S1-17 Cases of discrimination paragraph 103 (a)	Indicator no. 7 in Appendix 1 Table 3				Material	142
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines paragraph 104 (a)	Indicator no. 10 in Appendix 1 Table 3 and Indicator no. 14 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Annex 12, paragraph 1		Not material	
ESRS 2 SBM-3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators no. 12 and 13 in Appendix 1 Table 3				Material	143

List of data points derived from various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator no. 9 in Appendix 1 Table 3 and Indicator no. 11 in Appendix 1 Table 1				Material	145
ESRS S2-1 Strategies in connection with workers in the value chain, paragraph 18	Indicator no. 11 and 4 in Appendix 1 Table 3				Material	145
ESRS S2-1 Non-compliance with the guiding principles of the United Nations for Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator no. 10 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Annex 12, paragraph 1		Material	146
ESRS S2-1 Regulations governing due diligence in relation to questions dealt with in the Fundamental Conventions 1 to 8 of the International Labor Organization, paragraph 19			Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	145
ESRS S2-4 Problems and incidents in connection with human rights within the up- and downstream value chain, paragraph 36	Indicator no. 14 in Appendix 1 Table 3				Material	148
ESRS S3-1 Human rights commitments, paragraph 16	Indicator no. 9 in Appendix 1 Table 3 and Indicator no. 11 in Appendix 1 Table 1				Not material	
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator no. 10 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Annex 12, paragraph 1		Not material	
ESRS S3-4 Problems and incidents in connection with human rights, paragraph 36	Indicator no. 14 in Appendix 1 Table 3				Not material	

List of data points derived from various EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ not material	Page
ESRS S4-1 Strategies in connection with consumers and end users, para 16	Indicator no. 9 in Appendix 1 Table 3 and Indicator no. 11 in Appendix 1 Table 1				Material	150
ESRS S4-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines paragraph 17	Indicator no. 10 in Appendix 1 Table 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Annex 12, paragraph 1		Material	151
ESRS S4-4 Problems and incidents in connection with human rights paragraph 35	Indicator no. 14 in Appendix 1 Table 3				Material	152
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator no. 15 in Appendix 1 Table 3				Material	156
ESRS G1-1 Protection of Whistleblowers, para 10 (d)	Indicator no. 6 in Appendix 1 Table 3				Material	157
ESRS G1-4 Fines for violations of corruption and bribery regulations paragraph 24 (a)	Indicator no. 17 in Appendix 1 Table 3		Delegated Regulation (EU) 2020/1816 of the Commission, Appendix II		Material	162
ESRS G1-4 Standards for combating corruption and bribery paragraph 24 (b)	Indicator no. 16 in Appendix 1 Table 3				Material	162

Disclosures pursuant to Sections 289a and 315a of the German Commercial Code (HGB) and explanations of the general partner

The following disclosures reflect the circumstances on the balance sheet date.

Composition of subscribed capital stock

The subscribed capital stock of Drägerwerk AG & Co. KGaA amounts to EUR 48,025,600. It consists of 10,160,000 voting bearer common shares and 8,600,000 non-voting bearer preferred shares, each with a EUR 2.56 share in capital stock. Shares of the same type carry the same rights and obligations. The rights and obligations of the shareholders are laid down in the German Stock Corporation Act (AktG), in particular in Sections 12, 53a et seq., 118 et seq., and 186 AktG, as well as in the articles of association of the Company. As compensation for the lack of voting rights, an advance dividend of EUR 0.13 per preferred share is distributed from net earnings. If sufficient net earnings are available, a dividend of EUR 0.13 per common share is then paid. Any profit exceeding this amount, if distributed, is allocated so that preferred shareholders receive EUR 0.06 more than common shareholders. If the net earnings are not sufficient for an advance dividend for preferred shares in one or more years, the amounts are paid from the net earnings of subsequent fiscal years before a dividend is paid on common shares. If amounts in arrears are not paid in the next year along with the full preferred dividend for that year, the preferred shareholders have voting rights until the arrears have been paid. In the event of liquidation, preferred shareholders will receive a total of 25% of the total liquidation proceeds in advance. The remaining liquidation proceeds are distributed equally among all shares.

Restrictions related to voting rights or the transfer of shares

The legal structures of Dr. Heinrich Dräger GmbH mean that neither Stefan Dräger nor Stefan Dräger GmbH, which he controls, have any influence on the exercise of the voting rights of those common shares held by Dr. Heinrich Dräger GmbH in terms of the annual shareholders' meeting of Drägerwerk AG & Co. KGaA passing resolutions on agenda items within the meaning of Section 285 (1) Sentence 2 AktG. There are no further restrictions that relate to voting rights or the transfer of shares, even though they could arise from agreements between shareholders.

Direct or indirect shareholdings exceeding 10%

A total of 68.67% of the common shares of Drägerwerk AG & Co. KGaA, equivalent to 37.19% of the total capital stock, belong to Dr. Heinrich Dräger GmbH, Lübeck. Its shares are mainly owned by members and companies of the Dräger family, so that the voting rights associated with the common shares are held by the Dräger family. A total of 59.72% of Dr. Heinrich Dräger GmbH, Lübeck, is held by Stefan Dräger GmbH. Stefan Dräger GmbH is wholly owned by Stefan Dräger, Lübeck. The voting rights of Stefan Dräger GmbH are to be allocated to its partner, Stefan Dräger, pursuant to Section 22 of the German Securities Trading Act (WpHG). Through Stefan Dräger GmbH, Stefan Dräger also held all shares in Drägerwerk Verwaltungs AG. Drägerwerk Verwaltungs AG is the general partner of Drägerwerk AG & Co. KGaA and also the ultimate parent company whose consolidated financial statements are published in the commercial register. The shares in Drägerwerk Verwaltungs AG held by Stefan Dräger GmbH were transferred to Stefan Dräger on December 15, 2025. This means that he is a shareholder in the general partner as well as a common shareholder of Drägerwerk AG & Co. KGaA. In cases covered by Section 285 (1) Sentence 2 AktG, he would therefore not be entitled to vote. The corporate structure at the level of Dr. Heinrich Dräger GmbH ensures that Stefan Dräger cannot influence the exercise of voting rights of the common shares held by Dr. Heinrich Dräger GmbH with regard to these resolutions.

Shares with special rights conferring control

There are no shares with special rights conferring control or special controls over voting rights.

Nature of control over voting rights by employee shareholders who do not directly exercise their control rights

Employees of the Company or the Dräger Group can purchase common shares in the Company with voting rights on the stock exchange. They can directly exercise the control rights to which they are entitled through the ownership of common shares with voting rights like other shareholders, subject to the applicable legal regulations and the provisions of the articles of association.

Appointment and removal of management and amendments to the articles of association

In the legal form of a partnership limited by shares (KGaA), the general partner is authorized to manage and represent the Company, a regulation derived from partnership law. Drägerwerk Verwaltungs AG is the general partner of Drägerwerk AG & Co. KGaA and acts through its Executive Board. The Supervisory Board of Drägerwerk AG & Co. KGaA, which has half of its members elected by employees, is not authorized to appoint or remove the general partner or its Executive Board. The general partner joined the Company with a corresponding declaration; it withdraws from the Company in the cases defined under Section 14 (1) of the articles of association.

The general partner's Executive Board, which is authorized to manage and represent Drägerwerk AG & Co. KGaA, is appointed and removed pursuant to Sections 84 and 85 AktG and Section 8 of the articles of association of Drägerwerk Verwaltungs AG. The Executive Board of the general partner comprises at least two persons; the Supervisory Board of the general partner determines how many other members there are. The Supervisory Board of the general partner, elected by its annual shareholders' meeting, is responsible for appointing and removing members of the Executive Board. It appoints the members of the Executive Board for a maximum of five years. Repeat appointments or extensions of the term of office are permissible.

The Supervisory Board of Drägerwerk AG & Co. KGaA is not authorized to adopt rules of procedure for management or to define a catalog of management transactions requiring its approval. The Joint Committee – comprising four members of each of the Supervisory Boards of the Company and its general partner – and not the annual shareholders' meeting, decides on the management transactions that require approval as set out in Section 23 (2) of the articles of association of Drägerwerk AG & Co. KGaA. The Supervisory Board of Drägerwerk AG & Co. KGaA represents the Company in dealings with the general partner.

Pursuant to Sections 133 and 179 AktG, amendments to the articles of association must be approved by the annual shareholders' meeting. Such a resolution requires a majority of at least three-quarters of the capital stock represented at the time of the vote. The articles of association may stipulate a different majority of capital stock, but for changes in the purpose of the Company this can only be a majority of more than three-quarters of capital (Section 179 (2) Sentence 2 AktG). At Drägerwerk AG & Co. KGaA, pursuant to Section 30 (3) of the articles of association, resolutions by the annual shareholders' meeting are adopted by a simple majority of votes cast (simple voting majority) if this does not conflict with any legal provisions and, if the law additionally requires a majority of capital, by a simple majority of the capital stock represented upon adoption of the resolution (simple capital majority). The Company has not made use of the possibility pursuant to Section 179 (2) Sentence 3 AktG to set further requirements in the articles of association for amendments to the same agreement. In addition to the relevant majority of limited shareholders, amendments to the articles of association also require the approval of the general partner (Section 285 (2) AktG). Pursuant to Section 20 (7) of the articles of association of the Company, the Supervisory Board is authorized to make amendments and additions to the articles of association which relate only to its wording.

Power of the general partner to issue or buy back shares

In accordance with the resolution agreed upon at the annual shareholders' meeting on May 7, 2021, the general partner is entitled to increase the Company's capital until May 6, 2026, with the approval of the Supervisory Board, by up to EUR 12,006,400.00 (approved capital) by issuing new bearer common and/or preferred shares (no-par value shares) in return for cash and/or contributions in kind, in either one or several tranches. The authorization includes the approval to issue new common shares and/or non-voting preferred shares, which carry the same status as the previously issued non-voting preferred shares with regard to the distribution of profits and/or company assets. The statutory maximum capital as stipulated in Section 139 (2) AktG is to be taken into account: No more than half of the capital stock may be issued as non-voting preferred shares. Shareholders are principally given a subscription right in the case of a capital increase – unless the Company excludes subscription rights with

the approval of the Supervisory Board. In the case of common and preferred shares being issued together, the right of holders of one share type to subscribe to the other type of shares (crossed exclusion of subscription rights) can be excluded.

In accordance with the resolution agreed upon at the annual shareholders' meeting on May 7, 2021, the general partner is entitled to issue option and/or convertible bonds with or without maturity limitations with a total nominal value of up to EUR 650,000,000.00 on one or several occasions until May 6, 2026, and to grant the holders and/or creditors option rights or conversion rights on up to 4,690,000 no-par bearer shares. This authorization includes the right to grant and/or enforce conversion or option rights and/or obligations that alternatively provide for the purchase of new common shares and/or new preferred shares without voting rights that are equivalent to the previously issued preferred shares without voting rights in the event of a distribution of profits and/or of the Company's assets. The statutory maximum capital as stipulated in Section 139 (2) AktG is to be taken into account: No more than half of the capital stock may be issued as non-voting preferred shares.

Shareholders are principally given a subscription right to the bonds – unless the Company excludes subscription rights with the approval of the Supervisory Board. The right of holders of shares of one class to subscribe to the bonds that grant option or conversion rights to shares of the other class may be excluded (crossed exclusion of subscription rights) if bonds with option or conversion rights and/or obligations on common and preferred shares are issued at the same time.

The share capital has been increased conditionally by up to EUR 12,006,400.00 by issuing up to 4,690,000 new bearer common shares and/or preferred shares without voting rights (conditional capital 2021) in order to grant and/or enforce option and/or conversion rights and/or obligations in relation to the holders or creditors of option and/or convertible bonds issued or guaranteed by virtue of this authorization.

In accordance with the resolution agreed upon at the annual shareholders' meeting on May 7, 2021, the general partner is entitled, until May 6, 2026, and with the approval of the Supervisory Board, to acquire own shares of up to 10% of capital stock, regardless of type (common and/or preferred shares), and to use them for all legally permissible purposes.

Material arrangements made by the Company subject to a change of control in the wake of a takeover bid

As borrowers, the Company and six subsidiaries have entered into an agreement on the conditions for the granting of credit lines totaling EUR 540 million. Under the agreement, the lender has the right to terminate the agreement and/or any individual loan agreement entered into under the agreement, and/or to request repayment of the credit lines drawn down under the individual loan agreement, in the event that a third party either (i) holds or can exercise at least 50% of the voting rights of the general partner, (ii) can at least partially provide or replace members of the management of the general partner, or (iii) can issue instructions on operational or financial matters to the management of the general partner.

Compensation agreements made by the Company with members of the Executive Board of the general partner or employees in the event of a takeover bid

There are no compensation agreements in place within the Dräger Group with members of the Executive Board of the general partner or employees in the event of a takeover bid.

Business development of Drägerwerk AG & Co. KGaA

Drägerwerk AG & Co. KGaA is the parent company of the Dräger Group. The following comments relate to this Company's single entity financial statements, prepared in accordance with the German Commercial Code (HGB). The net profit for the year and the equity ratio are the key performance indicators relevant to management. The financial standing of the Company is characterized by its function as production and group parent company. In addition to inventories and a high investment in property, plant and equipment, this implies considerable financial assets, as well as extensive receivables from and liabilities toward group companies. The business activities of the Company are largely determined by the medical technology business and the role of group parent company. The annual result is primarily affected by domestic and foreign net sales generated by medical technology products, service revenue, investment income, and profit/loss transfers. Net sales are largely attributable to affiliated companies within the Group.
↗ Please refer to the chapter on "Principles of the Group".

In fiscal year 2025, Drägerwerk AG & Co. KGaA recorded net profit for the year of EUR 150.7 million (2024: EUR 82.7 million). The Company had an annual average of 3,283 employees (2024: 3,181 employees), 593 of whom worked in production (2024: 592 employees) and 2,690 in other areas (2024: 2,589 employees).

Earnings effects from operating activities

Drägerwerk AG & Co. KGaA generated a loss of EUR 53.6 million from operating activities in the 2025 fiscal year (2024: loss of EUR 92.6 million), excluding income from investments, net interest income and taxes.

Net sales from medical business rose to EUR 1,207.4 million (2024: EUR 1,113.3 million). The main reason for this was the higher demand for medical technology equipment.

The cost of materials rose to EUR 656.6 million in the 2025 fiscal year (2024: EUR 601.4 million), almost parallel to net sales. Personnel expenses rose year-on-year from EUR 327.6 million to EUR 344.7 million. Other operating expenses fell to EUR 321.6 million (2024: EUR 341.0 million).

The decline in other operating expenses is mainly attributable to a decrease in sales expenses and to exchange rate losses.

Since January 1, 2021, the members of the Executive Board of Drägerwerk Verwaltungs AG have received their remuneration and their pension benefits directly from Drägerwerk Verwaltungs AG. Drägerwerk AG & Co. KGaA continues to be manage the vested rights in pension obligations granted up to December 31, 2020.

Earnings contributions of the subsidiaries

The income generated from profit and loss transfer agreements is largely attributed to the higher profit transfers from Dräger Safety AG & Co. KGaA (EUR +106.9 million) and Dräger Medical International GmbH (EUR +27.2 million). This was offset by a decline at Dräger Medical Deutschland GmbH (EUR -1.9 million) and Dräger Medical ANSY GmbH (EUR -0.2 million). Furthermore, write-downs on financial assets to the lower fair value cost an additional EUR 6.6 million when compared with the prior year.

Income taxes

The net profit for the Company for fiscal year 2025 includes a tax expense of EUR 43.0 million (2024: income of EUR 40.8 million). The income in the prior year resulted from the capitalization of deferred taxes on tax loss carryforwards. A positive planning calculation for the next five years leads to the assessment that the tax losses can be utilized.

Investments

In fiscal year 2025, the Company invested EUR 3.4 million (2024: EUR 1.7 million) in software and other intangible assets. The investments in property, plant and equipment amounted to EUR 19.9 million (2024: EUR 16.2 million). Key areas included investments in connection with the conversion of buildings, the construction of production facilities and the manufacture of various tools.

Net assets and financial position

After deducting cash and cash equivalents, net financial debt to banks amounted to EUR 168.9 million (2024: EUR 197.4 million) as of December 31, 2025. Group financing of affiliated companies came to EUR 103.4 million. The equity of Drägerwerk AG & Co. KGaA stood at EUR 1,126.5 million, increasing by a total of EUR 115.0 million year on year. The net profit for the year of EUR 150.7 million had a significant impact on the equity ratio. The increase in total assets from EUR 1,946.9 million to EUR 2,007.8 million, and the increase in equity gave Drägerwerk AG & Co. KGaA an equity ratio of 56.1% as of the balance sheet date (2024: 52%).

Risks and opportunities for the future development of the Company

The statements in the chapter “Risks and opportunities for the future development of the Dräger Group” of this management report also apply to Drägerwerk AG & Co. KGaA. This is due to the profit and loss transfer agreements in place at the German subsidiaries and the dividend resolution options at the foreign subsidiaries and the resulting close link between Drägerwerk AG & Co. KGaA to the development of the net assets, financial position and results of operations of the other operating companies and thus of the Dräger Group.

Comparison of forecast figures and actual figures

Drägerwerk AG & Co. KGaA’s earnings developed better than originally expected in fiscal year 2025, with increased net sales and an improved operating result. Net profit amounted to EUR 150.7 million (forecast for 2025: net profit at prior-year level). A distribution of EUR 37.5 million was made on common and preferred shares for fiscal year 2024. Net financial debt in fiscal year 2025 came to EUR 168.9 million. The equity ratio of 56.1% was significantly above the prior-year figure and thus exceeded our expectations.

Forecast for fiscal year 2026

We anticipate profitable growth for the 2026 fiscal year. This assumption is based on the fact that we believe the opportunities outweigh the risks and that our markets continue to offer very good opportunities overall. Demand for our products and services is high. Our aim is to exploit this potential by implementing our strategic actions. Beyond this, we do not currently expect any significant adverse effects on our business.

In the 2025 fiscal year, we generated net profit for the year of EUR 150.7 million. This had a significant impact on the equity ratio in the reporting year (December 31, 2025: 56.1%). For 2026, we expect a net profit at the prior-year level and an equity ratio that is also stable and in line with the prior year.

Declaration/Group declaration of corporate governance (Sections 289f and 315d of the German Commercial Code [HGB])[1]

The Company management prepared the single entity financial statements and combined management report of Drägerwerk AG & Co. KGaA and is responsible for the content of both documents and the objectivity of the information provided therein. The same applies to the combined management report associated with the single entity financial statements.

The financial statements were prepared in accordance with the German Commercial Code.

Report on corporate governance

Dräger attaches great importance to corporate governance, which stands for a responsible and transparent management and control process that focuses on a long-term increase in the value of the Company. It fosters the trust of investors, customers, employees, and the public. To underline this, the German Corporate Governance Code, which is actually oriented toward stock corporations, is applied at Drägerwerk AG & Co. KGaA. The features of the management and control structure of Drägerwerk AG & Co. KGaA, as well as the significant rights of our shareholders, are explained below, along with the special features compared to a stock corporation.

Partnership limited by shares

According to Section 278 (1) AktG, "The public partly limited partnership is a company having a legal personality of its own in which at least one shareholder is liable to the creditors of the Company without limitation (general partner) and the remaining shareholders, without being personally liable for the obligations of the Company, have an ownership interest in the share capital divided up into shares of stock (limited liability shareholders of a public partly limited partnership)". Hence, a partnership limited by shares is a hybrid between a stock corporation and a limited partnership, with the character of a stock corporation predominating. As is the case at a stock corporation, a partnership limited by shares is also required by law to have a two-tier management and oversight structure. The general partner manages the Company and its operations, while the Supervisory Board oversees the Company's management. The primary difference from a stock corporation is that rather than an executive board, a KGaA has general partners represented by their executive board (who also generally manage its business). In addition, the rights and responsibilities of the supervisory board are limited.

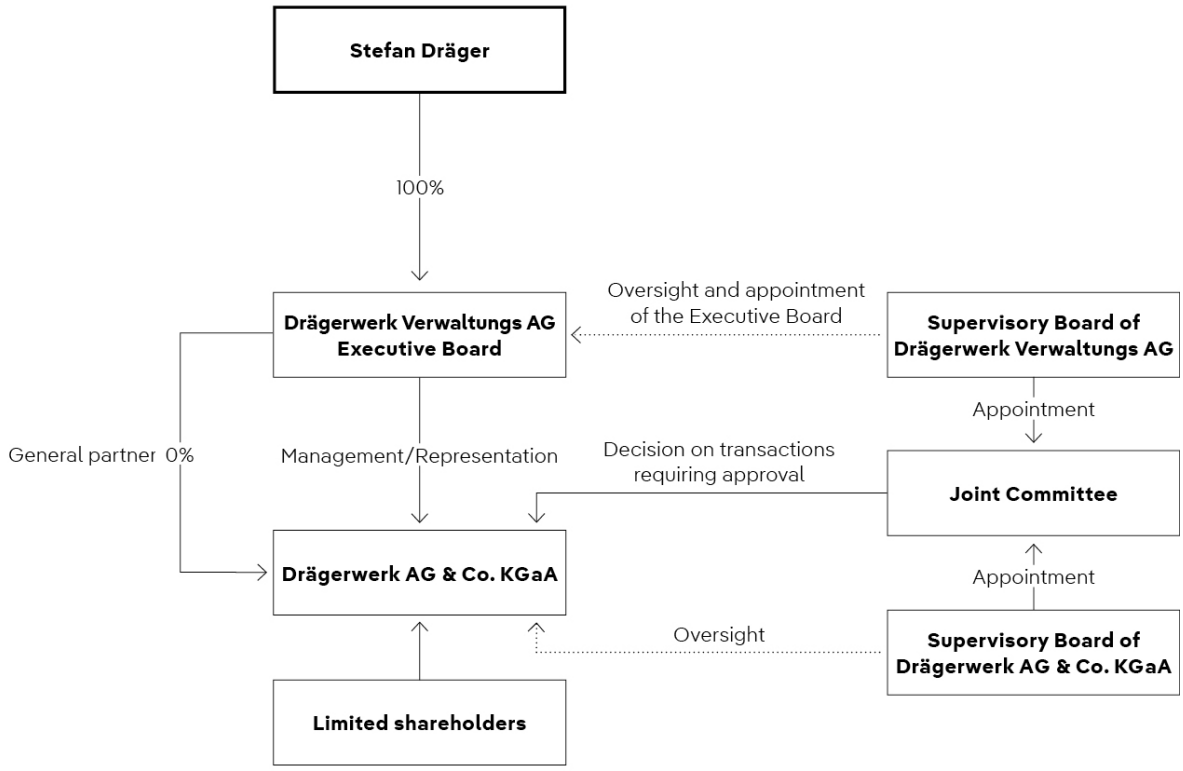
At a stock corporation, the executive board is appointed by the supervisory board. At a KGaA, however, it does not appoint the general partners (or their management bodies) and does not determine their contractual conditions. It is also not authorized to adopt rules of procedure for management or to define a catalog of management transactions requiring approval. There are also differences relating to the annual shareholders' meeting: Certain resolutions must be approved by the general partner (Section 285 (2) AktG), in particular the resolution to approve the financial statements (Section 286 (1) AktG). Many of the recommendations of the German Corporate Governance Code (hereinafter also referred to as the "Code"), which is designed for stock corporations, can therefore only be applied to a limited extent to a partnership limited by shares.

The sole general partner of Drägerwerk AG & Co. KGaA is Drägerwerk Verwaltungs AG, which was a wholly owned company of Stefan Dräger GmbH until December 15, 2025. Since then, Stefan Dräger has been the sole owner. Drägerwerk Verwaltungs AG manages the operations of Drägerwerk AG & Co. KGaA and represents it, acting through its Executive Board. Drägerwerk Verwaltungs AG does not hold an equity interest in Drägerwerk AG & Co. KGaA.

↗ Please refer to the "Drägerwerk AG & Co. KGaA" chart on the next page.

[1] This section also relates to the Group Sustainability Statement in this consolidated management report. The disclosures in this section were not audited by the auditor.

Drägerwerk AG & Co. KGaA



Declaration of conformity

The joint declaration of conformity by the general partner and the Supervisory Board of Drägerwerk AG & Co. KGaA was discussed and approved at the meeting of the Supervisory Board on December 11, 2025. It states that the Company applied the recommendations of the Government Commission of the German Corporate Governance Code in most areas.

This declaration was published by the Company on December 19, 2025 with the following wording:

“The recommendations of the Government Commission on the German Corporate Governance Code are tailored to the circumstances of a stock corporation. Insofar as these recommendations functionally affect the general partner and bodies of the AG & Co. KGaA due to special features of its legal form, Dräger applies these recommendations to Drägerwerk Verwaltungs AG.

The general partner, represented by its Executive Board, and the Supervisory Board declare that Drägerwerk AG & Co. KGaA has complied and will comply with the recommendations of the Government Commission on the German Corporate Governance Code as amended on April 28, 2022 since issuing its last declaration of conformity on December 20, 2024 with the following exceptions:

Recommendation G.10 is partly not complied with. According to this recommendation, the variable remuneration amounts granted to the member of the Executive Board, taking into account the long-term tax burden, shall be invested primarily in shares of the Company or granted accordingly on a share basis. The Executive Board member shall only be able to dispose of these after four years. In the current remuneration system, the majority of the variable remuneration component is based on the development of the Company-specific Dräger Value Added (DVA) key figure in a three-year and a five-year period. In the opinion of the Supervisory Board, this alignment of

remuneration is the best possible way to achieve a balanced increase in company value for all stakeholders. In addition, part of the payment of the annual bonus is invested in virtual shares with a holding period of five years. As a result, remuneration will also be linked to Dräger's performance on the capital market, thus creating a specific incentive to achieve a sustainable increase in value in the interests of our shareholders.

Recommendation G.11 is partly not complied with. According to this recommendation, the Supervisory Board shall have the possibility to take extraordinary developments into account within an appropriate framework. In justified cases, it shall be possible to retain or reclaim variable remuneration. With regard to possible retention or repayment claims of variable remuneration components, the Supervisory Board considers the statutory liability regime to be sufficient."

Oversight bodies

The Supervisory Board of Drägerwerk AG & Co. KGaA has twelve members, half of whom are elected by shareholders and half by employees in accordance with the German Co-determination Act (MitbestG). The chief purpose of the Supervisory Board is to oversee the management by the general partner. It cannot appoint or remove the general partner or its Executive Board, nor is it authorized to define a catalog of management transactions. The Company's annual shareholders' meeting, not the Supervisory Board, is responsible for approving the single entity financial statements of Drägerwerk AG & Co. KGaA. Several members of the Supervisory Board hold or held high-ranking positions at other companies. All of the shareholder representatives on the Supervisory Board are independent of the Company in the sense defined by the German Corporate Governance Code. Where business relationships with Supervisory Board members exist, transactions are conducted on an arm's length basis as between unrelated parties and do not affect the independence of the members. The Supervisory Board of Drägerwerk Verwaltungs AG, which exists in parallel, has six members who are elected by Stefan Dräger (since December 15, 2025; before that date by Stefan Dräger GmbH) and are also currently the shareholder representatives on the Supervisory Board of Drägerwerk AG & Co. KGaA. The Supervisory Board of Drägerwerk Verwaltungs AG therefore does not have any employee representatives. It appoints the Executive Board of Drägerwerk Verwaltungs AG.

Pursuant to Section 22 of the Company's articles of association, Drägerwerk AG & Co. KGaA has set up a Joint Committee as a voluntary, additional body. It comprises eight members: four members each from the Supervisory Boards of Drägerwerk Verwaltungs AG and Drägerwerk AG & Co. KGaA, which must include two shareholder representatives and two employee representatives from the Supervisory Board of Drägerwerk AG & Co. KGaA. The Joint Committee decides on the extraordinary management transactions by the general partner that require approval as set out in Section 23 (2) of the articles of association of Drägerwerk AG & Co. KGaA.

The Supervisory Board of Drägerwerk AG & Co. KGaA has resolved that, when selecting its members pursuant to recommendation C.1 of the Code, it will be guided by the following requirement profile, including the following competencies and targets that take into account diversity:

- professional and personal qualifications,
- business management experience at German and foreign companies with a worldwide presence in various cultural regions,
- experience as a representative of family-owned as well as listed companies,
- a proven track record in finance and accounting as well as in financing and capital market communication,
- experience in marketing and sales in diversified technology companies,
- intellectually and financially independent persons with a high degree of personal integrity who do not have a conflict of interest with the Company,
- expertise in sustainability issues that are significant to the Company,
- the majority of shareholder representatives are independent members, and
- must be under 72 years of age for new election or re-election.

The most recent elections for shareholder representatives took place at the annual shareholders' meeting on May 5, 2023. The criteria described above were taken into account and fulfilled without exception. It was ensured that a high proportion of Supervisory Board members have experience in representing family-run companies and listed companies, as well as in marketing and sales at technology-led companies. It is the view of the Supervisory Board that, in its current composition, it possesses the requirements included in the competency profile:

Qualification matrix

	Intellectually and financially independent personality of high personal integrity	International management experience with presence in various cultural regions	Experience in family-owned and/or listed companies	Proven track record in finance and accounting as well as in financing and capital market communication
Members	12	7	10	9

Qualification matrix

	Experience in marketing and sales at diversified technology companies	Expertise in sustainability issues and organisation of ESG concerns	Independent of the Company and free of conflicts of interest	Not older than 71 years for new election or re-election
Members	8	8	8	12

According to the assessment of the Supervisory Board, the shareholder representatives Maria Dietz, Dr. Peter Bartels, Professor Dr. Thorsten Grenz, Astrid Hamker, Stefan Lauer and Frank Riemensperger are independent as defined by recommendation C.6 of the German Corporate Governance Code. The indicators to be taken into consideration under recommendation C.7 of the Code when assessing independence have been fulfilled without exception for all of the aforementioned Supervisory Board members, with the exception of the indicator relating to the duration of Supervisory Board membership in the cases of Professor Dr. Thorsten Grenz and Stefan Lauer. Professor Dr. Thorsten Grenz has been a member of the Supervisory Board since 2008 and Stefan Lauer has been a member of the Supervisory Board since 2013. Both have served with outstanding commitment and tremendous care. As a result, the Supervisory Board believes their independence is not impaired. Dr. Peter Bartels was elected to the Supervisory Board with effect from July 1, 2025, as the successor to Dr. Reinhard Zinkann, who retired from the Supervisory Board on June 30, 2025. Frank Riemensperger has been a member of the Supervisory Board since 2023, Maria Dietz and Astrid Hamker since 2018. On the employee side, Marion Schumann has been a member of the Supervisory Board since May 1, 2025. She succeeds Bettina van Almsick, who stepped down on April 30, 2025. Eckart Gesell has been a member of the Supervisory Board since 2024, Andrea Görndt, Henning Groskreutz, and Laura Pooth since 2023. Christian Fischer has been a member of the Supervisory Board since 2022.

The Supervisory Board of Drägerwerk AG Co. KGaA monitors and advises the Executive Board of the general partner in the management of the partnership limited by shares. The Supervisory Board regularly discusses business performance and plans as well as the implementation of the business strategy based on written and oral reports by the Executive Board of the general partner. It reviews the single entity financial statements of Drägerwerk AG & Co. KGaA and the Dräger Group. In doing so, it takes into account the audit reports of the auditor of the consolidated financial statements and the results of the review by the Audit Committee. The Supervisory Board makes its recommendation to the annual shareholders' meeting for a resolution to adopt the single entity financial statements and to approve the Group financial statements.

Appointing and removing members of the Executive Board of Drägerwerk Verwaltungs AG, which manages the operations of Drägerwerk AG & Co. KGaA as the legal representative of the general partner, is the task of the Supervisory Board of Drägerwerk Verwaltungs AG.

In an effort to improve its effectiveness and efficiency, the Supervisory Board of Drägerwerk AG & Co. KGaA has established an audit committee pursuant to Section 107 (4) Sentence 1 in conjunction with Section 107 (3) Sentence 2 of the German Stock Corporation Act (AktG) and a nomination committee in accordance with recommendation D.4 of the Code. The Audit Committee has five members, three of whom are shareholder representatives (Professor Dr. Thorsten Grenz, who is Chairman of the Audit Committee, Dr. Peter Bartels since

July 1, 2025 as successor to Frank Riemensperger, and Stefan Lauer) and two of whom are employee representatives (Henning Groskreutz and Christian Fischer). The Supervisory Board ensures that the Committee members are independent and places great emphasis on their particular knowledge and experience in applying accounting standards and internal control processes. The Audit Committee monitors the adequacy and functional integrity of the Company's external and internal financial reporting system. Together with the auditor of the consolidated financial statements, the Audit Committee discusses the reports drawn up by the Executive Board during the year, the Company's financial statements, and the audit reports. On this basis, the Audit Committee draws up recommendations for the approval of the financial statements by the annual shareholders' meeting. It deals with the Company's internal control system and with the procedure for recording risks, for risk control, and risk management as well as with the compliance management system. The Internal Audit department reports regularly to the Audit Committee and is assigned by this Committee to carry out audits as is deemed necessary. Please refer to the report of the Supervisory Board for more.

The majority of the audit committee members possess the knowledge and skills necessary for this position and fulfill the requirements to be considered "financial experts". Due to his years of service as CFO of companies listed on the stock exchange, his role as an active and former member and financial expert in multiple supervisory boards, his leading position at a professional association of financial experts and honorary professor of business administration, Prof. Dr. Thorsten Grenz is considered to have particularly expert knowledge in the area of accounting as the Chairman of the Audit Committee. Due to his long-standing position as a partner at PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft and in various management positions, including as a member of the Executive Board of PwC Europe SE and most recently as PwC Global Leader Entrepreneurial & Private Business, Dr. Peter Bartels in particular is considered a member of the Audit Committee with expertise in the area of auditing financial statements.

The Nomination Committee consists of three shareholder representatives: Maria Dietz as Chairwoman, Prof. Dr. Thorsten Grenz, and Stefan Lauer. This committee is charged with proposing suitable candidates for election to the Supervisory Board. On this basis, the Supervisory Board compiles appropriate suggestions for the annual shareholders' meeting.

The Supervisory Board regularly deals with the application and enhancement of corporate governance principles within the Dräger Group. The Supervisory Board evaluates its activities and conducts an internal efficiency audit at regular intervals, most recently in 2025 for the period 2024/2025.

Management

Drägerwerk Verwaltungs AG manages the business of Drägerwerk AG & Co. KGaA as general partner.

It acts through its Executive Board, which makes decisions on corporate policy in its role as the managing body of Drägerwerk AG & Co. KGaA and the Dräger Group. The Executive Board determines the Company's strategic focus, plans and sets budgets, is responsible for resource allocation, and monitors business performance. It also compiles the quarterly reports and the single entity financial statements of Drägerwerk AG & Co. KGaA and the Group. It works closely with the oversight bodies. The Chairman of the Executive Board works closely with the Chairs of both Supervisory Boards – of the Company and of the general partner. He regularly provides the Supervisory Board with up-to-date and comprehensive information on all issues relevant to the Company: strategy and its implementation, planning, business performance, financial position, and results of operations, as well as business risk. The Chairs of the two Supervisory Boards speak regularly with the Chairman of the Executive Board and the other Executive Board members, including about their personal plans and prospects as Executive Board members, as well as the existing opportunities in their area of responsibility.

The Supervisory Board of Drägerwerk Verwaltungs AG approved the rules of procedure and its allocation of responsibilities for the Executive Board at its meeting on May 8, 2024. As an age limit within the meaning of recommendation B.5 of the German Corporate Governance Code, the Supervisory Board of Drägerwerk Verwaltungs AG has stipulated that the age of an Executive Board member should, as a rule, not exceed 67 during the member's term in office.

Relationship to shareholders

The annual shareholders' meeting is held annually within the first eight months of the fiscal year. Among other things, it approves the single entity financial statements of Drägerwerk AG & Co. KGaA and votes on profit appropriation, the approval of the actions of the general partner and of the Supervisory Board, and the election of the auditor of the consolidated financial statements. Furthermore, it elects the shareholder representatives to the Supervisory Board and approves amendments to the articles of association and changes in capital, which the general partner implements. The shareholders exercise their rights at the annual shareholders' meeting in accordance with the legal requirements and the Company's articles of association. Insofar as the resolutions of the annual shareholders' meeting relate to extraordinary transactions and core business, they additionally require the approval of the general partner.

In addition, Dräger reports to its shareholders on business performance, net assets, financial position, and results of operations in two quarterly reports, in its half-yearly financial report, and in the annual report.

Compliance

The internal control system (ICS) and the risk management system (RMS) are supplemented by the compliance management system (CMS), which is oriented in line with the Company's risk position. For more than 130 years, Dräger has stood for "Technology for Life". The highest degree of professionalism and reliability, and acting according to the principles of honorable business determine our conduct. "Lever Schaden as Schimp" – better a loss than a disgrace – was the Dräger family motto even before the founding of the Company and underscores the fact that Dräger stands for honest business only. We would rather lose money than risk the Company's good reputation and the trust of customers and employees alike. Our CMS makes sure that we meet this standard.

The CMS presented here is based on three pillars: prevent, identify, and respond, it encompasses the legal risk categories of anti-corruption, antitrust law, conflicts of interest, and preventing fraud (known as "compliance aspects"). The system is based on a comprehensive internal framework – our Principles of Business and Conduct – that describe our system of values. They are a compass that every one of us can use as guidance for their own actions. These principles are completed by business-specific rules in the handbook for employees and managers, which determine how these values are to be reflected in our everyday work.

www.draeger.com/en-us_us/About-Draeger/Company-Principles

Appropriate management and further development measures, as well as training concepts, aim to ensure that compliance principles are known and upheld throughout the Group and that the CMS is always aligned with the Company's risk position.

Our "Speak Up" initiative, compliance risk management and compliance audits and reviews as elements of the CMS are all aimed at identifying compliance risks at an early stage and taking appropriate, effective measures to avoid or minimize risks. As part of the "Letter of Assurance" and "Request for Improvement" reports, we obtain dedicated feedback from the foreign subsidiaries as to whether and, if so, in which area there is a need for support to counter the locally identified risks.

Another action for managing identified sales-related risks – the process for assessing sales and distribution partners (Sales Channel Partner Integrity Assessment – SCPIA) – was gradually rolled out. The application, which has been developed in-house, provides guidance through all phases of the assessment process and ensures that, when assessing sales and distribution partners, we meet our requirements concerning transparency and documentation.

We encourage our employees to engage in discussions with their managers and colleagues on the subject of compliance and integrity, and to voice any concerns they might have with regard to a business transaction. Employees also have the opportunity to discuss their concerns with Dräger's compliance experts in special advisory meetings. Moreover, the Dräger Integrity Channel, a web-based whistleblower channel, is available to all employees and to third parties worldwide. As a result, it also meets the requirements of the German Corporate Governance Code (DCGK) and the German Supply Chain Due Diligence Act (LkSG).

The activities of the compliance function in fiscal year 2025 included providing counsel and guidance on the aforementioned aspects of compliance, focusing above all on the following subjects:

- Appointment of additional local Compliance Officers, establishment of additional local compliance committees and compliance ambassador programs (also as a local personnel development program), introduction of a professional qualification program for Compliance Officers,
- several compliance communication measures in internal and external media by the CCO, Regional and Local Compliance,
- continuation of redesign of online compliance training, refresher training and implementation of various virtual training sessions for employees and sales partners; completion of an ethical leadership program in a regional management team,
- improvement of the target group-specific allocation of compliance training and training reporting,
- continuation of the digitalization of compliance reporting processes,
- monitoring of the further development of compliance issues in the Group, in particular the LkSG and CSRD requirements and the requirements under whistleblower protection legislation,
- further digitalization of the compliance risk assessment,
- increased monitoring measures of the process for reviewing sales partners in coordination with the process owner from Sales & Service Excellence as well as
- conducting incident-based investigations based on whistleblower reports and evaluating compliance audits that are independent of specific incidents.

The Head of the Corporate Compliance Office (CCO) reports to the Executive Board once per quarter in an ordinary Executive Board meeting and, if required, also on an ad hoc basis. Within this reporting cycle, the designated Executive Board member is informed on material topics relating to the compliance function in regular feedback meetings with the General Counsel (Chair of the Corporate Compliance Committee (CCC)).

The Executive Board receives a comprehensive compliance report once per year. In this annual report, the Executive Board receives an overview of the Company-wide compliance risk situation and the development of the compliance aspects in relation to the three basic compliance functions (prevent, identify, and respond).

In the final meeting of each year, the compliance function reports to the Audit Committee of the Drägerwerk AG & Co. KGaA Supervisory Board on behalf of the Executive Board.

The entire CMS is continously adjusted in line with business-specific risks and various local regulatory requirements. As part of this process, the results of internal consultations and investigations, dialog with the global compliance organization, and the compliance and business standard audits are used, among other things, to determine measures to develop the CMS further.

Declaration pursuant to Sec. 161 AktG

Our declaration of conformity is available to the public at www.draeger.com in the “Investor Relations/Corporate Governance” section and additionally in this chapter.

Remuneration report and remuneration system

The remuneration report for the past fiscal year and the auditor’s report pursuant to Section 162 AktG, the applicable remuneration system pursuant to Section 87a (1) and (2) Sentence 1 AktG, and the most recent remuneration resolution pursuant to Section 113 (3) AktG are available to the public on the Company website.

Our remuneration report is available to the public on the Company website www.draeger.com in the “Investor Relations/Calendar and publications” section.
Our remuneration system is also available to the public at www.draeger.com in the “About Dräger/Executive Board” section.

Disclosure on corporate governance practices

The Executive Board has implemented effective internal control systems and relevant employee training measures to ensure that the Group’s financial reporting system is correct and complies with legal requirements. The Company’s principles and their application are based on integrity and social responsibility in areas such as environmental protection, quality, product and process safety, and compliance with local laws and regulations. The Internal Audit department continuously monitors the implementation of these principles as well as the reliability and functionality of the control systems. The Executive Board of Drägerwerk Verwaltungs AG governs the Group in the interest of its shareholders and is aware of its responsibility to employees, society, and the

environment. We have made it our goal to use the resources entrusted to us in a manner that increases the value of the Dräger Group. According to the resolution passed by the annual shareholders' meeting on May 9, 2025, the Supervisory Board appointed KPMG AG Wirtschaftsprüfungsgesellschaft as the independent auditor of the single entity financial statements of Drägerwerk AG & Co. KGaA for fiscal year 2025.

The auditing firm also examined the existing risk management system with regard to the Control and Transparency in Business Act (Gesetz zur Kontrolle und Transparenz im Unternehmensbereich – KonTraG). Representatives of the statutory auditor attend the Audit Committee's meeting as well as the Supervisory Board's meeting to discuss the single entity financial statements, during which the management report and auditor's report are deliberated on. The Supervisory Board has issued a separate report on this subject in the report of the Supervisory Board in the annual report 2025.

Working methods of the Executive and Supervisory Boards

Drägerwerk Verwaltungs AG manages the operations of Drägerwerk AG & Co. KGaA.

In its role as the managing body of Drägerwerk AG & Co. KGaA and of the Dräger Group, the Executive Board of Drägerwerk Verwaltungs AG makes decisions on corporate policy. It determines the Company's strategic focus, plans and sets budgets, is responsible for resource allocation, and monitors business performance. It also compiles the quarterly reports and the single entity financial statements of Drägerwerk AG & Co. KGaA and the Group. It works closely with the oversight bodies. The Chairwoman of the Supervisory Board of the Company and the Chairman of the Supervisory Board of the general partner work closely with the Chairman of the Executive Board of the general partner. The latter provides regular up-to-date and comprehensive information on all issues relevant to the Company: Strategy and strategy implementation, planning, business development, the financial and earnings situation and entrepreneurial risks.

Target indicators pursuant to Sections 76 (4) and 111 (5) AktG

At its meeting on July 4, 2022, the Executive Board of the general partner defined a target of 20% in relation to female participation in the first level of management below the Executive Board and a target of 23% for the second level of management below the Executive Board. The deadline for the achievement of these two targets was set at June 30, 2027. The quotas, targets, and reasons provided above fulfill the legal reporting requirements.

↗ For further information on the topic of "Women in management positions", please refer to the Group sustainability statement.

Minimum quotas for the composition of the Supervisory Board

The Company follows the regulations under Section 96 (2) AktG regarding the minimum quotas for women and men for the composition of the Supervisory Board.

Diversity concept regarding the composition of the Executive Board of the general partner and the Supervisory Board

In its targets, the Supervisory Board has established a number of criteria for its composition that take diversity into account. These can be found in the report on corporate governance in this chapter. In the view of the Supervisory Board its current composition fully meets all targets. The composition of the Supervisory Board continues to meet the minimum quotas set by Section 96 (2) AktG. No diversity concept beyond these criteria has been determined for the Supervisory Board.

The composition of the general partner's Executive Board is based on the regulations of Section 76 AktG for large stock corporations and the recommendations of the German Corporate Governance Code. The Executive Board is made up of six individuals selected for their responsibilities only by the respective necessary qualifications. No diversity concept beyond these criteria has been determined for the Executive Board. The Company does not comply with the minimum requirements concerning the Executive Board of the general partner as the provisions of Section 76 (3a) AktG do not apply to the general partner.

Forward-looking statements

This combined management report contains forward-looking statements. These statements are based on the current expectations, presumptions, and forecasts of the Executive Board of Drägerwerk Verwaltungs AG, as well as the information available to it to date. The forward-looking statements do not provide any guarantee of the future developments and results contained therein. Rather, the future developments and results are dependent on a number of factors; they entail various risks and uncertainties and are additionally based on assumptions that could prove to be incorrect. We do not assume any responsibility for updating the forward-looking statements made in this report.

Lübeck, February 26, 2026

The general partner
Drägerwerk Verwaltungs AG,
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

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Annual Financial Statements Dräger Group

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Annual Financial Statements 2025 of the Dräger Group

Consolidated income statement of the Dräger Group January 1 to December 31

in € thousand	Notes	2025	2024
Net sales	9	3,481,898	3,370,880
Cost of sales	10	-1,907,540	-1,858,423
Gross profit		**1,574,357**	**1,512,457**
Research and development expenses	11	-333,818	-333,066
Marketing and selling expenses	12	-729,497	-731,836
General administrative expenses	13	-285,019	-275,876
Impairment losses and gains on financial assets and contract assets	14	-4,890	-2,657
Other operating income	15	8,892	41,457
Other operating expenses	15	-1,934	-4,449
Functional expenses		**-1,346,265**	**-1,306,427**
Result from net exposure from monetary items	7	-1,714	453
Result from associates accounted for using the equity method		776	898
Other expenses from investments in associates		-	-7,720
Result from other investments		4,270	-1,592
Other financial result		1,948	-4,048
Financial result (before interest result)	**16**	**5,281**	**-12,010**
EBIT		**233,373**	**194,020**
Interest and similar income		10,111	8,433
Interest and similar expenses		-27,840	-27,060
Interest result	**16**	**-17,729**	**-18,626**
Earnings before income taxes		**215,643**	**175,393**
Income taxes	17	-75,286	-50,632
Net profit		**140,358**	**124,762**
Net profit		**140,358**	**124,762**
Earnings to non-controlling interests		860	354
Earnings attributable to shareholders	20	139,497	124,408
Undiluted earnings per share	**20**		
per preferred share (in €)		7.48	6.67
per common share (in €)		7.42	6.61
Diluted earnings per share	**20**		
per preferred share (in €)		7.48	6.67
per common share (in €)		7.42	6.61

Consolidated statement of the comprehensive income of the Dräger Group

in € thousand	Notes	2025	2024
Net profit		**140,358**	**124,762**
Items that cannot be reclassified into the income statement			
Remeasurements of defined benefit pension plans	31	59,324	27,192
Deferred taxes on remeasurements of defined benefit pension plans		-19,444	-5,411
Items that may be reclassified into the income statement in the future			
Currency translation adjustment for foreign subsidiaries		-51,696	16,817
Changes in the fair value of the cash flow hedge reserve recognized directly in equity		-765	144
Deferred taxes on changes in the fair value of the cash flow hedge reserve recognized directly in equity		244	-15
Other comprehensive income (after taxes)		**-12,339**	**38,728**
Total comprehensive income		**128,019**	**163,489**
thereof attributable to non-controlling interests		869	344
thereof earnings attributable to shareholders		127,149	163,146

Consolidated balance sheet of the Dräger Group

in € thousand	Notes	December 31, 2025	December 31, 2024
Assets			
Intangible assets	21	336,174	342,848
Property, plant and equipment	22	433,382	433,145
Right-of-use assets	37	126,093	115,836
Investments in associates	23	829	801
Non-current trade receivables	24	7,153	4,936
Contract assets	24	1,168	-
Other non-current financial assets	25	65,404	29,398
Deferred tax assets	17	205,374	258,301
Other non-current assets	28	72,925	23,405
Non-current assets		**1,248,501**	**1,208,669**
Inventories	26	629,040	662,585
Trade receivables	24	807,601	788,446
Contract assets	24	57,025	52,886
Other current financial assets	25	35,534	51,770
Cash and cash equivalents	27	282,103	230,599
Current income tax refund claims		32,380	31,013
Other current assets	28	70,907	67,465
Current assets		**1,914,591**	**1,884,765**
Total assets		**3,163,092**	**3,093,435**
Equity and liabilities			
Capital stock		48,026	48,026
Capital reserves		306,871	307,890
Reserves retained from earnings, including group result		1,326,249	1,184,379
Treasury shares		-	-2,535
Other comprehensive income		-54,820	-2,609
Total equity of shareholders of Drägerwerk AG & Co. KGaA		**1,626,326**	**1,535,150**
Non-controlling interests	30	2,333	1,646
Equity	**29**	**1,628,660**	**1,536,796**
Provisions for pensions and similar obligations	31	152,225	180,419
Non-current personnel provisions	32	37,587	36,566
Other non-current provisions	32	19,188	15,673
Non-current note loans	33	50,000	100,000
Non-current liabilities to banks	33	153,748	104,354
Other non-current financial liabilities	34	119,000	87,382
Non-current income tax liabilities		3,676	2,257
Deferred tax liabilities	17	1,351	1,637
Other non-current liabilities	35	53,247	49,869
Non-current liabilities		**590,023**	**578,157**
Current personnel provisions	32	121,776	121,310
Other current provisions	32	78,684	145,189
Current note loans	33	50,000	-
Current liabilities to banks	33	18,681	67,394
Trade payables	34	282,082	230,648
Other current financial liabilities	34	82,386	103,966
Current income tax liabilities		47,701	45,144
Other current liabilities	35	263,099	264,831
Current liabilities		**944,409**	**978,481**
Total equity and liabilities		**3,163,092**	**3,093,435**

Consolidated cash flow statement of the Dräger Group

in € thousand		Notes	2025	2024
Operating activities				
	Earnings after income taxes		140,358	124,762
+	Write-down/write-up of non-current assets		136,296	146,997
+	Interest result		17,729	18,626
+	Income taxes		75,286	50,632
-	Decrease in provisions		-34,345	-27,698
+	Other non-cash expenses		15,466	4,156
+/-	Loss/gain from the disposal of non-current assets		519	-11,920
+/-	Decrease/increase in inventories		2,861	-6,170
-	Increase in leased equipment		-14,434	-11,457
-	Increase in trade receivables		-66,141	-67,865
-	Increase in other assets		-5,361	-5,531
+	Increase in trade payables		8,889	14,928
+/-	Increase/decrease in other liabilities		16,663	-1,420
+	Dividends received		629	672
-	Cash outflow for income taxes		-45,067	-50,408
-	Cash outflow for interest		-21,134	-19,430
+	Cash inflow from interest		10,111	8,433
	Cash inflow from operating activities		**238,326**	**167,308**
Investing activities				
-	Cash outflow for investments in intangible assets		-8,864	-3,890
+	Cash inflow from disposals of intangible assets		0	8
-	Cash outflow for investments in property, plant and equipment		-71,820	-59,895
+	Cash inflow from disposals of property, plant and equipment		12,840	11,237
-	Cash outflow for investments in financial assets		-30,438	-6,325
+	Cash inflow from disposals of financial assets		138	129
+/-	Cash flows from disposals of business areas and subsidiaries		-2	15,350
	Cash outflow from investing activities		**-98,147**	**-43,386**
Financing activities				
-	Distribution of dividends	29	-37,473	-33,158
-	Cash outflow from the acquisition of treasury shares	29	-5,900	-2,535
+	Cash inflow from the transfer of treasury shares	29	6,498	-
+	Cash provided by raising loans		62,260	6,022
-	Cash used to redeem loans		-66,886	-13,084
+/-	Net balance of other liabilities to banks		5,976	-71,373
-	Repayment of lease liabilities		-48,285	-46,102
-	Profit distributed to non-controlling interests		-182	-1,155
	Cash outflow from financing activities		**-83,992**	**-161,385**
Change in cash and cash equivalents in the fiscal year			**56,186**	**-37,463**
-	Effect of exchange rates on cash and cash equivalents		-4,682	-3,894
+	Cash and cash equivalents at the beginning of the fiscal year		230,599	271,956
	Cash and cash equivalents at the end of the fiscal year		**282,103**	**230,599**

Consolidated statement of changes in equity of the Dräger Group

in € thousand	Capital stock	Capital reserves	Reserves retained from earnings incl. group result	Treasury shares	Other comprehensive income	Total equity of shareholders of Drägerwerk AG & Co. KGaA	Non-controlling interests	Equity
January 1, 2024	**48,026**	**307,035**	**1,071,284**	**0**	**-19,566**	**1,406,778**	**2,457**	**1,409,235**
Net profit	-	-	124,408	-	-	124,408	354	124,762
Other comprehensive income	-	-	21,781	-	16,956	38,738	-10	38,728
Total comprehensive income	**0**	**0**	**146,189**	**0**	**16,956**	**163,146**	**344**	**163,489**
Distributions	-	-	-33,158	-	-	-33,158	-1,155	-34,313
Acquisition of treasury shares	-	-	-	-2,535	-	-2,535	-	-2,535
Employee share program	-	856	-	-	-	856	-	856
Miscellaneous	-	-	64	-	-	64	-	64
December 31, 2024 / January 1, 2025	**48,026**	**307,890**	**1,184,379**	**-2,535**	**-2,609**	**1,535,150**	**1,646**	**1,536,796**
Net profit	-	-	139,497	-	-	139,497	860	140,358
Other comprehensive income	-	-	39,879	-	-52,227	-12,348	9	-12,339
Total comprehensive income	**0**	**0**	**179,377**	**0**	**-52,227**	**127,149**	**869**	**128,019**
Distributions	-	-	-37,473	-	-	-37,473	-182	-37,655
Acquisition of treasury shares	-	-	-	-5,900	-	-5,900	-	-5,900
Employee share program	-	-1,019	-	8,435	-	7,416	-	7,416
Change in scope of consolidation	-	-	-	-	17	17	-	17
Miscellaneous	-	-	-33	-	-	-33	-	-33
December 31, 2025	**48,026**	**306,871**	**1,326,249**	**0**	**-54,820**	**1,626,326**	**2,333**	**1,628,660**

Notes of the Dräger Group for 2025

1 General information

Drägerwerk AG & Co. KGaA, with its headquarters in 23542 Lübeck/Germany, (Moislinger Allee 53 - 55) draws up, as a capital market-oriented company, the Group financial statements for the smallest group of entities. Drägerwerk AG & Co. KGaA is registered in the commercial register of the Local Court of Lübeck, Germany under HR B 7903 HL.

Drägerwerk Verwaltungs AG, Lübeck, is the general partner of Drägerwerk AG & Co. KGaA. Drägerwerk Verwaltungs AG is also the ultimate parent company, whose Group financial statements are published in the company register. Stefan Dräger is the sole shareholder of Drägerwerk Verwaltungs AG.

On February 26, 2026, the Executive Board will approve publication of the Group financial statements of Drägerwerk AG & Co. KGaA for fiscal year 2025. The Group financial statements are published in the company register.

The Group's business activities and structure are described in the segment reporting, as well as in the combined management report.

2 Basis of preparation of the Group financial statements

Drägerwerk AG & Co. KGaA has prepared its Group financial statements for fiscal year 2025 in accordance with the International Financial Reporting Standards (IFRS) as defined by the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretations Committee (IFRS IC). Drägerwerk AG & Co. KGaA has applied all IFRS adopted by the IASB as at December 31, 2025 to its 2025 Group financial statements, provided that these standards have been endorsed by the European Commission and published in the Official Journal of the European Union by the date of publication of the Group financial statements and that application of such standards is mandatory for fiscal year 2025.

Dräger has in particular applied the following revised standard issued by the IASB for the first time in fiscal year 2025 on its effective date:

- In "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued August 2023)", the IASB adapts IAS 21 in the event of a long-term lack of exchangeability of a currency. The amendments include rules for determining the exchangeability of currencies and how a company determines the applicable closing rate when a currency is not exchangeable. The information to be disclosed is also specified. This does not materially impact Dräger's Group financial statements.

The following accounting requirements are obligatory for fiscal years beginning on or after January 1, 2026, and have in some cases already been adopted into European law by the EU. Dräger did not voluntarily apply these requirements prematurely.

- The "Annual Improvements Volume 11 (issued on July 18, 2024)" contains minor amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. The amendments concern clarifications, simplifications, corrections, and adjustments to resolve conflicts between requirements in these standards.
- The "Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued September 2014)" address a conflict between the regulations of IAS 28 "Shares in Associated Companies and Joint Ventures" and IFRS 10 "Group Financial Statements". These clarify that for transactions with an associate or joint venture, the extent to which profit or loss is recognized depends on whether the assets sold or contributed constitute a business. This does not materially impact Dräger's Group financial statements.
- The "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued May 2024)" provide companies with additional application guidelines for the classification and

evaluation of financial instruments. These primarily serve to clarify how ESG (environmental, social and governance) conditions affect the cash flow condition (solely payments of principal and interest) for financial assets. In addition, the time at which a financial asset or a financial liability is recognized or derecognized is determined more precisely. This does not materially impact Dräger's Group financial statements.

- The Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (issued on December 18, 2024)" affect companies that enter into nature-dependent electricity contracts (known as power purchase agreements (PPAs)). If these agreements stipulate the full offtake of the amount of energy produced, companies are exposed to fluctuations in the quantities to be purchased. This may have negative consequences with regard to the applicability of the own use exemption under IFRS 9, meaning that derivatives must generally be recognized at fair value. The amendments therefore include clarifications regarding the own use criteria, as well as supplementary disclosures for investors. Furthermore, these agreements can be designated as hedging instruments, which are accounted for using hedge accounting. This does not materially impact Dräger's Group financial statements.
- The new IFRS 18, "Presentation and Disclosure in Financial Statements (issued April 2024)" replaces the current IAS 1 "Presentation of Financial Statements". IFRS 18 also makes some minor amendments to other standards, such as IAS 7, "Statement of Cash Flows". The amendments are intended to provide investors with better information on the financial performance of companies and increase the comparability of company financial statements. To this end, the income statement has been restructured and corresponding subtotals have been introduced. In addition, companies must provide information on company-specific performance indicators that are used in public communication. The aggregation of items in the financial statements and the specification of whether items are to be included in the main financial statements or in the notes are also regulated. The application of IFRS 18 will be mandatory for fiscal years beginning on or after January 1, 2027, subject to endorsement, which is still pending. The standard must also be applied to the corresponding comparative periods. Dräger is already planning the organizational and technical changes resulting from the implementation of IFRS 18. The new standard will affect the presentation of the Group's performance indicators. The Executive Board has not yet decided to what extent the resulting new performance indicators will partially or completely replace the existing performance indicators.
- The new IFRS 19 "Subsidiaries without Public Accountability: Disclosures (issued May 2024)" should provide certain companies with the opportunity to apply the IFRSs with a reduced number of disclosure requirements in their single entity or sub-group financial statements. This has no impact on Dräger's Group financial statements.

The requirements of Art. 4 EC Regulation No. 1606/2002 of the European Parliament in conjunction with Section 315e (1) German Commercial Code (Handelsgesetzbuch - HGB) governing a company's exemption from its obligation to prepare group financial statements in accordance with German commercial law have been met.

To ensure that the Group financial statements are equivalent to consolidated financial statements prepared in accordance with the German Commercial Code, all disclosures and explanations required by German commercial law above and beyond the provisions of the IFRSs have been provided in accordance with Section 315e (1) HGB.

The Group financial statements have been prepared with the Euro as the functional Group currency. Unless stated otherwise, all figures were disclosed in thousands of euros (EUR thousand); rounding differences may arise as a result. The balance sheet is classified according to the current/non-current distinction; the income statement was prepared according to the cost of sales method. Where certain items of the financial statements have been grouped with a view to enhancing the transparency of presentation, they are disclosed separately in the notes. With the exception of two subsidiaries (prior year: three subsidiaries) whose fiscal year ends on March 31, the annual financial statements of the companies included in the Group financial statements have been prepared as at the reporting date of the Group financial statements and are based on uniform accounting and valuation principles.

3 Effects of external factors on financial reporting

The global economy is subject to intense geopolitical shifts and tensions, which are changing the macroeconomic environment for companies worldwide, resulting in declining industrial production and reduced investment activity and consumption. These changes affect both prices and the predictable availability of production factors, and therefore also the economic context of the Dräger Group.

A transitory risk concerns the European Union's (EU) planned ban on perfluorinated and polyfluorinated chemicals (PFAS). The majority of Dräger products contain components or coatings made from fluoropolymers such as polytetrafluoroethylene (PTFE). These are, however, not harmful PFAS compounds often known as "forever chemicals", but high-performance materials used for components with special requirements due to their being resistant and harmless. Dräger is already in ongoing contact with key suppliers in their efforts to develop alternatives, and is continuously evaluating the market situation. In many cases, replacement of these materials is currently not possible due to the lack of technical alternatives. Even if alternatives were developed in the future, substitution would take many years due to long development and approval times. A ban in line with the EU's original proposal would prohibit the manufacture and marketing of products containing PFAS within the EU. If such a ban were to cover the specific PFAS materials or applications currently used by Dräger – particularly in sensors and components that carry gas for which there are no technical alternatives – the marketability of a significant portion of Dräger's product portfolio could potentially be jeopardized. In 2025, the restriction proposal was revised on the basis of numerous objections raised during the consultation process, and numerous application-specific exemptions were introduced. However, these exemptions still do not cover all the necessary applications for our product range. The proposal is currently being assessed by the relevant committees of the European Chemicals Agency, which are expected to submit a recommendation to the European Commission by the end of 2026 following a further consultation phase. A final decision by the Commission is expected in 2027 at the earliest. We currently assume that the intensive efforts of European commercial enterprises and associations will lead to a regulatory approach that will allow substance-specific exemptions, i.e. differentiate between short-chain PFAS compounds and polymers and address potential emission sources in raw material production and disposal.

The impact of changes in the economic context on the production factors in the Dräger Group must be assessed differently. The production process in the Dräger Group is not particularly energy-intensive. Consequently, geopolitical developments with an impact on energy prices, such as the embargoes against Russia as a result of the war in Ukraine, only have an indirect impact on the Dräger Group's financial reporting. However, on the one hand, global developments are leading to increased isolation of national markets, resulting in new import tariffs, and on the other hand, preference is being given to local competitors, particularly in China, India, and Indonesia. This further increases the volatility of the currency and commodity markets and has a negative impact on Dräger's margin. In addition, political developments on the Korean peninsula and the conflict between China and Taiwan could have a negative impact on our business. An escalation of the conflict regarding Taiwan would further exacerbate the global shortage of electronic components and lead to disruptions in the supply chain.

Monetary policy decisions will continue to cause fluctuations on the markets and have an effect on the future development of capital cost parameters. Higher capital costs could lead to an impairment of our assets, particularly goodwill.

4 Scope of consolidation

The scope of consolidation of Drägerwerk AG & Co. KGaA consists of 98 fully consolidated companies as of December 31, 2025 (2024: 101 companies) and two associated companies (2024: three associated companies).

Besides Drägerwerk AG & Co. KGaA, the fully consolidated companies include all subsidiaries controlled by Drägerwerk AG & Co. KGaA within the meaning of IFRS 10 (including structured companies). As in the prior year, one company was not included in the scope of consolidation for reasons of materiality. Drägerwerk AG & Co. KGaA controls a company when it has power over the company, exposure to variable returns from its involvement with the company, and the ability to use its power over the company in such a way as to affect the amount of said company's returns. Those of the Company's activities that significantly influence the Company's returns are classified as relevant activities.

Control can also exist without a majority of voting rights if Drägerwerk AG & Co. KGaA has other practical means of controlling a company's relevant activities. These practical means can result, for example, from other contractual agreements, potential voting rights, or the size of its voting rights relative to the size and dispersion of holdings of the other voting rights.

The scope of consolidation continues to include two property management companies and a further special purpose entity as structured entities. The activities of these companies are limited because they were each only

founded for a specific purpose. Dräger controls these structured companies not exclusively through voting rights or comparable rights, but partially only through other contractual agreements (please refer to our comments on the use of assumptions and estimates in ↗ note 8). Dräger does not provide these companies with any financing or guarantees, nor does it intend to do so in the future.

Controlled companies are included in the Group financial statements as subsidiaries from the date on which Dräger obtains control, and are removed from the Group financial statements as subsidiaries from the date on which Dräger no longer has control.

Joint arrangements in which Dräger has joint control together with one or more parties are accounted for in accordance with IFRS 11. As a result, a distinction is made between joint operations and joint ventures.

A joint operation occurs when the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities. In the case of investments in joint operations, only a proportionate share of the assets, liabilities, income, and expenses are recognized. Dräger is involved in four (2024: four) joint operations.

Joint ventures, on the other hand, occur when the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Dräger does not have a contractual interest in any joint ventures.

Drägerwerk AG & Co. KGaA directly or indirectly exerts a significant influence on associates. In compliance with IAS 28, the associates are accounted for according to the equity method.

The consolidated and associated companies of the Dräger Group as of December 31, 2025, are listed in ↗ note 45.

5 Effects of the changes in the scope of consolidation

The scope of consolidation of Drägerwerk AG & Co. KGaA developed as follows in fiscal year 2025:

Scope of consolidation

	Germany	Abroad	Total
Drägerwerk AG & Co. KGaA and fully consolidated companies			
January 1, 2025	18	83	101
Start-ups	-	1	1
Mergers	1	2	3
Disposals	-	1	1
December 31, 2025	**17**	**81**	**98**
Associates			
January 1, 2025	1	2	3
Disposals	-	1	1
December 31, 2025	**1**	**1**	**2**
Total	**18**	**82**	**100**

In April 2025, Draeger Medical International Regional Headquarter LLC was established in Riyadh, Saudi Arabia.

In June 2025, Dräger Safety Belgium NV, Wemmel, Belgium, was merged into Dräger Belgium NV, Wemmel, Belgium.

In addition, the shares in the associate MultiSensor Scientific, Inc., Somerville, USA, were sold in June 2025.

In August 2025, Dräger MSI GmbH, Hagen, was merged into Dräger Safety AG & Co. KGaA., Lübeck, Germany.

In September 2025, Dräger Indústria e Comércio Ltda., São Paulo, Brazil, was merged into Dräger do Brasil Ltda., São Paulo, Brazil.

In November 2025, Draeger Myanmar Ltd., Yangon, Myanmar, was liquidated.

6 Consolidation principles

Capital consolidation is carried out using the acquisition method. In the case of acquired subsidiaries, the identifiable assets and liabilities (including contingent liabilities) are measured at their fair value at the date on which control over the subsidiary was obtained. Goodwill is recognized if the cost of the investment exceeds the acquirer's interest in the net fair value of the identifiable assets and liabilities. Incidental purchase costs relating to the acquired company, with the exception of the costs of issuing debt instruments or shares, are recognized as expenses at the time they are incurred. Adjustments to components of the contingent purchase price are recognized in profit or loss, provided that they are recognized as a liability at the time of acquisition. Non-controlling interests are measured at the proportionate fair value of the acquired assets and assumed liabilities. The impairment of goodwill takes place unscheduled in accordance with IAS 36 on the basis of an impairment test, which must be carried out at least once a year ("impairment-only approach"). Any excess of the Group's share in equity over the cost of the investment is recognized in profit or loss at the date of acquisition.

Successive acquisitions of shares without change of control are recorded as transactions between equity providers ("entity concept"). The carrying amounts of assets and liabilities remain unchanged. The value shift between Dräger and the non-controlling interests is recorded directly in equity. Any non-controlling interests in equity are shown in the consolidated balance sheet (refer also to ↗ note 30).

When swapping or exchanging shares or engaging in similar transactions, the fair value of the shares given is attributed to the shares received.

Associates and joint ventures are accounted for using the equity method at cost on the date of acquisition. The cost of investments is adjusted to reflect their share in net profit or loss for the period and dividend distributions. The goodwill is included in the carrying amount of the investments. Impairments are accounted for separately. At each balance sheet date, Dräger determines whether there are indications that the shares in the associates are not recoverable. If this is the case, the difference between the carrying amount and the recoverable amount is calculated as the impairment loss, recognized in profit or loss, and reported in a separate item alongside "result from investments in associates".

Intercompany receivables and liabilities of consolidated companies are netted against each other ("elimination of intercompany balances"). The carrying amounts of assets from intercompany goods and services are adjusted for unrealized intercompany profits and losses ("elimination of intercompany profits and losses"). These assets are therefore valued at Group acquisition or manufacturing cost. Intercompany profits are not eliminated for associated companies due to their immateriality. Internal net sales are eliminated. All other intercompany income and expenses are offset against each other ("consolidation of income and expenses"). Deferred taxes are recognized on consolidation transactions that affect profit or loss to the extent that different tax expenses or income are expected to offset each other in subsequent fiscal years.

7 Currency translation

In the single entity financial statements of Drägerwerk AG & Co. KGaA and its subsidiaries, foreign currency transactions are translated at the average exchange rate at the date of the transaction.

Exchange differences from the settlement of monetary items in foreign currencies during the year and from the measurement of open foreign currency positions at the rate on the balance sheet date are recognized in profit or loss.

The consolidated foreign subsidiaries each prepare their financial statements in the local currency in which they mainly operate (functional currency). These financial statements are translated into the Group reporting currency, the euro, at the mean exchange rate on the balance sheet date (closing rate) for assets and liabilities and at the annual average exchange rate for income statement positions. All resulting translation differences are recognized directly in equity under "other comprehensive income".

The financial statements and comparative figures of economically independent foreign entities operating in a hyperinflationary environment and reporting in a currency of a hyperinflationary economy are to be remeasured. The remeasurement must take place at the measuring unit applying on the balance sheet date by indexing these financial statements using a general price index for the respective country. Since fiscal year 2018, Argentina has been considered a hyperinflationary economy, meaning that the subsidiary in Argentina is affected by remeasurement. The applied price index of the Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE) stood at 10,087.39 as at December 31, 2025 (December 31, 2024: 7,708.68). Türkiye exceeded the criteria required for a hyperinflationary economy for the first time in fiscal year 2022, and so the two sales and service companies operating in the country are affected by remeasurement. The applied price index Türkiye iStatistik Kurumu (TÜiK) stood at 3,513.87 as at December 31, 2025 (December 31, 2024: 2,684.55). The effect of inflation totaled EUR -414 thousand (2024: EUR 5,835 thousand) and was recognized in changes from currency translation, reducing equity (2024: increasing equity). The result from the net exposure from monetary items amounts to EUR -1,714 thousand (2024: EUR 453 thousand). The result from the net exposure from monetary items essentially affects the gross profit on net sales and general administrative expenses in the consolidated income statement. In the cash flow statement, the result from the net exposure from monetary items in the earnings after income taxes is adjusted in the operating cash flows from assets. The exchange rate-related changes in the value of cash and cash equivalents attributable to the effects of hyperinflation are immaterial. Previously presented comparative amounts denominated in stable currency have not been adjusted. The financial statements of these subsidiaries are based on the concept of historical cost.

The cost of sales includes exchange rate gains on operating foreign currency items of EUR 80,068 thousand (2024: EUR 63,809 thousand) and corresponding exchange rate losses of EUR -99,396 thousand (2024: EUR -64,239 thousand).

The financial result includes exchange rate gains on foreign currency financial items of EUR 26,793 thousand (2024: EUR 26,227 thousand) and corresponding exchange rate losses of EUR -26,628 thousand (2024: EUR -27,608 thousand).

Currency translation for foreign subsidiaries resulted in a decrease in other comprehensive income on the balance sheet date of EUR -51,723 thousand (2024: increase of EUR 16,827 thousand).

The major currencies by third-party net sales and their exchange rates developed as follows:

Currencies / exchange rates

		Closing rate		Average rate	
	1 € =	December 31, 2025	December 31, 2024	2025	2024
U.S.	USD	1.18	1.04	1.13	1.08
People's Republic of China	CNY	8.20	7.59	8.11	7.77
United Kingdom	GBP	0.87	0.83	0.86	0.84
Saudi Arabia	SAR	4.41	3.90	4.24	4.05
Australia	AUD	1.76	1.68	1.75	1.64

8 Accounting policies

The single entity financial statements of Drägerwerk AG & Co. KGaA and its consolidated German and foreign subsidiaries as at December 31 of the fiscal year are prepared on the basis of uniform accounting and valuation policies and included in the Group financial statements. The following accounting and valuation policies are applied:

General

As a matter of principle, the Group financial statements are prepared on a historical cost basis. Dräger does not utilize the option of remeasuring intangible assets and property, plant and equipment. The historical cost basis does not apply to any financial instrument acquired for the purpose of also generating cash flows through its sale or any financial instrument that is exclusively held for sale. These financial instruments are measured at fair value.

The historical costs are determined on the basis of the fair value of the consideration transferred on the date of acquisition. Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. These methods of calculating fair value do not apply at Dräger for leasing transactions in the IFRS 16 area of application.

Net sales recognition (including contract assets and contract liabilities)
In accordance with the provisions of IFRS 15, net sales should be realized at the time of and in an amount that reflects the contractual performance obligations to the customer.

Any claims resulting from the recognition of net sales before the requirements for invoicing have been met or the customer has made a payment following the fulfillment of a contractual performance obligation will be recognized as a contractual asset.

If payments are made by customers or if there is an unconditional right to a specific consideration before a contractual performance obligation has been fulfilled and revenue has therefore been recognized, the future revenue is recognized as contract liabilities. The contractual liabilities are then allocated to net sales in line with the fulfillment of the contractual performance obligations.

The amount of the net sales is calculated on the basis of the transaction price of the relevant customer contract - in other words, on the basis of the expected consideration to which the Company is entitled in exchange for goods or services provided to the customer. At Dräger, this consideration mostly comprises fixed prices. Variable consideration components are only negotiated infrequently and then only included in the transaction price if there is no uncertainty regarding the consideration. Payment periods are mostly set at 30 days. Payment periods greater than one year are only contractually agreed to a limited extent. In the event that the agreed payment period is longer than one year, financing components are also included in the calculation of the transaction price.

In the event that several performance obligations are provided to the same customer at the same time or in the near future and are included in a single civil law contract with a single transaction price ("multi-component contracts") and the respective performance dates differ, the agreed transaction price is allocated to the individual performance obligations on the basis of the individual stand-alone selling prices, which are usually observable. Particular mention should be made here of combinations of equipment supply and service transactions.

Net sales are reduced by sales deductions, if any arise. Anticipated obligations for discounts on sales volumes are measured using empirical values and reduce net sales. Dräger only issues manufacturer warranties to customers in a handful of exceptional cases. Warranties to protect from faulty deliveries are generally issued for up to a period of twelve months and are recognized as part of warranty provisions. As a rule, Dräger does not enter into buyback and reimbursement obligations beyond these warranties.

With regard to the point in time at which performance obligations are fulfilled, IFRS 15 is based on the "control concept", i.e. the concept of recognizing revenue when control is transferred to the customer. Under IFRS 15, a distinction is accordingly drawn between the fulfillment of performance obligations at one point in time, which is usually the case, and the fulfillment of performance obligations over time, provided that the criteria set for this are met.

Net sales from the sale of products are recognized at the point in time at which control is passed to the buyer and there is therefore a claim to the receipt of the agreed payment, on the condition that the Company is likely to receive the agreed transaction price. This is primarily the time of delivery of the products to the customer. In the case of products that need to be installed at customers' locations, control is passed to the buyer at the time the product is delivered and installed.

Net sales from the provision of services are recognized over the period of time in which the services are rendered if the customer receives the benefits from the provision of the service while the service is being rendered. Services are provided either at certain points in time (service/maintenance intervals) or over a certain period (functional

warranty). In the case of services performed over a certain period, the performance of the service is measured on a pro-rata basis over the period for which Dräger guarantees the functionality of the device.

Net sales from construction contracts (project business) are recognized as an asset over the period of time in which the service is rendered, provided the customer acquires control of the created asset while the services are rendered or there is a customer-specific order (the created asset does not have any alternative benefit) and Dräger has a legal entitlement to corresponding payment, including a profit margin, at any point during the provision of the service. The stage of completion required for fixed-price contracts is determined using the cost-to-cost method (input-based method). The stage of completion is determined by the ratio of the cumulative costs incurred up to the reporting date to the estimated total costs. Due to the extended performance period, installment payment plans are generally agreed for construction contracts for the production period.

Costs of initiating and fulfilling the contract would be recognized as expenses as they arise if the useful life is no greater than one year; however, such costs are extremely rare.

Functional expenses
In the income statement of the Dräger Group, the cost of sales is not included in the total functional expenses. The functional expenses comprise research and development costs (see ↗ note 11), marketing and selling expenses (see ↗ note 12), general administrative expenses (see ↗ note 13), impairment losses and loss reversals on financial assets and contractual assets (see ↗ note 14), other operating income and other operating expenses (see ↗ note 15).

Intangible assets
Group-controlled intangible assets from which future economic benefits are expected to flow to the Group and which can be reliably measured are recognized at cost, provided that these are clearly identifiable and are therefore to be distinguished from goodwill.

In the event of the acquisition of intangible assets as part of a business combination, the acquisition costs correspond to their fair value at the time of acquisition.

The intangible assets are amortized on a straight-line basis over their expected useful lives. Borrowing costs are capitalized as part of the cost of a qualifying asset in accordance with IAS 23 if it takes more than one year to get it ready for its intended use or sale. This is the case if they are material and can be directly allocated to the acquisition, construction or production of this asset.

Purchased software for internal use is capitalized as a separate asset unless it is an integral part of the related hardware. Installation and implementation costs incurred in connection with purchased software are recognized as incidental purchase costs of the same.

Expenses for maintaining the original use of the software (functionality) and updating using “hot packages” are recognized as current expenses.

Dräger’s research costs include direct research costs as well as the directly attributable overheads and are charged as an expense in the period in which they are incurred.

Internal development costs for products, including their software as well as software for internal use, are capitalized if the following conditions are met:

- The completion of the product is technically feasible.
- Management intends to complete the product and to use or sell it.
- The ability to use or sell the product exists.
- It can be proven that the product will likely generate future economic benefits.
- Adequate technical, financial, and other resources are available to complete the development and use or sell the product.
- The development costs attributable to the product can be measured reliably.

For the safety division, the costs of new product development are reviewed to ensure that these conditions are met. Once the conditions are met, the development costs are capitalized from that point on and depreciated over the expected useful life from the date this technology is marketed. Otherwise, development costs are recognized as expenses in the period in which they are incurred.

In the medical division, the costs of new product development are also reviewed to ensure that the conditions are met. However, the strict legal requirements and safety regulations for products in the medical division mean that, in most cases, the product must already have been approved for sale in the most important markets in order to meet the conditions. If the conditions are not met, the Company's own development costs for products, including their software, such as research costs, are recognized as expenses in the period in which they are incurred.

For intangible assets, a useful life of four years is generally assumed for software and between six and eight years for internally developed products. Patents and trademarks are amortized over their term (eleven years on average) using the straight-line method.

Goodwill reported as an intangible asset is recognized at cost minus accumulated impairment losses in accordance with IAS 36 (also see our comments below under "Impairment of intangible assets and property, plant and equipment").

Property, plant and equipment
Property, plant and equipment are stated at their acquisition and production costs less accumulated depreciation.

The cost of purchase of an item of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Production costs comprise attributable direct and overhead costs, as well as depreciation attributable to the production process. Borrowing costs are capitalized as part of the cost of a qualifying asset in accordance with IAS 23 if it takes more than one year to get it ready for its intended use or sale. This is the case if they are material and can be directly allocated to the acquisition, construction or production of this asset. Subsequent expenditure incurred after the assets have been put into operation, such as ongoing repairs and maintenance and overhaul costs, is charged as expense in the period in which the costs are incurred.

Whenever it is probable that the expenditure will result in additional future economic benefits in excess of the originally assessed standard of performance of the existing asset flowing to the Company, the expenditure is recognized as an additional cost of property, plant and equipment.

Depreciation is computed on a straight-line basis over the following estimated useful lives:

– Office and factory buildings	20 to 40 years
– Other buildings	15 to 20 years
– Production plant and machinery	5 to 8 years
– Other plant, factory and office equipment (except low-value assets)	2 to 15 years

Land is not depreciated.

Where significant parts of property, plant, and equipment contain components with substantially different useful lives, such components are recorded separately and depreciated over their useful lives.

The useful life and depreciation method for property, plant and equipment are reviewed annually to ensure that the depreciation method and period are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Assets under construction are stated at cost.

Government grants
When determining the carrying amount of the relevant asset, investment allowances for assets are deducted from the cost. Grants are therefore recognized in profit or loss through a reduced depreciation charge over the useful life of the depreciable asset.

Government grants related to income are deducted directly from the corresponding expenses.

Impairment losses
If there are external or internal indicators of impairment of intangible assets or property, plant and equipment on the balance sheet date, these items are subjected to an impairment test pursuant to IAS 36. If the carrying amount of the asset exceeds its recoverable amount (the higher of its value in use and fair value less selling costs), an impairment loss is charged. If no separate future cash flows generated independently of other assets can be attributed to individual assets, the recoverability of assets is tested on the basis of the higher-level cash-generating unit.

Goodwill must be tested for impairment once a year and additionally if there are indications of possible impairment. For goodwill, this impairment test is carried out on the basis of the higher-level, cash-generating unit that is expected to benefit from the underlying business combination and which represents the lowest level at which the goodwill can be tested for impairment for internal management purposes. The impairment test for goodwill is performed at the level of the business segments, which also represent the operating segments under IFRS 8.

Goodwill is tested for impairment using the discounted cash flow method based on the operational five-year plan and, as in the prior year, an assumed sustained growth of 1% in the subsequent period for the individual cash-generating units. A risk-adjusted interest rate is used for discounting.

After the equity value has been updated, investments in associates must also be checked to see whether there is an additional impairment of a remaining positive equity value. In the event of a permanent or significant impairment of the remaining equity value, an impairment loss must be recognized.

If the reasons for impairment no longer exist, impairment losses are reversed. However, this does not apply to goodwill.

Financial instruments
A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Dräger Group holds the following financial assets:

- other investments,
- loans and other receivables,
- trade receivables,
- derivative financial assets,
- other financial assets, and
- cash and cash equivalents.

The Dräger Group reports the following financial liabilities:

- note loans,
- liabilities to banks and loan liabilities,
- trade payables,
- derivative financial liabilities, and
- other financial liabilities.

Financial assets

Financial assets are initially recognized at fair value, which in most cases is identical to the transaction price. Incidental purchase costs (transaction fees), such as commissions, agents' costs, or notary costs, are only allocated to financial assets or liabilities whose changes in value are not recognized at fair value in profit or loss. Debt instruments are primarily held to generate contractual cash flows and are therefore measured at amortized cost.

Financial assets are categorized into one of the following classes for subsequent valuation:

- at amortized cost,
- at fair value directly in equity through other comprehensive income (with recycling through profit or loss),
- at fair value directly in equity through other comprehensive income (without recycling through profit or loss), or
- at fair value through profit or loss.

These assets are classified on the basis of:

- the business model applied by the Company to manage the financial assets and
- the characteristics of the contractual cash flows generated by the financial asset and
- the characteristic of the financial instrument from the issuer's perspective (equity instrument or debt instrument).

The option to designate financial assets for fair value measurement through profit or loss is not exercised. In addition, there are no financial assets measured at fair value through other comprehensive income.

Derivatives that are not part of a hedge and have a positive market value are measured at fair value through profit or loss. The same applies for equity instruments, as they are held for trading. The option to designate equity instruments for measurement at fair value through other comprehensive income is not used.

For purchases or sales of financial assets at normal market conditions, the settlement date is relevant (i.e., the date on which the asset is delivered to or supplied by Dräger). Purchases or sales at normal market conditions are understood to be those under which assets have to be delivered within the statutory or conventional time scale applicable to the location where the transaction took place.

Financial assets held for or due in more than twelve months are disclosed as non-current financial assets.

Generally, the three-level general model to determine expected losses is used for the subsequent valuation of debt instruments as part of the expected credit loss model. Debt instruments are categorized into one of three levels that correspond to the respective risk of default. Depending on the respective risk level, risk provisions are formed either in the amount of the expected losses over a twelve months period (level 1: low credit risk) or in the amount of the expected losses over the entire term in the case of a significant increase in credit risk in the period since initial recognition (levels 2 and 3).

When assessing whether the credit risk of a debt instrument has increased significantly, Dräger compares the credit risk at the time of initial recognition with that at the balance sheet date. In addition to historical default rates, available and reliable forward-looking information on significant changes in the economic environment and the economic capabilities of the debtor are also taken into account. If a debtor is more than 90 days overdue, there is an initial rebuttable presumption that the default risk has increased significantly. This also takes into account the differing payment behavior of customers depending on the business region.

As soon as there is objective evidence that a debt instrument is impaired, for example because insolvency proceedings have been initiated, it is allocated directly to level 3.

Changes to the volume of risk provisions are recognized as a reversal of an impairment loss or an impairment loss in the income statement.

For the majority of the volume of financial assets measured at amortized cost (excluding cash and cash equivalents), Dräger exercises its option to apply the simplified method whereby risk provisions are measured in

the amount of the expected losses from default for the entire term both at initial recognition and on all subsequent reporting dates.

These financial assets measured at amortized cost are structured according to credit risk portfolios in order to calculate expected losses. The risk portfolios are based on the customer regions. The payment and past due structure is determined for each risk portfolio using a default matrix. The historical default rates are calculated by allocating average defaults on receivables over the past three years to payment structures. These default rates are then applied to the individual overdue structures in order to calculate the risk provision. In addition to the historical defaults, a forward-looking element is also taken into account.

Values are usually adjusted through the use of allowance accounts. Assets and allowances are written off if it is established that the financial assets are determined to be impaired. In the case of foreseeable defaults on receivables, these are written off directly without using the allowance account.

The effects of the impairment loss and of the subsequent measurement by applying the effective interest method are recognized in profit or loss.

A financial asset must not be derecognized from the balance sheet until the rights to cash flows from the asset have expired or the rights to cash flows or the significant risks and opportunities have been transferred and the seller no longer has any control over the asset.

Financial liabilities
Financial liabilities are initially recognized at fair value. Transaction fees directly attributable to the issue of the liability are deducted upon the initial measurement of the liabilities if changes in value are not recognized at fair value in profit or loss.

Financial liabilities are generally disclosed at amortized cost in subsequent periods, taking into account repayment amounts, as well as premiums and discounts. Any difference between the disbursement amount (after deduction of transaction costs) and the repayment amount is recognized in the income statement over the term of the obligation using the effective interest method. The adjustment to the carrying amount of put options is generally recognized in the interest result. However, if the settlement amount of a put option offsets the financing of operating expenses, the adjustment to the carrying amount is recognized in the operating result.

Liabilities held for trading because they were acquired with the intention of repurchasing them in the short term are an exception to this and are always recognized at fair value in profit or loss. At Dräger, this primarily affects derivatives that are not part of a hedge and have a negative market value. Changes to the fair value that are attributable to the Company's own credit risk are recognized through other comprehensive income only if the fair value option is exercised.

Dräger does not exercise its option to voluntarily measure a financial liability at fair value through profit or loss.

Financial assets and liabilities are offset and reported at net amounts if there is a right at the present time to set off the reported amounts against each other and the intention is to settle on a net basis or to settle the associated liability simultaneously with the realization of the asset.

Non-current liabilities that do not bear interest or bear interest at a rate substantially below market rates are disclosed at present value. Premiums and discounts are allocated over the term of the liability using the effective interest method.

Financial liabilities that are due in more than twelve months are disclosed as non-current financial liabilities.

Financial liabilities are disclosed until the corresponding obligation has been settled or canceled, or has expired.

Derivative financial instruments
The Dräger Group uses derivative financial instruments in the form of currency futures as part of its risk management to hedge currency risks.

Starting in fiscal year 2025, Dräger changed its strategy and discontinued the hedging of future cash flows in foreign currencies. This also eliminates the need to present these hedging relationships in hedge accounting. In hedging foreign currency risks posed by recognized assets or recognized liabilities, the Dräger Group does not use hedge accounting, as the profit or loss from the currency translation of the hedged item affects the income statement at the same time as the profit or loss from the measurement of the hedging instrument.

Until fiscal year 2024, Dräger applied cash flow hedge accounting to hedge currency relationships for future cash flows from highly probable future transactions and recognized changes in fair value of derivatives depending on the type of hedge. The payment surpluses from planned operating net sales and costs denominated in the respective foreign currencies are considered to be the hedged item. Through the use of hedge accounting, changes in the fair value of currency futures were recognized directly in equity under other comprehensive income until they were transferred to the income statement if the hedged item was also recognized in profit or loss.

The effectiveness of the hedge was determined at the start of the hedging relationship and by means of periodic prospective valuations in order to ensure that there was likely to be an economic relationship between the hedged item and the hedging instrument. In the Dräger Group, prospective valuation was based on a review of the contractual terms of the underlying and hedging transactions. Generally speaking, hedging instruments at Dräger were always concluded at identical terms and conditions to the hedged item, so that it can be assumed that the hedge would be effective in the future.

Dräger applied the accounting and measurement methods defined in IFRS 9 for hedge accounting. Accordingly, the spot component was recognized in the cash flow hedge reserve (OCI I) and the forward component was recognized in the cost of hedging reserve (OCI II).

Derivative financial instruments are recognized at fair value. The fair value of listed derivatives is the positive or negative market value. In the absence of a market value, the fair value is determined according to generally accepted methods of financial mathematics such as the discounting of expected future cash flows.

Please refer to ↗ note 36 for details on the nature and scope of the financial instruments held by the Dräger Group.

Inventories
Inventories comprise raw materials, consumables, and supplies, as well as work in progress, finished goods, and merchandise. They are measured at the lower of acquisition or production cost and net realizable value. Costs are measured using the average cost method. Cost comprises production-related full costs calculated on the basis of normal capacity utilization. In addition to direct materials and production costs, it includes material and production overheads as well as special direct production costs allocable to the production process. Depreciation on items classified as fixed assets used in the production process is also included. Borrowing costs are capitalized as part of the cost of a qualifying asset in accordance with IAS 23 if it takes more than one year to get it ready for its intended use or sale. This is the case if they are material and can be directly allocated to the acquisition, construction or production of this asset.

Net realizable value is the estimated selling price achievable in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale. Unrealizable inventories are written off.

The “finished goods and merchandise” item also includes rental and demo equipment, which is generally taken over by the customers after a short period of time.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and bank balances, including incidental short-term deposits, and may in some cases be subject to restricted availability.

Dividends
Dividends are recognized in profit or loss once a legal right exists to receive payment.

Provisions for pensions and similar obligations
Provisions for pensions and similar obligations in the Dräger Group are calculated annually by actuaries in accordance with IAS 19 (revised) using the projected unit credit method. Future salary and pension adjustments and fluctuation are taken into account.

Remeasurements due to changes in demographic and/or financial assumptions and experience-based adjustments are immediately recognized directly in equity under other comprehensive income taking deferred taxes into account. These are not subsequently recognized in Group profit or loss.

The net interest expense is calculated by multiplying the chosen capital market-oriented interest rate by the performance-oriented net liability or net asset value at the beginning of the year and recognized in the interest result. The performance-oriented net liability or asset value is the balance of defined benefit obligations and plan assets.

With effect as at December 2007, funds from the German pension plan were paid into a new fund including a settlement account and secured in favor of the employees via a contractual trust arrangement (CTA). They therefore serve only to cover and finance the Company's direct German pension obligations.

Any surplus of plan assets over pension obligations is recognized as an asset to the extent that it corresponds to the present value of the economic benefit to the Company (due to the return of contributions or reduction in future contribution payments) plus any past service costs not yet recognized (>asset ceiling<).

Public pension schemes, which are classified as public plans pursuant to IAS 19, are also defined contribution plans. The Group does not accrue any other payment obligations once the due payments have been made. The amounts are recognized as pension expenses when the payments are due. Paid amounts are recognized as other receivables if these advance payments result in a reimbursement or a reduction in future payments.

Other provisions
Other provisions are recognized when the entity has a present obligation (legal or constructive) to a third party as a result of a past event and it is probable that an outflow of resources representing economic benefits will be required to settle the obligation. It must also be possible to reliably estimate the amount of the obligation.

Provisions are stated at the amount expected to be required to settle the obligation. This settlement amount also includes cost increases that have to be taken into account on the balance sheet date. Non-current provisions are discounted to the balance sheet date using appropriate pre-tax market rates. These interest rates are determined taking into account the risk and the term of the provision, if the risk had not already been recognized when determining future payments. Provisions are not offset against rights of recourse.

Provisions for employee benefits
Provisions for employee benefits include long-term employee benefits (other than provisions for pension obligations and similar obligations). These are measured at the present value of the obligation at the balance sheet date. The present value of the obligation is determined in the same way as provisions for pensions and similar obligations.

Provisions for employee benefits additionally include post-employment benefits that are mainly paid in connection with personnel-related structural measures, such as one-time payments, periodic payments over a number of years, as well as salary payments during leaves of absence. An entity shall recognize termination benefits as a liability and an expense if the entity is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary resignation. In the case of an offer made to encourage voluntary resignation, the measurement of termination benefits should be based on the number of employees expected to accept the offer. Additional payments as part of a pre-retirement part-time work agreement must be recognized

periodically from the time the obligation arises (if necessary taking into account minimum periods of service) until the end of the employment phase.

Income taxes
The tax expense for the period is made up of current and deferred taxes. Taxes are reported in the income statement, unless they relate to items recognized in other comprehensive income. In this case, the taxes are also recognized in other comprehensive income.

The additional tax according to Pillar 2 is an income tax within the meaning of IAS 12. Use was made of the mandatory temporary exception from the recognition of deferred taxes from the Pillar 2 rules. The Pillar 2 additional tax will be recognized as current tax in future periods to the extent that such tax arises.

The Dräger Group's companies are required to pay income taxes in several countries worldwide. Current tax expenses are determined using the tax regulations applicable on the balance sheet date in the individual countries. When determining global income tax receivables and liabilities, the interpretation of tax regulations in particular can carry a degree of uncertainty. It cannot be ruled out that the various fiscal authorities have different perspectives with regard to the correct interpretation of tax standards. The associated uncertainty is taken into account in that uncertain tax receivables and liabilities are estimated as soon as management is of the view that the probability of occurrence exceeds 50%. Changes in the assumptions as to the correct interpretation of tax standards, such as on account of amended prevailing jurisdiction, are consolidated in the accounting of uncertain tax receivables and liabilities in the corresponding fiscal year. The likely estimated tax payment is taken as the best estimate when accounting for uncertain income tax positions.

Pursuant to IAS 12, deferred taxes are determined using the balance sheet-based liability method. Deferred taxes on loss carryforwards and on temporary differences between the Group financial statements and the tax accounts of the consolidated companies are recognized. Deferred tax liabilities are not recognized if they result from the initial recognition of goodwill.

Deferred tax assets are only recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be offset. Deferred tax assets and liabilities are only offset if they relate to the same taxation authority.

Deferred tax liabilities resulting from temporary differences in connection with investments in subsidiaries are recognized unless the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not be reversed on account of this influence in the foreseeable future.

Deferred taxes are measured using the tax rates and tax laws enacted at the balance sheet date that are expected to apply to the period when the deferred tax asset is realized or the deferred tax liability is settled.

Some companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed and/or carried forward tax credits.

Share-based payment
In fiscal year 2025, Dräger offered all Dräger employees in Germany share-based compensation in the form of an employee share program. The intent is to increase employees' identification with the Company and Dräger's attractiveness as an employer.

This program allows employees who acquire Dräger preferred shares within a specified period of time within the fiscal year to receive one preferred share as a bonus for every three Dräger preferred shares purchased (called a "matching model"). These Dräger preferred shares are subject to a two-year holding period. The employee does not need to remain at Dräger during this period. The bonus preferred shares are not new shares, but treasury preferred shares that are repurchased by Dräger on the capital market and transferred to the employee's securities account.

These bonus preferred shares are measured at fair value on the entry date (grant date). The entry date is the date on which Dräger and the employees conclude the share-based payment agreement and Dräger recognizes the corresponding personnel expenses. The fair value of the bonus preferred shares is their market price.

Leases
A lease in accordance with IFRS 16 is an agreement under which the right to control the use of an identifiable asset is transferred and under which the customer has the right to both define the use of this asset and to obtain substantially the benefits from the use of this asset during the term of use.

A) Dräger Group as a lessee
The lessee is required to recognize assets and liabilities for the right-of-use assets and obligations arising under all existing leases.

Where contracts contain both leasing and non-leasing components, the leasing components of the contract are accounted for separately from the non-leasing components of the contract as a lease on the basis of the relative unit price. The non-leasing components are accounted for in accordance with the standards applicable to them.

The lease term generally comprises the non-cancelable basic term during which a lessee is entitled to use an underlying asset. The term is adjusted for periods arising from an option to extend or terminate the lease if the lessee is reasonably certain that they actually intend to exercise this option.

Dräger exercises the option of continuing to recognize leases as expenses on a monthly basis if they are either short-term leases (term of up to twelve months) or leases with an underlying asset of minor value (up to EUR 5,000 new price value).

In accordance with IFRS 16, the initial measurement of right-of-use assets is based on the value of the corresponding lease liability, adjusted for the following items:

- completed lease payments and received lease incentives,
- initially incurred direct costs, and
- expected costs at the point of recognition in order to restore the leased asset to its original or contractually agreed condition at the end of the lease.

The initial measurement of the lease liabilities takes place at the present value of future lease payments, which are fundamentally discounted using the incremental borrowing rate, if the implicit interest rate of the contract cannot be determined. Lease payments include:

- fixed lease payments,
- variable lease payments that are pegged to indices,
- payments resulting from options to buy, where there is a sufficient degree of certainty at the point of measurement that the option will be exercised, as well as
- any expected payments from agreed guaranteed residual values and contractual penalty payments due to options to terminate leases being exercised.

Within the scope of the subsequent valuation, the right-of-use asset is measured at cost less any accumulated depreciation and impairment losses and adjusted for any revaluation of the lease liability.

B) Dräger Group as a lessor

Finance leases
The Dräger Group as lessor, which is also the manufacturer/dealer, classifies and recognizes a lease as a finance lease if substantially all the risks and opportunities incidental to ownership are transferred to the lessee.

Revenue from finance leases is recognized at the fair value of the underlying asset or, if lower, at the present value of the lease payments discounted at a market rate. The corresponding interest income is recognized in interest result on a pro rata basis. In addition, the corresponding cost of net sales is recognized in the amount of the acquisition or production cost or, if different, the carrying amount of the underlying asset minus the present value of the unguaranteed residual value.

Operating leases
Assets subject to operating leases are presented in the balance sheet according to the nature of the asset. Lease income from these leases is recognized in profit or loss on a straight-line basis over the lease term and, depending on the lease object, reported in net sales (Dräger products) or other operating income (e.g., buildings).

In the case of contracts for several, leased assets, the remuneration is divided among the individual assets based on the relative individual sale price. The cost surcharge method is applied if an estimate is required for this.

Use of estimates and assumptions and changes in method
The preparation of the Group financial statements in accordance with IFRS requires the use of estimates and assumptions that have an impact on the recognition of assets and liabilities, the disclosure of contingent liabilities as at the balance sheet date and the recognition of income and expenses. These estimates include the Group's climate-related opportunities and risks (also see ↗ note 3). Actual amounts may differ from these estimates and assumptions.

No changes in method were applied in either the fiscal year or the prior year.

The estimates pertain to the following areas in particular:

- In addition to Dräger's voting rights, other matters and circumstances need to be taken into account when determining whether a special purpose entity or a company is controlled to such an extent that it should be included as a subsidiary in the Group financial statements. In particular in cases in which other contractual rights or factual circumstances exist, the Group's own judgment is used to assess whether Dräger can use its power over this company to influence the variable economic returns of this company. Changes to contractual agreements or factual circumstances are monitored with regard to their potential impact on the assumptions made.
- When capitalizing internal development costs for products, including their software and software for internal use, it is necessary to check whether the requirements of IAS 38 are met. In this regard, it is particularly at Dräger's discretion to determine whether technical feasibility is assured and whether the product will generate future economic benefits.
- On the date of provision, and in the subsequent period, Dräger as a lessee assesses whether it is sufficiently certain that Dräger will exercise a renewal option or a purchase option for the underlying asset or will not exercise a termination option. The entity considers all relevant facts and circumstances that could provide an economic incentive for the lessee to exercise or not exercise the option, including any changes in those facts and circumstances that are expected to occur between the date of provision and the option exercise date.
- In the case of construction contracts from project business, where revenue is recognized over time, recognition is based on the stage of completion. When carefully determining the stage of completion, the total contract costs, total contract revenue, contract risks and other key performance indicators are subject to entrepreneurial judgment continuously reviewed by management.

The estimation uncertainties, for which external information sources are also often consulted, and for which there is the considerable risk of a significant carrying-amount adjustment in the next twelve months, affect the following areas in particular:

- As part of the annual assessment of the recoverable amount of capitalized goodwill, management at Dräger uses estimates to arrive at its conclusions (see also ↗ note 21). With regard to anticipated earnings trends, the data management used is based on internal analyses and forecasts. The underlying planning assumptions are validated by external sources of information on market developments.

- Defined benefit pension plans and similar obligations are recognized in accordance with actuarial methods. These methods are based on actuarial assumptions such as the discount rate, wage and salary trends, increases in pensions, and biometrics. The discount factors used are calculated on the basis of the effective market return on high-quality corporate bonds. Deviations of actuarial assumptions from actual developments could have serious implications for the measurement of defined benefit pension plans and similar obligations. The results of the sensitivity analyses for the discount rate, future pension increases, and life expectancy, which are listed under ↗ note 31, provide indications of these effects.
- Management must make judgments when calculating actual and deferred taxes in every tax jurisdiction in which Dräger operates (see also ↗ note 17). Such assumptions may affect the recognition and recoverable amount of deferred tax assets, as it must be probable that sufficient taxable earnings against which the loss and interest carryforwards, deductible temporary differences, and tax credits can be offset will be generated in the future. These assumptions may still affect the difference in the treatment of balance sheet items between IFRS and the respective tax laws or the tax assessment of matters. Tax assumptions are made in accordance with national laws.

Notes to the income statement

9 Net sales

For the breakdown of net sales by business segment, please see the table below.

Net sales

	2025			2024		
in € thousand	Medical division	Safety division	Dräger Group	Medical division	Safety division	Dräger Group
Net sales from the sale of products and goods [1]	933,023	922,724	1,855,747	880,170	912,302	1,792,472
Net sales from the sale of services and accessories (including spare parts) [1]	945,404	495,256	1,440,659	909,270	492,349	1,401,619
Net sales from projects	110,419	19,350	129,769	101,503	13,724	115,226
Net sales from contracts with customers	**1,988,845**	**1,437,330**	**3,426,175**	**1,890,943**	**1,418,374**	**3,309,317**
Net sales from operating leases of products and goods	6,719	49,003	55,723	8,751	52,812	61,563
Total net sales	**1,995,564**	**1,486,333**	**3,481,898**	**1,899,694**	**1,471,186**	**3,370,880**

[1] Some products are reallocated to new product groups. The prior year's figures have been adjusted accordingly.

A detailed segment report including net sales by region is provided in ↗ note 39.

In the fiscal year, net sales of EUR 804,350 thousand (2024: EUR 775,835 thousand) were generated in Germany and EUR 2,677,548 thousand (2024: EUR 2,595,045 thousand) abroad. In addition to Germany, only the USA accounts for a significant share of revenue of more than 10% of Group revenue at EUR 446,986 thousand (2024: EUR 419,936 thousand).

In the reporting year, as in the prior year, there were no customers whose share of net sales exceeded 10% of Group net sales.

Net sales from the sale of products and merchandise are recognized at the time at which control is transferred to the buyer. At Dräger, this is generally at the agreed destination at the customer. Net sales from services and projects are recognized primarily over the period in which the service is rendered if the customer receives the benefit from the service while it is being rendered. Net sales from the sale of services and accessories (including spare parts) in the medical division includes revenue from the sale of consumables and spare parts of EUR 283,813 thousand (2024: EUR 276,594 thousand) and revenue from the sale of consumables and spare parts (Occupational Health & Safety Equipment) of EUR 172,720 thousand (2024: EUR 170,907 thousand) in the safety division. These net sales are mainly recognized at a point in time.

Net sales recognized in the amount of EUR 133,103 thousand (2024: EUR 117,753 thousand) were still included in contract liabilities at the beginning of the reporting period, which include deferred revenue and prepayments received.

Future net sales from long-term service and construction contracts

in € thousand	2025	2024
Expected net sales in year 1	87,268	74,615
Expected net sales in year 2	117,346	49,001
Expected net sales from year 3 on	146,484	65,634
	351,099	**189,249**

The reporting period includes net sales from performance obligations of EUR 225 thousand (2024: EUR 274 thousand) that were fulfilled in full or in part in prior fiscal years.

10 Cost of sales

The cost of sales breaks down as follows:

Cost of sales

in € thousand	2025	2024
Direct materials	958,596	961,502
Direct labour	385,406	354,743
Direct costs	**1,344,002**	**1,316,245**
Material overheads	116,744	89,632
Production overheads	346,156	352,722
Other indirect costs	100,639	99,825
Indirect costs	**563,538**	**542,179**
Cost of sales	**1,907,540**	**1,858,423**

Production overheads comprise amortization of production-related intangible assets and depreciation of property, plant and equipment, as well as costs of internal transportation until delivery to the distribution warehouse.

Cost of warranties and impairments on inventories, among others, are recognized in other indirect costs.

Costs of sales include inventory variances, measurement differences, and scrapping. Income from the reversal of write-downs on previously impaired inventories reduces the cost of sales.

With regard to the effects of currency translation included in the cost of sales, please refer to our comments in ↗ note 7.

Any borrowing costs included in the valuation of inventories are contained in the cost of sales at the time of delivery or performance.

11 Research and development expenses

Research and development expenses include all costs that are incurred during the research and development process and not capitalized. This also includes the costs for approval, prototypes and costs of the initial series, unless they are to be capitalized as separate development costs.

12 Marketing and selling expenses

Marketing costs include all expenses associated with corporate marketing and product marketing. These include expenses for advertising measures and trade fair shows. Selling expenses include the costs of sales management, logistics costs insofar as they relate to the distribution warehouse or shipping, as well as the costs of field and office sales, including order processing.

13 General administrative expenses

General administrative expenses comprise the costs of administrative activities not related to other functions. This includes in particular the costs of the Executive Board, corporate controlling, the tax, customs, insurance and treasury departments, legal, accounting and consulting fees, audit fees, and general infrastructure costs. The costs comprise the material costs and personnel expenses arising from administration as well as depreciation and amortization.

14 Impairment losses and impairment loss reversals on financial assets and contract assets

The impairment losses and impairment loss reversals on financial assets and contract assets comprise the following:

Impairment losses and gains on financial assets and contract assets

in € thousand	2025	2024
Release of risk provisions	5,263	7,648
Allocations to risk provisions	-9,249	-9,900
Direct derecognition	-904	-405
	-4,890	**-2,657**

15 Other operating income/expenses

Other operating income/expenses

in € thousand	2025	2024
Gains on the disposal of intangible assets and property, plant and equipment	699	15,090
Income from the disposal of business areas and subsidiaries	0	15,350
Rental income	1,929	1,956
Income from the derecognition of liabilities	6,263	9,061
Other operating income	**8,892**	**41,457**
Expenses for leased assets	-716	-726
Losses on the disposal of intangible assets and property, plant and equipment	-1,219	-3,723
Other operating expenses	**-1,934**	**-4,449**

The gains from the sale of intangible assets and property, plant and equipment in fiscal year 2024 include, in particular, sales of real estate of the subsidiaries based in Spain and the USA totaling EUR 14,232 thousand.

The gains from the disposal of divisions and subsidiaries in fiscal year 2024 relate to the disposal of a division.

16 Financial result

Financial result (before interest result)

in € thousand	2025	2024
Profit from net exposure from monetary items	**-1,714**	**453**
Result from associates accounted for using the equity method	776	898
Impairment of shares in associates	-	-7,720
Result from investments in associates	**776**	**-6,823**
Net result from the measurement of financial assets measured at fair value through profit and loss	4,270	-1,592
Result from other investments	**4,270**	**-1,592**
Net result from foreign exchange transactions	165	-1,380
Other financial expenses	1,783	-2,668
Other financial result	**1,948**	**-4,048**
Financial result (before interest result)	**5,281**	**-12,010**

Interest result

in € thousand	2025	2024
Income from financial assets measured at amortized cost	9,614	8,184
Income from financial assets measured at fair value through profit and loss	35	9
Interest contained in lease payments	462	240
Interest and similar income	**10,111**	**8,433**
Expenses from financial liabilities measured at amortized cost	-13,252	-12,154
Interest portion contained in pension provisions	-4,966	-6,111
Interest contained in lease payments	-6,936	-6,590
Other interest and similar expenses	-2,686	-2,204
Interest and similar expenses	**-27,840**	**-27,060**
Interest result	**-17,729**	**-18,626**

Expenses from financial liabilities measured at amortized cost include EUR 2,896 thousand from the remeasurement of the repayment obligation to the minority shareholder of Draeger Arabia LLC, Riyadh, Saudi Arabia (see also ↗ note 34). Other interest and similar expenses include expenses from the accrual of interest on other provisions (see also ↗ note 32).

17 Income taxes

Composition of income taxes

Income (+)/expense (-) in € thousand	2025	2024
Germany	**-7,836**	**-951**
Abroad	**-39,082**	**-49,749**
Current taxes	**-46,918**	**-50,700**
Germany		
Deferred taxes from temporary differences	-5,944	-1,257
Deferred taxes from loss carryforwards	-16,531	2,080
Deferred taxes Germany	**-22,476**	**823**
Abroad		
Deferred taxes from temporary differences	-10,578	-174
Deferred taxes from loss carryforwards	4,686	-581
Deferred taxes abroad	**-5,892**	**-755**
Deferred taxes	**-28,368**	**69**
Income taxes	**-75,286**	**-50,632**

The deferred tax expense in Germany is primarily the result of the utilization of loss carryforwards in the current year in the income tax group of Drägerwerk AG & Co. KGaA. Moreover, the decision to reduce the corporate income tax rate in Germany will result in deferred tax expense from the devaluation of deferred taxes, which will be realized from 2028 onwards. Outside Germany, the shift between deferred tax expense from loss carryforwards and deferred tax income from temporary differences is primarily due to changes in legislation regarding the tax capitalization of research and development expenses in the USA.

The deferred tax expense includes a tax expense from the change in tax rates in the amount of EUR 4,649 thousand (2024: tax income of EUR 14 thousand). The main effect here is the decision to reduce the corporate income tax rate in Germany from 2028 onwards.

Deferred tax liabilities of EUR 3,455 thousand (2024: EUR 2,287 thousand) are recognized on timing differences in connection with retained earnings at foreign subsidiaries. No deferred tax liabilities are recognized on timing differences in share values in subsidiaries amounting to EUR 18,995 thousand (2024: EUR 22,908 thousand), as a sale of the companies or a distribution of retained earnings is not likely in the foreseeable future.

From a tax perspective, the payment of dividends to shareholders of the parent company and profit retention at the level of the parent company have the same effect.

Reconciliation of expected income taxes to recognized income taxes

Income (+)/expense (-) in € thousand	2025	2024
Earnings before income taxes	**215,643**	**175,393**
Expected income taxes (tax rate: 31.5%; 2024: 31.5%)	**-67,928**	**-55,249**
Reconciliation		
Effects from other periods and non-deductible withholding tax	-3,729	-774
Effect from global minimum taxation	-140	-366
Effect from changes in tax rates	-4,649	14
Effect from different tax rates	7,607	11,869
Tax effect of non-deductible expenses and tax-free income	-3,970	-3,628
Recognition and measurement of deferred tax assets	-2,296	-3,011
Other tax effects	-182	514
Recognized income taxes	**-75,286**	**-50,632**
Tax rate (%) overall	**34.9**	**28.9**

The parent company's tax rate of 31.5% (2024: 31.5%) is applied as the expected tax rate. The expected tax rate consists of 15.83% (2024: 15.83%) from the corporate income tax share (including 5.5% solidarity surcharge) and 15.67% (2024: 15.67%) from the trade tax share. When measuring deferred taxes in Germany, a combined income tax rate of 31.5% (2024: 31.5%) is used to account for the reduction in the corporate income tax rate in Germany by one percentage point per year from 2028 to 2032. The change will take effect for the first time in 2025 on the basis of new legislation in Germany for an immediate tax-based investment program, which was passed in July 2025.

As at the reporting date, the Pillar 2 legislation in Germany, the jurisdiction in which Drägerwerk AG & Co. KGaA is based, had already been transposed into local law and entered into force on January 1, 2024. The Dräger Group falls within the scope of the OECD model regulations on global minimum taxation (Pillar 2). The Group applies the exemption for the recognition of deferred taxes in connection with Pillar 2 income taxes, which was the subject of the amendments to IAS 12 published in May 2023.

In most of the countries in which Drägerwerk AG & Co. KGaA operates, the effective tax rate exceeds the minimum tax rate of 15%, or temporary safe harbor regulations can be applied. For those countries where this is not the case, an expense of EUR 140 thousand was recognized for expected supplementary tax payments (2024: EUR 366 thousand).

The following recognized deferred tax assets and deferred tax liabilities are attributable to recognition and measurement differences in the individual balance sheet items:

Deferred tax assets/deferred tax liabilities

	Deferred tax assets		Deferred tax liabilities	
in € thousand	**2025**	**2024**	**2025**	**2024**
Intangible assets	15,119	29,900	7,849	7,072
Property, plant and equipment	10,281	7,637	7,511	7,047
Right-of-use assets	-	-	25,223	20,888
Other non-current financial assets	-	-	4,129	4,481
Other non-current assets	-	-	19,393	4,264
Non-current assets	**25,400**	**37,537**	**64,105**	**43,752**
Inventories [1]	23,720	23,235	3,107	1,313
Trade receivables	4,289	4,164	508	685
Contract assets	-	-	10,276	7,901
Other current financial assets [1]	34	1,184	2,550	2,489
Other current assets [1]	143	31	1,788	1,770
Current assets [1]	**28,186**	**28,614**	**18,229**	**14,158**
Provisions for pensions and similar obligations	43,829	45,794	-	-
Non-current personnel provisions [1]	4,744	5,485	-	-
Other non-current provisions [1]	2,737	1,654	-	-
Non-current liabilitites to banks	-	-	4	4
Other non-current financial liabilities	393	57	543	591
Non-current lease liabilities	17,716	13,682	-	-
Other non-current liabilities	4,457	4,877	172	-
Non-current liabilities [1]	**73,876**	**71,549**	**719**	**595**
Current personnel provisions [1]	8,786	9,422	-	-
Other current provisions [1, 2]	5,073	7,776	-	-
Trade payables [1, 2]	1,733	307	-	-
Other current financial liabilities [1]	956	491	66	1,132
Current lease liabilities	9,456	9,032	-	-
Other current liabilities [1]	15,375	13,729	346	592
Current liabilities [1]	**41,379**	**40,757**	**412**	**1,724**
Gross amount temporary differences [1]	**168,841**	**178,457**	**83,465**	**60,229**
Valuation allowance on temporary differences	-1,568	-2,782	-	-
Capitalized tax loss carryforwards and tax credits (net incl. valuation allowances)	85,969	98,647	-	-
Deferred taxes from consolidation entries	66,001	73,700	31,755	31,129
Offset	-113,869	-89,721	-113,869	-89,721
Carrying amount	**205,374**	**258,301**	**1,351**	**1,637**

[1] Deferred tax liabilities are offset with deferred tax assets on the balance sheet items where these refer to the same taxable entity.
[2] The deferred taxes from the obligations presented in note 32 are no longer reported under other current provisions as at December 31, 2025, but under trade payables.

The recoverable amount of the deferred tax assets from tax losses carried forward and temporary differences of the consolidated companies is reviewed annually on the basis of future taxable results using an operational planning calculation. If it is unlikely that the deferred tax assets will be realized, an impairment is recognized. Deferred tax assets on deductible temporary differences to the amount of EUR 5,525 thousand (2024: EUR 8,504 thousand) are not recognized, as they are not expected to be used in the planning period.

The deferred taxes on consolidation entries mainly relate to deferred taxes from the elimination of intercompany profits in inventories as well as in intangible assets and in property, plant and equipment.

Deferred taxes are determined on the basis of the tax rates which, under the legislation in force, apply in the individual countries at the time of realization or which are expected.

Tax loss carryforwards were as follows at the end of the year:

Tax loss carryforwards with recognition of deferred tax assets

in € thousand	2025	2024
Corporate income tax	304,144	326,960
Trade tax and U.S. state tax	226,783	270,397
Interest carryforwards	0	2,425
	530,927	**599,782**

Tax loss carryforwards without recognition of deferred tax assets

in € thousand	2025	2024
Corporate income tax	54,545	43,795
of which does not expire	33,117	30,055
Trade tax and U.S. state tax	15,265	14,866
of which does not expire	15,265	14,866
	69,811	**58,661**

The reduction in tax loss carryforwards, for which deferred taxes are capitalized, is primarily due to the utilization of tax loss carryforwards in the Drägerwerk AG & Co. KGaA income tax group. The increase in loss carryforwards without capitalization of deferred taxes is mainly due to losses at individual foreign subsidiaries.

Deferred tax assets are recognized on unused tax credits in the amount of EUR 2,651 thousand (2024: EUR 2,834 thousand).

Deferred taxes of EUR 13,070 thousand (2024: EUR 11,208 thousand) would theoretically have to be recognized for the non-capitalized corporate income tax and trade tax losses carried forward. However, they are not recognized as it is not assumed that these losses carried forward are recoverable.

Deferred tax assets of EUR 112,292 thousand (2024: EUR 153,920 thousand) are recognized for losses carried forward and temporary differences despite tax losses in the current and prior year. The amount of EUR 108,107 thousand (2024: EUR 149,180 thousand) results from deferred tax assets on temporary differences and tax loss carryforwards of Drägerwerk AG & Co. KGaA, which reported a tax loss in the prior year. They are capitalized on the basis of tax planning calculations. The management assumes that the affected companies will generate sufficient taxable income in the future. Past tax losses are also attributable to one-off special effects, which account for a significant proportion of the loss carryforwards. Moreover, various measures were implemented which led to an improvement in the Group's profitability in the past fiscal year and are expected to continue to do so in the future. This includes that divisions with low profitability should improve significantly through appropriate measures. In addition, the goal is to press ahead with existing successful measures, such as the focus on improved price implementation. The introduction of new, innovative products should also ensure profitability in the future.

The expense from the write-down of deferred tax assets amounted to EUR 3,300 thousand (2024: EUR 5,861 thousand). The income from the reversal of a previous write-down of deferred tax assets amounted to EUR 1,004 thousand in fiscal year 2025 (2024: EUR 2,850 thousand).

The initial consolidation of subsidiaries did not result in any deferred taxes in the 2025 fiscal year (2024: also no deferred taxes).

Deferred tax assets recognized in other comprehensive income, which mainly relate to the recognition of the effects of pension plan remeasurements directly in equity, decreased by EUR 19,201 thousand during the period (2024: decrease of EUR 5,425 thousand).

18 Personnel expenses / headcount

Personnel expenses include the remuneration of the members of the Executive Board of the general partner Drägerwerk Verwaltungs AG, Lübeck, Germany. Please refer to our comments in the disclosures on the remuneration of the Executive Board and Supervisory Board (see also ↗ note 41).

Personal expenses

in € thousand	2025	2024
Wages and salaries	1,172,651	1,144,195
Social security	228,078	210,805
Pension expenses and related employee benefits	24,761	27,631
	1,425,489	**1,382,632**

Depending on function, personnel expenses are taken into account in the cost of sales, research and development expenses, marketing and selling expenses, as well as administrative expenses.

Personnel expenses include severance payments amounting to EUR 5,073 thousand (2024: EUR 3,583 thousand).

Headcount as at the balance sheet date

	2025	2024
Germany	7,768	7,722
Abroad	8,919	8,876
Total headcount	**16,687**	**16,598**
Production	1,995	2,049
Other	14,692	14,549
Total headcount	**16,687**	**16,598**

Headcount (average)

	2025	2024
Germany	7,737	7,708
Abroad	8,913	8,779
Total headcount	**16,650**	**16,487**
Production	2,018	2,071
Other	14,632	14,416
Total headcount	**16,650**	**16,487**

For further information on the development of employee figures, please refer to the combined management report.

19 Amortization, depreciation and impairment of intangible assets, property, plant and equipment and right-of-use assets

Amortization of intangible assets and right-of-use assets and depreciation of property, plant and equipment was incurred in the following functional areas:

Distribution of depreciation/amortization on the functional areas

in € thousand	2025	2024
Cost of sales	68,791	66,000
Research and development expenses	14,425	7,325
Marketing and selling expenses	14,622	13,978
General administrative expenses	48,716	58,540
	146,554	**145,844**

Pursuant to IAS 36, checks were performed as at the reporting date to establish whether there are any indications that assets may be impaired. Given that market capitalization as at the balance sheet date fell below the carrying amount of the equity and a few countries remain in a challenging competitive situation, asset impairment tests were carried out for all cash-generating units. For this purpose, the individual companies are regarded as the cash-generating units, broken down into medical business and safety business where necessary.

The impairments and reversals of impairments were as follows:

Recognized need for impairment 2025

Cash Generating Unit in € thousand	Discount rate 2025	Discount rate 2024	Value in use	Recognized need for impairment loss	Recognized reversal of impairment loss
Medical division					
Region EMEA					
Draeger Maroc SARL AU, Casablanca	8.6%	9.2%	3,114	927	-
Dräger tehnika trgovina i servisiranje d.o.o., Vozdovac Belgrade	9.9%	10.1%	3,342	-	379
STIMIT AG, Biel/Bienne[1]	-	-	6,764	9,216	-
			13,220	**10,143**	**379**
Region Americas					
Drager Argentina S.A., Buenos Aires	22.9%	35.3%	60	400	-
			60	**400**	**0**
Region APAC					
PT Draeger Medical Indonesia, Jakarta	8.6%	9.2%	4,918	-	258
			4,918	**0**	**258**
Total medical division			**18,197**	**10,543**	**637**
Safety division					
Region EMEA					
Draeger Maroc SARL AU, Casablanca	9.0%	10.1%	772	390	-
Dräger Safety s.r.o., Čestlice	7.8%	8.7%	3,550	-	385
Dräger Portugal, Lda, Carnaxide	7.4%	8.3%	3,070	-	190
Draeger Arabia LLC, Riyadh	8.3%	9.3%	25,775	-	556
Drägerwerk AG & Co. KGaA, Lübeck[2]	-	-	0	961	-
Dräger Safety AG & Co. KGaA, Lübeck[2]	-	-	0	1,651	-
ACE Protection AB, Svenljunga[2]	-	-	0	261	-
			33,167	**3,263**	**1,131**
Region Americas					
Draeger Medical Systems, Inc., Wilmington, New Castle County[2]	-	-	0	-	603
			0	**0**	**603**
Total safety division			**33,167**	**3,263**	**1,734**
Total			**51,365**	**13,806**	**2,371**

[1] This is the fair value.
[2] The impairment test was not carried out at cash-generating unit level, but individually for the assets concerned. The values relate to impairments on individual assets that no longer have a recoverable amount.

Recognized need for impairment 2024

Cash Generating Unit in € thousand	Discount rate 2024	Discount rate 2023	Value in use	Recognized need for impairment loss	Recognized reversal of impairment loss
Medical division					
Region EMEA					
Draeger Arabia LLC, Riyadh	8.4%	8.3%	33,166	1,050	-
			33,166	**1,050**	**0**
Region Americas					
Dräger Chile Ltda., Santiago	9.4%	10.1%	2,809	888	-
Draeger Peru S.A.C., Lima	8.9%	9.4%	2,251	189	-
Dräger Indústria e Comércio Ltda., São Paulo	11.0%	10.7%	3,193	1,027	-
			8,253	**2,103**	**0**
Region APAC					
PT Draeger Medical Indonesia, Jakarta	9.2%	9.6%	3,752	323	-
Draeger Singapore Pte Ltd., Singapore	6.7%	7.6%	2,307	-	145
			6,060	**323**	**145**
Total medical division			**47,479**	**3,476**	**145**
Safety division					
Region EMEA					
Dräger Safety s.r.o., Čestlice	8.7%	9.4%	1,036	481	-
Dräger Portugal, Lda, Carnaxide	8.3%	9.2%	1,516	237	-
Dräger Safety Zenith (Pty) Ltd, East London	12.6%	13.8%	1,404	628	-
Draeger Safety Korunma Teknolojileri A.S., Istanbul	11.1%	14.0%	5,209	-	594
ACE Protection AB, Svenljunga	7.7%	8.5%	7,430	-	1,071
Drägerwerk AG & Co. KGaA, Lübeck[1]	-	-	0	1,246	-
Dräger Safety AG & Co. KGaA, Lübeck[1]	-	-	0	1,264	-
ACE Protection AB, Svenljunga[1]	-	-	0	3,646	-
Dräger Production France SAS, Antony[1]	-	-	0	1,062	-
Total safety division			**16,595**	**8,566**	**1,665**
Total			**64,074**	**12,042**	**1,810**

[1] The impairment test was not carried out at cash-generating unit level, but individually for the assets concerned. The values relate to impairments on individual assets that no longer have a recoverable amount.

Of the impairment losses on the cash-generating units totaling EUR 13,806 thousand (2024: EUR 12,042 thousand), EUR 13,406 thousand (2024: EUR 9,616 thousand) relate to the EMEA region, EUR 400 thousand (2024: EUR 2,103 thousand) to the Americas region, and EUR 0 thousand (2024: EUR 323 thousand) to the APAC region.

Of the reversals of impairment losses on the cash-generating units totaling EUR 2,371 thousand (2024: EUR 1,810 thousand), EUR 1,509 thousand (2024: EUR 1,665 thousand) relate to the EMEA region, EUR 603 thousand (2024: EUR 0 thousand) to the Americas region, and EUR 258 thousand (2024: EUR 145 thousand) to the APAC region. The reversals of impairment losses are included at EUR 603 thousand (2024: EUR 1,071 thousand) in the cost of sales and at EUR 1,768 thousand (2024: EUR 739 thousand) in the general administrative expenses.

The impairment losses and reversals of impairment losses were recognized in patents, trademarks, and licenses under intangible assets, as well as in property, plant, and equipment, in particular factory and office equipment. The value in use was calculated on the basis of a future performance indicator, which is based on the discounted cash flow method taken from the operational five-year plan for the respective cash-generating unit.

In view of IAS 36.105, the recoverable amount of Dräger assets is based on the assumption of resale. For this purpose, the fair value less costs to sale is determined internally. As a result, the calculated impairment requirement to the amount of EUR 32,818 thousand (2024: 37,806 thousand) was not recognized.

20 Earnings/dividend per share

Dräger calculates and reports the earnings per share. The method of calculating earnings per share assumes an actual full distribution of net income after non-controlling interests to the common and preferred shares. In the event of an assumed actual full distribution of the net profit for the year, the earnings per share for full distribution are calculated as follows:

Earnings per share

		2025	2024
Net profit	in € thousand	140,358	124,762
less the share of earnings attributable to non-controlling interests	in € thousand	860	354
Earnings attributable to shareholders	**in € thousand**	**139,497**	**124,408**
Weighted average of outstanding preferred shares	piece	8,577,979	8,593,550
Weighted average of outstanding common shares	piece	10,160,000	10,160,000
Undiluted earnings per common share	**in €**	**7.42**	**6.61**
Preference per preferred share	in €	0.06	0.06
Undiluted earnings per preferred share	**in €**	**7.48**	**6.67**
Diluted earnings per common share	**in €**	**7.42**	**6.61**
Preference per preferred share	in €	0.06	0.06
Diluted earnings per preferred share	**in €**	**7.48**	**6.67**

Dräger's preferred shares are preference shares within the meaning of IAS 33.

The proposed distribution is based on the single entity financial statements of Drägerwerk AG & Co. KGaA in accordance with German commercial law and is as follows:

Calculation of proposed distribution

	Number of shares (piece)	Dividend per share in €	Dividends in €
Common shares	10,160,000	2.21	22,453,600.00
Preferred shares	8,600,000	2.27	19,522,000.00
			41,975,600.00

The proposed dividend payout ratio is effectively 30.09% (2024: 30.12%).

In the current fiscal year, EUR 1.97 per common share and EUR 2.03 per preferred share were distributed for the prior year.

There are no reasons for a dilutive effect on earnings per share.

Notes on the consolidated balance sheet

21 Intangible assets

Intangible assets as at December 31, 2025

in € thousand	Goodwill	Patents, trademarks and licenses	Purchased software	Internally generated intangible assets	Prepay-ments made	2025 Total
Costs						
January 1, 2025	316,899	38,965	97,927	12,645	2,406	468,842
Additions	-	349	878	2,910	5,383	9,520
Disposals	-74	-64	-15,570	-	-	-15,708
Reclassifications	-	284	1,083	-205	-1,163	0
Currency translation effects	-1,895	72	-583	102	-34	-2,337
December 31, 2025	**314,930**	**39,607**	**83,735**	**15,452**	**6,593**	**460,316**
Accumulated amortization and impairment losses						
January 1, 2025	4,748	16,154	92,447	12,645	-	125,994
Additions	-	1,883	2,838	322	-	5,043
Impairments	-	9,216	-	-	-	9,216
Disposals	-74	-64	-15,424	-	-	-15,561
Reclassifications	-	-11	11	-	-	0
Currency translation effects	-34	2	-414	-103	-	-549
December 31, 2025	**4,640**	**27,180**	**79,458**	**12,864**	**0**	**124,142**
Net carrying value	**310,290**	**12,427**	**4,276**	**2,588**	**6,593**	**336,174**

Intangible assets as at December 31, 2024

in € thousand	Goodwill	Patents, trademarks and licenses	Purchased software	Internally generated intangible assets	Prepay-ments made	2024 Total
Costs						
January 1, 2024	316,025	38,219	109,028	12,592	788	476,652
Additions	-	712	1,488	-	1,941	4,140
Disposals	-	-92	-13,208	-100	-	-13,400
Reclassifications	-	175	153	-	-328	0
Currency translation effects	875	-50	466	153	6	1,450
December 31, 2024	**316,899**	**38,965**	**97,927**	**12,645**	**2,406**	**468,842**
Accumulated amortization and impairment losses						
January 1, 2024	4,786	12,489	101,144	12,592	-	131,012
Additions	-	2,639	4,304	-	-	6,943
Impairments	-	1,114	153	-	-	1,267
Disposals	-	-43	-13,127	-100	-	-13,271
Currency translation effects	-37	-45	-26	153	-	44
December 31, 2024	**4,748**	**16,154**	**92,447**	**12,645**	**0**	**125,994**
Net carrying value	**312,151**	**22,811**	**5,480**	**0**	**2,406**	**342,848**

Goodwill results primarily from the transfer of the “Electromedical Systems” business area of Siemens Medical Solutions to Dräger Medical GmbH (now: Drägerwerk AG & Co. KGaA) in fiscal year 2003. Goodwill increased further on account of the buyback of Siemens’ 35% share in Dräger Medical GmbH (now: Drägerwerk AG & Co. KGaA) in fiscal years 2007 and 2009. Restructuring in prior years resulted in goodwill being reallocated to existing cash-generating units.

Additions to intangible assets include capitalized development costs of EUR 3,777 thousand (2024: EUR 0 thousand) in internally generated intangible assets and prepayments made.

In fiscal year 2025, technologies were written down by EUR 9,216 thousand (2024: EUR 0 thousand) in patents, trademarks, and licenses due to a change in the assessment of the marketability of the associated products.

Amortization is included in the cost of sales and other functional expenses.

Goodwill impairment
The medical division and the safety division represent the groups of cash-generating units for the purpose of goodwill impairment testing. Their value in use is determined using the discounted cash flow method on the basis of the five-year operating plan. A reconciliation of goodwill can be found in the statement of changes in intangible assets.

As at December 31, 2025, goodwill of EUR 310,290 thousand (2024: EUR 312,151 thousand) comprises EUR 157,938 thousand (2024: EUR 158,885 thousand) for the medical division and EUR 152,352 thousand (2024: EUR 153,266 thousand) for the safety division.

Key planning assumptions include net sales growth during the detailed planning period of 2026 to 2030, as well as the EBIT margin during the same time. Net sales growth per entity is planned according to division and takes the market growth of the individual markets, development of the market shares and price developments into consideration. This results in an average annual net sales growth of 5.0% for the medical division and 6.4% for the safety division for the period from 2026 to 2030, resulting in an average annual overall growth of 5.6% for the Group for this period. In the prior year, average annual overall growth for the Group was 5.6%, which was calculated for the period from 2025 to 2029 from an annual average net sales growth of 5.4% for the medical division and 5.9% for the safety division. At the same time, the consolidated gross margins of the regions per division as well as the regional and central functional expenses are planned. The resulting average EBIT margin during the detailed planning period is 5.8% (2024: 4.8%) for the medical division, with 8.9% included in the calculation for the last planning year. The EBIT margin for the safety division increases within the detailed planning period and is an average of 13.1% (2024: 11.4%).

In addition, discount rate and growth rate in the perpetual annuity are used in the calculation as further key planning assumptions. In the current planning, a discount rate of 7.4% after tax (10.2% before tax) and a growth rate of 1.0% for the perpetual annuity were taken into account for the medical division. In the prior year, the discount rate for the medical division was 7.9% after tax (10.9% before tax) and the growth rate for the perpetual annuity was 1.0%. For the safety division, a discount rate of 7.8% after tax (10.9% before tax) and a growth rate of 1.0% for the perpetual annuity were included in the planning. By contrast, a discount rate of 8.7% after tax (12.0% before tax) and a growth rate of 1.0% were applied to the perpetual annuity in the prior year. The underlying planning assumptions were checked for plausibility using external sources of information on market developments. Based on this multi-year plan, there was no reason for depreciation or amortization. For goodwill in the medical and safety divisions, there is no reason for impairment even in the event of zero growth in the perpetual annuity and an increase in the discount rate by a further 3.0 percentage points. With regard to the goodwill of the medical division, a 4.9 percentage point reduction in the EBIT margin at the end of the detailed planning period as the basis for long-term return expectations would lead to a reduction in the value in use of the medical division of EUR 1,016,720 thousand (2024: EUR 568,322 thousand). A reduction of the EBIT margin beyond this would mean an impairment of the goodwill in the medical division. For the safety division, no change in significant assumptions that could be considered possible would lead to an impairment of the associated goodwill.

22 Property, plant and equipment

Property, plant and equipment as at December 31, 2025

in € thousand	Land, equivalent titles and buildings	Production plant and machinery	Other plant, factory and office equipment	Leased equipment	Prepay-ments made and assets under con-struction	2025 Total
Costs						
January 1, 2025	530,924	179,289	585,936	89,022	41,837	1,427,008
Additions	5,930	3,080	24,789	4,239	41,067	79,105
Disposals	-5,698	-9,608	-28,040	-8,181	-304	-51,830
Reclassifications	1,311	3,271	13,831	846	-19,259	0
Reclassifications of rental and demo equipment	-	-	9,896	10,004	-	19,900
Currency translation effects	-7,976	-726	-14,377	-3,309	-588	-26,975
December 31, 2025	**524,491**	**175,306**	**592,036**	**92,621**	**62,753**	**1,447,208**
Accumulated depreciation and impairment losses						
January 1, 2025	309,041	139,606	472,580	72,637	-	993,863
Additions	14,499	9,877	43,987	11,219	4	79,587
Impairments	-	1,637	2,953	-	-	4,590
Write-ups	-	-603	-1,768	-	-	-2,371
Disposals	-3,790	-9,560	-27,121	-7,253	-	-47,724
Reclassifications	-97	-2	-192	292	-	0
Reclassifications of rental and demo equipment	-	-	5,882	-493	-	5,389
Currency translation effects	-5,104	-721	-10,997	-2,686	0	-19,508
December 31, 2025	**314,548**	**140,233**	**485,324**	**73,717**	**4**	**1,013,826**
Net carrying value	**209,943**	**35,073**	**106,712**	**18,904**	**62,750**	**433,382**

Property, plant and equipment as at December 31, 2024

in € thousand	Land, equivalent titles and buildings	Production plant and machinery	Other plant, factory and office equipment	Leased equipment	Prepay-ments made and assets under con-struction	2024 Total
Costs						
January 1, 2024	536,331	176,332	578,562	80,426	50,001	1,421,652
Additions	4,900	2,918	25,881	5,059	25,566	64,325
Disposals	-20,857	-6,282	-49,441	-2,570	-948	-80,098
Reclassifications	7,865	5,217	19,420	175	-32,676	0
Reclassifications of rental and demo equipment	-	-	6,368	6,373	-	12,741
Currency translation effects	2,684	1,104	5,146	-440	-105	8,389
December 31, 2024	**530,924**	**179,289**	**585,936**	**89,022**	**41,837**	**1,427,008**
Accumulated depreciation and impairment losses						
January 1, 2024	305,904	125,167	469,928	64,480	-	965,480
Additions	15,367	11,692	42,233	10,612	-	79,903
Impairments	2,482	7,686	-41	-	-	10,126
Write-ups	-	-727	-1,082	-	-	-1,810
Disposals	-16,270	-5,792	-46,838	-2,195	-	-71,096
Reclassifications	134	420	-554	0	-	0
Reclassifications of rental and demo equipment	-	-	5,347	-136	-	5,210
Currency translation effects	1,424	1,160	3,589	-124	-	6,050
December 31, 2024	**309,041**	**139,606**	**472,580**	**72,637**	**0**	**993,863**
Net carrying value	**221,883**	**39,683**	**113,356**	**16,385**	**41,837**	**433,145**

In fiscal year 2025, Dräger received public investment grants amounting to EUR 649 thousand (2024: EUR 0 thousand), which led to a reduction in additions to property, plant, and equipment.

Prepayments and assets under construction include prepayments of EUR 8,406 thousand (2024: EUR 2,656 thousand).

Rental and demonstration equipment is allocated to rented equipment in property, plant, and equipment if it is intended to be made available for use by different customers on a long-term basis. By contrast, rental and demo equipment intended for sale in the short term to a customer is reported as part of inventories under finished goods. As a result, finished goods that are added to leased equipment stocks are reclassified from inventories to property, plant and equipment. At the same time, leased equipment is reclassified from property, plant and equipment to inventories if it is available for sale.

Depreciation, amortization and impairment are included in the cost of sales and other functional expenses (see also ↗ note 19).

Right-of-use assets arising from leases are reported under the separate balance sheet item right-of-use assets (see also ↗ note 37).

As in the prior year, no borrowing costs were capitalized in the fiscal year in connection with additions from new buildings.

23 Investments in associates

Dräger holds shares in two associates (2024: three associates). MAPRA Assekuranzkontor GmbH, Lübeck, is an insurance broker in which Dräger holds 49% of the shares and over which Dräger exercises significant influence. The fiscal year of this company ends on December 31. The Canadian software company Focus Field Solutions Inc., St. John's, in which Dräger holds 29.53% of the shares, is a leading provider of operational safety solutions for the digitalization of critical work process data from employees and plants. The fiscal year of this company ends on December 31.

Both companies are included in the Group financial statements according to the equity method. There are no quoted market prices for these companies.

As the associates in and of themselves and when taken as a whole are not material, Dräger exercises the option to use the simplified consolidated method.

Dräger held 48.74% of the shares in MultiSensor Scientific Inc., Somerville, USA in the prior year. The shares were sold in full during fiscal year 2025.

The following disclosures are based on the information currently available. For MAPRA Assekuranzkontor GmbH, this is the most recently published single entity financial statements. For Focus Field Solutions Inc., and the prior year's figures for MultiSensor Scientific Inc., this is the last quarterly financial statement as of September.

Financial information on associates

in € thousand	2025	2024
Carrying value of the Group shares in associates	829	801
Share in the total result of associates	164	312
Impairment of shares in associates	-	-7,720
Distributions received	613	586

The impairment losses on shares in associates in the prior year resulted from increasing uncertainties regarding the marketability of products.

The most recently published single entity financial statements of MAPRA Assekuranzkontor GmbH show equity of EUR 1,691 thousand (prior year: EUR 1,635 thousand) and a result of EUR 1,251 thousand (prior year: EUR 1,195 thousand). Focus Field Solutions Inc. and MultiSensor Scientific Inc. are not subject to any disclosure requirements.

There are no obligations to associates to provide funds or resources that are not recognized in the balance sheet, nor are there any contingent liabilities.

24 Trade receivables and contract assets

Trade receivables

	2025			2024		
in € thousand	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	849,280	7,153	856,433	833,001	4,936	837,937
less risk provisions	-41,680	-	-41,680	-44,555	-	-44,555
	807,601	**7,153**	**814,754**	**788,446**	**4,936**	**793,382**

Contract assets

	2025			2024		
in € thousand	Current	Non-current	Total	Current	Non-current	Total
Contract assets	57,139	1,168	58,307	52,982	-	52,982
less risk provisions	-114	-	-114	-96	-	-96
	57,025	**1,168**	**58,193**	**52,886**	**0**	**52,886**

The risks in trade receivables and contract assets are adequately taken into account by recognizing risk provisions. For details on the calculation of risk provisions, please refer to our comments in ↗ note 36.

Contract assets include all claims for payment from project business, which are recognized over time, and from services rendered, provided the claims are not linked to the time period alone.

Dräger sold trade receivables of EUR 11,158 thousand to a buyer as of December 31, 2024. These receivables are transferred and completely derecognized before the balance sheet date. The continuing exposure from the receivables paid resulting from this transaction arose from the buyer's entitlement to charge interest for the period between the actual due date of the receivables sold and their actual receipt of payment or default on the receivable, but for a maximum of 90 days. The resulting risk amounted to EUR 101 thousand. Costs of EUR 36 thousand were recognized at the time of the transfer of the trade receivables. In the cash flow statement, this transaction was reported in full in the change in trade receivables in operating cash flow. No inventories of trade receivables were sold in fiscal year 2025.

25 Other financial assets

Other financial assets

in € thousand	2025 Current	2025 Non-current	2025 Total	2024 Current	2024 Non-current	2024 Total
Positive fair values of derivatives	1,959	164	2,122	10,405	17	10,422
Notes receivables	8,385	-	8,385	3,883	-	3,883
Security deposits paid	3,506	3,507	7,013	3,481	3,691	7,172
Creditors with debit balances	7,033	-	7,033	8,611	-	8,611
Finance lease receivables (lessor)	1,690	6,793	8,483	1,285	6,117	7,402
Other investments	-	29,812	29,812	-	15,997	15,997
Supplier loans	-	20,579	20,579	-	-	0
Receivables from employees	1,058	94	1,152	993	105	1,099
Receivables from associates	1	1,826	1,827	1	-	1
Receivables from commission agents	6,198	-	6,198	7,004	-	7,004
Sundry financial assets	5,704	2,629	8,333	16,106	3,471	19,578
	35,534	**65,404**	**100,938**	**51,770**	**29,398**	**81,169**

Other financial assets are impaired in the amount of EUR 9,953 thousand (2024: EUR 10,658 thousand) (please refer to our comments in ↗ note 36).

As in the prior year, the notes receivables mainly arose at the Chinese and Japanese subsidiaries, where bills of exchange are regarded as the usual means of payment.

Other non-current financial assets include other non-current securities amounting to EUR 2,635 thousand (2024: EUR 3,468 thousand).

For a further explanation of the positive fair values of derivative financial instruments, please refer to the overview of derivative financial instruments in the Dräger Group presented in ↗ note 36.

For further information on receivables from finance leases, please refer to our comments on finance leases with the lessor in ↗ note 37.

26 Inventories

Inventories

in € thousand	2025	2024
Finished goods and merchandise	334,597	340,115
Work in progress	72,505	77,590
Raw materials, consumables and supplies	216,244	236,636
Prepayments made	5,693	8,244
	629,040	**662,585**

The carrying amount of inventories held at the current balance sheet date, which were written down to their net realizable value, is EUR 276,589 thousand (2024: EUR 298,095 thousand).

Impairments of EUR 38,514 thousand (2024: EUR 43,552 thousand) were recognized as expenses on inventories in the fiscal year, which are included in the cost of sales. In contrast, value allowances made in prior years amounting to EUR 12,027 thousand (2024: EUR 10,563 thousand) were reversed in the cost of sales, as the reasons for the value allowances made at the time no longer applied.

Finished goods and merchandise include short-term rental and demo equipment made available to customers to the value of EUR 5,451 thousand (2024: EUR 5,896 thousand). Loan and demonstration equipment is usually

purchased by customers within a short period of time and is therefore reported under inventories. Valuation discounts have been taken into account in accordance with the useful life.

Inventories with a carrying amount of EUR 1,224,947 thousand (2024: EUR 1,212,850 thousand) were recognized as cost of sales in the fiscal year.

As in the prior year, no interest on debt was included in the valuation of inventories.

27 Cash and cash equivalents

Cash and cash equivalents comprise cash assets and balances at various banks in different currencies. Cash and cash equivalents, the use of which was restricted as at the balance sheet date, amounted to EUR 15,976 thousand (2024: EUR 7,134 thousand). The restrictions mainly relate to foreign currency export restrictions and other contractual or legal restrictions.

28 Other assets

Other assets

	2025			2024		
in € thousand	Current	Non-current	Total	Current	Non-current	Total
Prepaid expenses	37,505	-	37,505	37,476	-	37,476
Other tax refund claims	27,321	-	27,321	23,864	-	23,864
Receivables from grants	5,624	-	5,624	4,589	-	4,589
Plan assets from pension plans	-	61,567	61,567	-	13,537	13,537
Sundry	457	11,358	11,814	1,537	9,868	11,405
	70,907	**72,925**	**143,832**	**67,465**	**23,405**	**90,870**

Prepaid expenses are mainly formed for maintenance and license agreements that are invoiced in advance by the providers.

Impairment losses of EUR 7 thousand (2024: EUR 7 thousand) were recognized for other current assets.

Other tax refund claims mainly relate to refund claims from value added tax.

The receivables from grants mainly arose from research projects for which Dräger meets the requirements for public research grants and is therefore entitled to payment. The allowances were recognized in profit and loss under research and development costs. In addition, Dräger has received approval for an EU grant for research and development, the payment of which is contingent upon the achievement of defined milestones. In fiscal year 2025, Dräger increased its receivables from allowances by a total of EUR 3,497 thousand (2024: EUR 3,806 thousand) and received payments amounting to EUR 2,462 thousand (2024: EUR 64 thousand). A total of EUR 3,341 thousand (2024: EUR 3,313 thousand) was recognized in the income statement as research and development costs. Furthermore, an investment grant of EUR 649 thousand (2024: EUR 0 thousand) was recognized directly in equity in the fiscal year and deducted from the acquisition costs of property, plant, and equipment.

Other non-current assets include non-current tax assets of three (2024: four) foreign subsidiaries amounting to EUR 10,123 thousand (2024: EUR 9,723 thousand).

29 Equity

The breakdown and changes in equity for fiscal years 2025 and 2024 are presented in the "Consolidated statement of changes in equity of the Dräger Group".

Capital stock

The capital stock of Drägerwerk AG & Co. KGaA amounts to EUR 48,026 thousand (2024: EUR 48,026 thousand).

The capital stock continues to consists of 10,160,000 limited no-par-bearer common shares and 8,600,000 non-voting limited no-par preferred shares.

The nominal value of both share types is EUR 2.56. Drägerwerk Verwaltungs AG, the general partner, holds no shares in the capital.

The capital stock has been fully paid in. As before, the preferred and common shares are traded on the capital market.

Other than voting rights, the preferred shares have the same rights as those attached to the common shares. As compensation for the lack of voting rights, an advance dividend of EUR 0.13 per preferred share is distributed from net earnings.

If sufficient remaining net earnings are available, a dividend of EUR 0.13 per common share is then paid. Any net earnings in excess of this amount, if distributed, are allocated so that holders of preferred shares receive a dividend that is EUR 0.06 higher than the dividend on common shares.

If profit is not sufficient for an advance dividend for preferred shares in one or more fiscal years, the amounts are paid from the profits of subsequent fiscal years before a dividend is paid on common shares.

If amounts in arrears are not paid in the next year, along with the full preferred dividend for the current year, the preferred shareholders have voting rights until the arrears have been paid.

In the event of liquidation, preferred shareholders will receive a total of 25% of the total liquidation proceeds in advance. The remaining liquidation proceeds are distributed equally among all shares.

By resolution of the annual shareholders' meeting on May 7, 2021, the general partner is authorized, with the approval of the Supervisory Board, to increase the common shares and/or preferred shares (no-par value shares) by a total of up to EUR 12,006,400.00 by issuing new common bearer shares and/or preferred shares against cash and/or non-cash contributions on one or more occasions until May 6, 2026 (authorized capital). The authorization to issue non-voting preferred shares may only be exercised to the extent that the proportion of non-voting preferred shares does not exceed half of the share capital (Section 139 (2) AktG).

In the event that the authorized capital is used, the shareholders must be granted subscription rights. Subscription rights can also be granted to shareholders in such a way that the new shares are taken over by one or more banks or companies specified by the general partner within the meaning of Sec 186 (5) Sentence 1 AktG with the obligation to transfer them to the shareholders in a subscription offer (indirect subscription right). This may be useful for processing reasons. This does not constitute a restriction of shareholders' subscription rights.

In the case of common and preferred shares being issued at the same time while maintaining the ratio of both share types at the time of issuance, the general partner is authorized, subject to approval by the Supervisory Board, to exclude the subscription right of holders of one category of shares to the other category of shares ("crossed exclusion of subscription rights"). Also in this case, the general partner is entitled to exclude further subscription rights under the terms of the regulations stated below.

In addition and subject to the approval of the Supervisory Board, the general partner is authorized to exclude the subscription right of the shareholders in certain other cases.

The proportion of the capital stock attributed in total to new shares for which the subscription right is excluded on the basis of this authorization may, together with the proportion of the capital stock that is attributed to treasury shares or to new shares from other authorized capital or that relates to the option or conversion rights or obligations arising from options, warrant and/or convertible bonds, and/or participation rights that have been sold or issued during the term of this authorization subject to the exclusion of subscription rights, not exceed 10% of capital stock. Shares issued under a crossed exclusion of subscription rights are excluded from the limitation to 10% of capital stock. The key factor for calculating the 10% limit is the existing capital stock at the time that this authorization comes into effect or is exercised, on whichever of these dates the capital stock is at its lowest.

The general partner is authorized, subject to the approval of the Supervisory Board, to determine the details of the share rights and of the capital increase, as well as the terms and conditions of the share issue, in particular the issue price. The Supervisory Board is entitled to adjust the wording of the articles of association in line with the utilization of the authorized capital or after the authorization period expires.

By resolution of the annual shareholders' meeting on May 7, 2021, the general partner is also authorized until May 6, 2026 to issue bonds with warrant and/or convertible bonds with a total nominal value of up to EUR 650,000,000.00 and to create associated conditional capital of up to EUR 12,006,400.00 by issuing up to 4,690,000 new no-par value bearer shares.

The option or conversion price for the shares to be subscribed upon exercise of option and/or conversion rights must, with the exception of cases in which an option exercise or conversion obligation, a right of substitution or a tender right of the issuer of the bonds to deliver shares is provided for, correspond to at least 80% of the stock exchange price of the bearer shares of the Company determined shortly before the issue of the bonds that are linked to option or conversion rights.

Shareholders generally have a right to subscribe to the bonds (Section 221 (4) in conjunction with Section 186 (1) AktG).

The authorization initially provides that in the event that both bonds with option or conversion rights or obligations on common shares and bonds with option or conversion rights or obligations on preferred shares are issued, the general partner may, with the approval of the Supervisory Board, exclude the subscription right for holders of shares of one class to the bonds, which grant option or conversion rights to shares of the other class or provide for a corresponding exercise or conversion obligation, if the subscription ratio for the subscription of the bonds is set at the same level for the holders of both classes of shares (crossed exclusion of subscription rights).

The general partner is also authorized, subject to the approval of the Supervisory Board, to exclude the subscription rights of the shareholders in certain other cases.

Voting rights notification

Section 160 (1) No. 8 AktG requires disclosure of the existence of investments that have been notified to the Company in accordance with Section 33 (1) or (2) German Securities Trading Act (Wertpapierhandelsgesetz, WpHG).

Notifications of voting rights received 2025

Reporter	Date of notification of voting rights	Reporting threshold [1]	Investment	Investment in voting rights
Brandes Investment Partners, L.P., La Jolla, U.S.	January 3, 2025	5% undercut	4.94%	502,168

[1] Disclosure as a result of changes to directly and/or indirectly held voting rights

Existing notifiable shareholdings according to the voting rights notification

Reporter	Date of notification of voting rights	Investment	Investment in voting rights
Dr. Heinrich Dräger GmbH, Lübeck	November 12, 2013	67.31%	6,838,408
State of Norway, Oslo, Norway	October 4, 2018	3.04%	308,663
Brandes Investment Partners, L.P., La Jolla, U.S.	January 3, 2025	4.94%	502,168

It must be noted that the information on shareholdings may be outdated.

Capital reserves

The capital reserve was formed from premiums in connection with the 25 option rights exercised in the years 2013 to 2015, the formation (conversion) of Drägerwerk AG & Co. KGaA in 1970 and in connection with capital increases in 1979, 1981, 1991, 2010 and 2020.

Reserves retained from earnings

Retained earnings comprise the earnings generated by the companies included in the Group financial statements up to fiscal year 2025, unless they have been allocated to minority interests or distributed as dividends by Drägerwerk AG & Co. KGaA. Another component of retained earnings are the effects of revaluations of pension provisions, including the deferred taxes attributable to them.

The other effects relate almost exclusively to the distribution to shareholders to the total amount of EUR 37,473 thousand (December 31, 2024: EUR 33,158 thousand).

The amount blocked for distribution amounts to EUR 203,043 thousand as at December 31, 2025 (December 31, 2024: EUR 231,425 thousand).

Treasury shares (employee participation program)

The Executive Board has once again decided to offer Dräger employees in Germany the opportunity to hold shares in the Company as part of an employee participation program in fiscal year 2025. The aim is to increase identification with the Company and the attractiveness of Dräger as an employer.

As in the prior year, one bonus share was granted for every three investment shares acquired by the employee. The shares are subject to a holding period of two years and may therefore not be sold or transferred in any other way during this period. It is not necessary for the employee to remain with the Company during this holding period.

Drägerwerk AG & Co. KGaA has already repurchased a total of 70,000 shares on the stock exchange between June 3 and July 18, 2025, i.e., prior to the participation phase.

During the participation phase from November 3 to November 12, 2025, a total of 54,040 shares were acquired, comprising 40,530 investment shares and 13,510 bonus shares. The maximum purchase price was set at EUR 67.70

per preferred share before the start of the program (closing price of the preferred shares in Xetra trading on the last trading day before the start of the respective purchase period). A securities account was opened for the participating employees at Deutsche Bank AG, Frankfurt am Main, (paying agent) for the booking and safekeeping of the shares. These shares were transferred in full to the respective employee accounts on November 14, 2025.

The value of the bonus shares ordered and of the benefit from the right to also purchase reduced investment shares was recorded in personnel expenses to the total amount of EUR 963 thousand.

The 15,960 shares remaining after the employee share program ended were sold on the market by the balance sheet date.

In the prior year, 57,987 investment shares and 19,329 bonus shares (a total of 77,316 shares) were repurchased on the stock exchange. The buyback began on October 7, 2024, and was not fully completed by December 31, 2024. The maximum purchase price was set at EUR 45.05 per preferred share before the start of the program (closing price of the preferred shares in Xetra trading on the last trading day before the start of the respective purchase period). The shares were transferred to the employees' respective securities accounts after the end of the buyback phase, which was completed on January 20, 2025. The 55,487 shares acquired by December 31, 2024 were reported as treasury shares to the amount of EUR 2,535 thousand.

The participation phase, in which employees could acquire the blocks of shares, began on November 4, 2024 and ended November 14, 2024. Based on the shares ordered by the employees during this commitment period, the number of bonus shares amounted to 19,329. The value of the bonus shares ordered and of the benefit from the right to also purchase reduced investment shares was recorded in personnel expenses to the total amount of EUR 856 thousand.

The acquisition of treasury shares to be passed on to participating employees as bonus shares is covered by the resolution of the annual shareholders' meeting on May 7, 2021, according to which the general partner was authorized to acquire treasury shares of any class (common and/or preferred shares) up to a total of 10% of the Company's share capital existing at the time of the resolution or – if this value is lower – at the time the authorization is exercised, until May 7, 2026. The exercise of the purchase authorization is subject to the approval of the Supervisory Board. The acquisition must be made via the stock exchange, on the basis of a public purchase offer or on the basis of a public invitation to submit offers to sell. The principle of equal treatment under stock corporation law must be observed in each case.

If the acquisition is made by means of a public purchase offer addressed to all shareholders of a class or by means of a public invitation to submit offers to sell, the volume of the offer or the invitation to submit offers to sell may be limited. This may result in the number of shares offered by the shareholders exceeding the number of shares requested by the Company. In this case, shares must be allocated according to quotas.

The offered price or the upper limit on the purchase price range determined by the Company for each class and type of share (excluding incidental acquisition costs) may not be more than 10% higher or lower than the volume-weighted average of the closing auction prices for the same class and type of share in Xetra trading (or on a functionally comparable successor system replacing the Xetra system) on the Frankfurt Stock Exchange during the last five stock exchange trading days before the date that the public offer or the public invitation to submit offers for sale is publicly announced.

The general partner is authorized to use treasury shares acquired on the basis of this authorization for any lawful purposes.

Subject to the approval of the Supervisory Board, the general partner is authorized to exclude the subscription right of the shareholders in certain other cases.

Other comprehensive income

Changes in other comprehensive income

in € thousand	Currency translation adjustment	Cash flow hedge reserve	Total
January 1, 2024	**-19,958**	**392**	**-19,566**
Currency translation differences	16,827	-	16,827
Change from the remeasurement of cash flow hedge instruments	-	6,154	6,154
Reclassification to the income statement	-	-6,009	-6,009
Deferred taxes recognized directly in equity	-	-15	-15
December 31, 2024 / January 1, 2025	**-3,131**	**522**	**-2,609**
Currency translation differences	-51,706	17	-51,688
Effect in profit or loss of the final consolidation of a subsidiary	17	-	17
Change from the remeasurement of cash flow hedge instruments	-	5,030	5,030
Reclassification to the income statement	-	-5,817	-5,817
Deferred taxes recognized directly in equity	-	248	248
December 31, 2025	**-54,820**	**0**	**-54,820**

With the exception of derivatives, Dräger does not hold any other financial instruments, the subsequent measurement of which is directly recognized in other comprehensive income.

The change in the adjustment item from the translation of financial statements in foreign currencies compared to the prior year is mainly due to the translation of the Consolidated Income Statement at average exchange rates and the historical exchange rates from capital consolidation.

For further explanations on the cash flow hedge reserve and currency hedges, please refer to ↗ note 36.

Information on capital management

One of Dräger's most important goals is to increase Company value. The key function of capital management in this respect is to reduce the cost of capital while ensuring solvency at all times by optimizing the capital employed. This is achieved by matching the maturities of financial liabilities with the expected free cash flow and creating sufficient liquidity reserves.

Capital is monitored regularly on the basis of various key figures. These include gearing and the equity ratio.

The capital structure of the Dräger Group as at the balance sheet date is as follows:

Equity and liabilities

in € million	2025	2024
Equity interest held by shareholders of Drägerwerk AG & Co. KGaA	1,626.3	1,535.2
+ Non-controlling interests	2.3	1.6
Equity of the Dräger Group	**1,628.7**	**1,536.8**
Share of total equity and liabilities	51.5%	49.7%
Non-current liabilities	590.0	578.2
Current liabilities	944.4	978.5
Total liabilities	**1,534.4**	**1,556.7**
Share of total equity and liabilities	48.5%	50.3%
Total equity and liabilities	**3,163.1**	**3,093.5**

The Dräger Group's gearing had developed as follows as at the balance sheet date:

Gearing

in € million	2025	2024
Non-current interest-bearing loans	203.7	204.4
+ Current interest-bearing loans and liabilities to banks	68.7	67.4
+ Non-current and current liabilities from finance lease	132.7	123.8
- Cash and cash equivalents	-282.1	-230.6
Net financial debt	**123.0**	**165.0**
Equity	1,628.7	1,536.8
Gearing (= net financial debt / equity)	**0.08**	**0.11**

To secure its liquidity, the Dräger Group has concluded a framework credit agreement with a term until November 30, 2030. Under this agreement, cash credit lines amounting to EUR 375.0 million existed as of December 31, 2025 (utilization 2025: EUR 0.1 million; utilization 2024: EUR 0 million) and bank guarantee credit lines amounting to EUR 165.0 million (utilization 2025: EUR 91.3 million; utilization 2024: EUR 103.1 million), each with a term until November 30, 2030. In the framework credit agreement, a target value has been determined for the bilateral credit lines with regard to a specific financial parameter (financial covenant for a net debt in relation to the result). Should Dräger not comply with this value, the banks are entitled to terminate the bilaterally agreed credit lines. This agreement was adopted for the existing loans at the European Investment Bank (EIB). For other loans, such as the issued note loan, there is no comparable financial covenant, however a cross-default clause does provide the right to terminate. The value has been specified so that we would only run the risk of being unable to comply with the agreed value threshold in the event of a significant deterioration in our results of operations and financial position. Adherence to this key figure is confirmed on a quarterly basis with the lending banks. The financial covenant was complied with on every reporting date in fiscal year 2025 and in the prior year; it was well below this limit in each case. Our short and medium-term financial planning provides for continuous compliance with this financial covenant. In addition, we have cash credit lines abroad amounting to EUR 111.6 million and bank guarantee credit lines amounting to EUR 98.0 million, which are of secondary importance for Group financing.

In addition, there are note loans of EUR 50.0 million with a remaining term until January 5, 2026, and note loans of EUR 50.0 million with a remaining term until January 4, 2028, for the purposes of medium- and long-term financing. We also have a loan from the European Investment Bank of EUR 100.0 million with a remaining term until January 26, 2028 and a loan with DZ Bank of EUR 50.0 million with a remaining term until September 30, 2030. Both loans have a fixed five-year interest rate. We also have a commitment for a loan from the EIB of EUR 100.0 million with a term of up to six years, which has not yet been disbursed and is available to be drawn down until March 24, 2027.

Outside the framework credit agreement, there are a further bilateral guarantee credit lines with DZ Bank for EUR 5.0 million, with Euler Hermes for EUR 20.0 million, and with SEB for EUR 2.0 million.

30 Non-controlling interests

Non-controlling interests are comprised as follows:

Non-controlling interests

	2025		2024	
in € thousand	Non-controlling interests	thereof net profit	Non-controlling interests	thereof net profit
Dräger-Simsa S.A., Santiago	1,448	298	1,174	394
Dräger South Africa (Pty) Ltd, Buccleuch	885	563	472	-40
	2,333	**860**	**1,646**	**354**

Non-controlling interests are of minor importance for the Group.

In the statement of changes in equity, the other comprehensive income of non-controlling interests amounting to EUR 9 thousand (2024: EUR –10 thousand) only includes currency translation differences.

31 Provisions for pensions and similar obligations

In addition to predominantly defined benefit pension plans and similar obligations, the Dräger Group also had defined contribution pension plans as at December 31, 2025.

Defined benefit pension plans and similar obligations

Under the Group's defined benefit pension plans, provisions for pensions and similar obligations have been accrued for future benefits payable in the form of old-age, disability, and surviving dependents' pensions. The amount of this obligation is determined using the projected unit credit method. The obligations are partially covered by plan assets.

The defined benefit pension plans of the German companies, for which the 2018G mortality tables by Dr. Klaus Heubeck continue to be applied, comprise 85.2% (2024: 84.1%) of the provisions for pensions and similar obligations reported as at the reporting date. As at January 1, 2005, the new Company pension plans "Rentenplan 2005" and "Führungskräfteversorgung 2005" came into effect for almost all employees of the Dräger Group's German companies, superseding the "Versorgungsordnung '90" and "Ruhegeldordnung '90" schemes.

Under the previous pension plans, employees received pensions based on their salaries and period of employment. As part of the transition to the new plan, employees were guaranteed a pension based on the old plan for their years of service prior to 2005.

The new pension plan is based on contributions that are split up into the following three components:

- employer-funded basic level
- employee-funded top-up level (deferred compensation), and
- employer-funded supplementary level

The pension cost for the employer-funded basic level is based on the respective employee's income. In the employee-funded top-up level, employees can increase their pension entitlement through deferred compensation. The contribution made at the employer-funded supplementary level depends on the employee contribution through deferred compensation and on the Company's business performance (EBIT). When the pension is drawn, the pension benefit is calculated on the basis of the saved pension volume and an age-based annuity factor.

This basic structure was continued with the amendments to the "Rentenplan 2019" and the "Führungskräfteversorgung 2019". In addition to structural adjustments to the calculation of contributions, only the minimum interest rate explained below and the derivation of the annuity factors were adjusted to the changed framework conditions.

Since December 2007, the financial resources from the pension scheme and the employee contributions for the respective fiscal year have been transferred to a newly established fund – securities identification number A0HG1B – and secured by means of a contractual trust arrangement (CTA) in favor of the employees, so that they serve exclusively to cover and finance the Company's direct pension obligations. A minimum annual interest rate of 2.75% was guaranteed for the employees' pension accounts until December 31, 2018. The guaranteed minimum annual interest rate was reduced to 0.9% for the pension capital paid in from fiscal year 2019. As the assets of this fund meet the criteria of a plan asset in accordance with IAS 19, the assets secured by the CTA in the current fiscal year in the amount of EUR 275,998 thousand (2024: EUR 251,843 thousand) were offset against the corresponding pension obligations. For the current fiscal year, payments into the CTA are expected to amount to EUR 15,818 thousand (in fiscal year 2024 for fiscal year 2025: EUR 12,839 thousand).

An available excess of fund assets against the relevant pension obligations amounting to EUR 61,567 thousand (2024: EUR 13,537 thousand) is reported in other non-current assets under ↗ note 28.

The defined benefit pension plans of Dräger Schweiz AG, for which the BVG 2020 generation tables continue to be applied, comprise 3,7% (2024: 5.9%) of the provisions for pensions and similar obligations recognized as at the balance sheet date. Occupational pension provision against the economic consequences of old age, disability and death is carried out by the Servisa Collective Foundation (previous name: Swisscanto Collective Foundation). Employees can determine the amount of their savings contributions themselves; three plan variants are available for this purpose. The employer's savings contributions are the same in each case and are independent of the employee's savings contributions. Employer and employee contributions are defined as a percentage of the insured salary. The retirement pension is calculated from the retirement assets available at the time of retirement multiplied by the conversion rates specified in the regulations. The employee has the option of receiving the retirement benefits as a lump sum. In addition, savings contributions are paid on the employer's bonus payments. The assets are invested by the Servisa Collective Foundation.

Under the Group's defined benefit pension plans, Dräger is exposed to the following risks:

- Due to the specific benefits, defined benefit pension plans are particularly long-term employee benefits, the measurement of which includes making long-term assumptions that are subject to an increased risk in view of actual realization.
- The discount rate used to calculate the pension obligation reflects the effective interest rate of high-quality corporate bonds on the market (determined on the basis of modified Bloomberg data) as at the reporting date, the term of which corresponds to that of the pension obligations. If the actual return on plan assets is less than the calculated return, this creates a shortfall.
- Reducing the effective market return of high-quality corporate bonds leads to an increase in the projected benefit obligation. If the projected benefit obligation is counteracted by plan assets, some of this effect is compensated for.
- If the benefit obligations are not covered by plan assets, Dräger must generate the pension payments as part of its operating activities in the respective year.
- Due to the minimum interest rate commitment of 2.75% on paid in pension capital by December 31, 2018 and 0.9% for paid in pension capital from fiscal year 2019, Dräger must compensate for the actual return on plan assets if it falls below this minimum interest rate.
- According to Section 16 (1) of the German Act to Improve Occupational Pensions (BetrAVG), an employer that has guaranteed company pension plan obligations must consider adjusting these obligations in line with the rate of inflation every three years. The employer's decision regarding such adjustments must consider the needs of the pension recipients and, above all, the economic situation of the Company.

The net obligation from defined benefit pension plans is recognized in the balance sheet as follows:

Net obligation from defined benefit pension plans

in € thousand	2025	2024
Carrying amount of benefit obligations with plan assets	285,347	334,331
Present value of plan assets	-341,139	-336,738
Over-/Underfunded pension plans	**-55,792**	**-2,407**
Carrying amount of benefit obligations without plan assets	146,450	169,289
Net obligation as at December 31	**90,658**	**166,882**
Available excess of plan assets	61,567	13,537
Provisions for pensions and similar obligations	**152,225**	**180,419**

Changes in the net obligation are as follows:

Changes in the projected benefit obligations and plan assets

	2025			2024		
in € thousand	Projected benefit obligation	Fair value of plan assets	Total	Projected benefit obligation	Fair value of plan assets	Total
January 1	**503,621**	**-336,738**	**166,882**	**499,695**	**-295,133**	**204,562**
Service costs	9,603	-	9,603	9,484	-	9,484
Interest income (-) / interest expense (+)	14,385	-9,420	4,966	14,542	-8,430	6,111
Past service costs	34	-	34	-	-	0
Other effect on profit or loss	-24,934	21,735	-3,199	41	-10	31
Changes recognized in profit or loss	**-912**	**12,315**	**11,403**	**24,067**	**-8,440**	**15,627**
Return on plan assets excluding amounts included in interest	-	-5,214	-5,214	-	-21,913	-21,913
Revaluations from changes to demographic assumptions	-80	-	-80	216	-	216
Revaluations from changes to financial assumptions	-50,711	-	-50,711	-12,629	-	-12,629
Revaluations from adjustment to empirical values	-3,319	-	-3,319	7,134	-	7,134
Changes in other comprehensive income	**-54,109**	**-5,214**	**-59,324**	**-5,278**	**-21,913**	**-27,192**
Benefits paid	-21,900	8,891	-13,009	-19,154	5,924	-13,231
Employee contributions	5,408	-5,564	-156	4,919	-5,057	-138
Employer contributions	-	-14,158	-14,158	-	-13,370	-13,370
Transfer from obligations and other effects	-156	-92	-248	588	-	588
Currency changes	-155	-577	-732	-1,216	1,251	35
Other changes	**-16,803**	**-11,501**	**-28,304**	**-14,863**	**-11,252**	**-26,115**
December 31	**431,797**	**-341,139**	**90,658**	**503,621**	**-336,738**	**166,882**
Net obligation as at December 31			**90,658**			**166,882**

The service cost and other effects affecting income are included in personnel expenses.

Plan assets are composed as follows:

Composition of plan assets

	2025			2024		
in € thousand	active market	no active market	Total	active market	no active market	Total
Cash and cash equivalents	9,602	-	9,602	19,201	-	19,201
Equity instruments	21,114	-	21,114	27,520	-	27,520
Securities	133,650	1,737	135,386	102,876	1,712	104,588
Debt instruments	151,378	-	151,378	155,877	-	155,877
Real estate	8,979	-	8,979	11,420	-	11,420
Other	14,680	-	14,680	18,132	-	18,132
			341,139			**336,738**

For the presentation of the plan assets' composition, the German CTA fund was split up into individual investment types. Plan assets do not contain Dräger shares or properties used by Dräger itself.

The investment strategy for the plan assets in the German pension plan is defined by an investment committee on the basis of reports prepared by external fund managers. The investment strategy takes into account anticipated pension payment structures as well as risk assessments (asset-liability matching).

The expected payments into the plan assets for the next fiscal year amount to EUR 19,109 thousand (2024: EUR 15,983 thousand).

The following actuarial assumptions were made in measuring the projected benefit obligation (weighted averages):

Actuarial assumptions

	2025		2024	
in %	Germany	Abroad	Germany	Abroad
Discount rate	4.30	1.81	3.40	1.44
Future wage and salary increases	3.00	1.79	3.00	1.78
Future pension increases [1]	2.00	0.34	2.00	0.22

[1] The pension plans "Rentenplan 2005" / "Führungskräfteversorgung 2005" and "Rentenplan 2019" / "Führungskräfteversorgung 2019" provide for fixed pension adjustment guarantees of 1.0 % per year.

The discount rate for German pension plans is determined for the first time in fiscal year 2025 using the refined RATE:Link method from Willis Towers Watson. This change in methodology resulted in an increase in the discount rate, from 4.00 to 4.30%. If the amended methodology had not been applied, provisions for pensions and similar obligations would have been reported at EUR 15.4 million higher.

The weighted average term of the defined benefit obligation amounted to 15 years in the fiscal year (2024: 15 years).

The effect of changes in fundamental assumptions on the projected benefit obligation was as follows:

Effect of fundamental assumptions on the projected benefit obligation

	2025			2024		
	Discount rate	Future pension increases	Life expectancy	Discount rate	Future pension increases	Life expectancy
Change in assumption	1.00%	0.25%	1 year	1.00%	0.25%	1 year
Effect on the projected benefit obligation if the assumption increases	12.2% decrease	0.6% increase	3.6% increase	13.6% decrease	0.9% increase	4.7% increase
Effect on the projected benefit obligation if the assumption decreases	15.4% increase	0.3% decrease	3.8% decrease	17.4% increase	0.5% decrease	4.9% decrease

The sensitivity analyses were performed using the same calculation method used for the determination of defined benefit obligations; one assumption was changed in each analysis while all other assumptions remained constant (ceteris paribus); this means that possible correlation effects between the individual assumptions are not taken into account. The assumed sensitivities correspond to the long-term trends of recent years with regard to pension increases and to a real expectation based on past interest rate trends with regard to interest rate differences (excluding 2022 as a non-representative year).

The following pension payments are expected to be due:

Expected pension payments 2025

in € thousand	2026	2027	2028 - 2030	> 2030	Total
Expected pension payments	18,944	19,148	63,884	980,235	1,082,211

Expected pension payments 2024

in € thousand	2025	2026	2027 - 2029	> 2029	Total
Expected pension payments	20,617	20,640	68,177	988,997	1,098,431

In the current fiscal year, expenses for additional benefits to retirees amounting to EUR 2,960 thousand (2024: EUR 2,655 thousand) were recognized.

Defined contribution plans
In addition to the defined benefit plans and similar obligations described above, Dräger pays voluntary or statutory contributions to government and private pension insurers (defined contribution plans).

In the current fiscal year, Dräger paid contributions in the amount of EUR 55,146 thousand (2024: EUR 51,553 thousand) to the statutory pension insurance scheme in Germany. In addition, expenses for other defined contribution plans amounted to EUR 14,022 thousand (2024: EUR 14,190 thousand).

32 Non-current and current provisions for personnel and other provisions

Non-current and current provisions for personnel and welfare obligations

in € thousand	2025
January 1	**157,876**
Allocation	119,716
Accumulation of interest	1,217
Utilization	-108,795
Reversal	-5,277
Change in the scope of consolidation	-8
Currency translation effects	-5,366
December 31	**159,362**

Provisions for personnel and welfare obligations were largely recognized for bonuses and sales compensation; the basis on which these are calculated had not been finalized as at the balance sheet date, meaning that the obligations are not yet reported as a liability. This item also includes provisions for phased retirement and long-service awards.

Utilization of the provisions for personnel and welfare obligations is expected as follows:

Provisions for personnel and welfare obligations - maturities

in € thousand	up to 1 year	1 year to 5 years	more than 5 years	Total
Provisions for personnel and welfare obligations	121,776	26,596	10,991	159,362

Other non-current and current provisions

in € thousand	Warranty provisions	Provisions for potential losses	Provisions for distribution	Provisions for outstanding invoices	Provisions for other obligations in the normal course of business	2025 Total
January 1	**54,018**	**1,190**	**27,552**	**48,753**	**29,351**	**160,862**
Allocation	21,788	73	19,148	41,755	4,744	87,509
Accumulation of interest	518	13	-	-	98	629
Utilization	-20,099	-798	-17,024	-39,146	-6,865	-83,932
Reversal	-8,534	-	-4,779	-4,319	-3,212	-20,845
Reclassifications	0	-	8	-42,787	-8	-42,787
Change in the scope of consolidation	-2	-	0	-2	-7	-11
Currency translation effects	-787	1	-1,074	-1,222	-469	-3,552
December 31	**46,902**	**478**	**23,831**	**3,030**	**23,631**	**97,872**

Starting from fiscal year 2025, Dräger recognizes as accruals under trade payables the obligations for services that Dräger has already received, but the scope and therefore also the value of which are not yet clearly determined until a service notification or invoice is received, and have therefore been estimated. Previously, this obligation was reported as provisions for outstanding invoices on services received. The change in recognition is presented as a reclassification.

The warranty provisions were determined by reference to the warranty claims made in the past and specific known risks. The amounts and due dates of these provisions are subject to a degree of uncertainty regarding the probability of possible warranties and the amount of these warranties.

Provisions for potential losses largely concerned evaluated risks in project business.

Provisions for distribution primarily include provisions for expected credit notes and provisions for customer bonuses and commissions. These commissions relate to the contractual commission entitlements where the underlying intermediary transaction had not been finalized as at the balance sheet date, meaning that the obligations are not yet reported as liabilities. We do not consider the uncertainties regarding the amount or due dates of potential obligations to be significant.

Provisions for other obligations from ongoing business operations include obligations for litigation costs and risks, purchase guarantees and other taxes. We do not consider the uncertainties regarding the amount or due dates of potential obligations to be significant.

The utilization of other provisions is expected as follows:

Other provisions - maturities

in € thousand	up to 1 year	1 year to 5 years	more than 5 years	Total
Warranty provisions	33,212	13,689	-	46,902
Provisions for potential losses	478	-	-	478
Provisions for distribution	23,630	201	-	23,831
Provisions for outstanding invoices	3,030	-	-	3,030
Provisions for other obligations in the normal course of business	18,333	5,298	-	23,631
	78,684	**19,188**	**0**	**97,872**

33 Interest-bearing loans and liabilities to banks

Interest-bearing loans and liabilities to banks 2025

	Current			Non-current	Total
in € thousand		1 year to 5 years	more than 5 years	Total	
Liabilities to banks	18,681	153,006	741	153,748	172,429
Note loans (issued 2021)	50,000	50,000	-	50,000	100,000
	68,681	**203,006**	**741**	**203,748**	**272,429**

Interest-bearing loans and liabilities to banks 2024

	Current			Non-current	Total
in € thousand		1 year to 5 years	more than 5 years	Total	
Liabilities to banks	67,394	103,100	1,254	104,354	171,749
Note loans (issued 2021)	-	100,000	-	100,000	100,000
	67,394	**203,100**	**1,254**	**204,354**	**271,749**

The promissory note loans existing on the balance sheet date are not subject to any contractually regulated ordinary termination option.

The terms and conditions and the interest on interest-bearing loans and bank liabilities are as follows:

Terms and conditions and interest rates for interest-bearing loans and liabilites to banks

	2025			2024		
	Interest conditions	Interest rate in %	Total in € thousand	Interest conditions	Interest rate in %	Total in € thousand
Non-current liabilities to banks						
EUR	fixed	1.20 - 3.77	152,758	fixed	0.75 - 3.77	103,154
CZK	fixed	4.73	800	fixed	4.73	1,200
Others	fixed	4.77 - 12.00	190	fixed	-	-
			153,748			**104,354**
Non-current note loans						
EUR	fixed	0.85 - 1.00	50,000	fixed	0.85 - 1.00	100,000
			50,000			**100,000**
			203,748			**204,354**
Current liabilities to banks						
EUR	fixed	1.20	397	fixed	0.17 - 1.20	2,811
EUR	variable	2.86 - 7.25	8	variable	3.97 - 7.25	50,777
MXN	fixed	7.39 - 10.09	11,363	fixed	-	-
SAR	fixed	3.30 - 3.40	2,268	fixed	3.30 - 3.40	2,561
TWD	fixed	2.99	1,626	fixed	-	-
JPY	fixed	1.40	272	fixed	1.15	5,826
INR	fixed	6.00 - 9.00	224	fixed	6.00 - 9.00	1,206
ZAR	fixed	9.80	129	fixed	10.80	2,041
Others	fixed	4.73 - 12.00	654	fixed	4.73 - 4.75	400
Others	variable	25.00 - 65. 00	114	variable	10.00 - 60.00	35
already accrued interests	n/a	n/a	1,628	n/a	n/a	1,737
			18,681			**67,394**
Current note loans						
EUR	fixed	0.85 - 1.00	50,000	fixed	-	-
			50,000			**0**
			68,681			**67,394**

The financing of the production and logistics building for the infrastructure projects division in Lübeck, which was completed in fiscal year 2011, is secured by a land charge in the amount of EUR 10.8 million. The residual carrying amount of the asset as at the current reporting date is EUR 6.5 million (December 31, 2024: EUR 6.7 million). There are no other significant mortgages or assignments as security for the liabilities reported here.

As in the prior year, there were no delays or defaults in payment or other breaches of loan agreements in the current fiscal year.

34 Other financial liabilities

Other financial liabilities 2025

	Current			Non-current	Total
in € thousand		1 year to 5 years	more than 5 years	Total	
Trade payables to third parties	**282,082**	**-**	**-**	**0**	**282,082**
Other financial liabilities					
Lease liabilities	43,054	67,395	22,229	89,624	132,678
Negative fair values of derivative financial instruments	3,821	61	-	61	3,881
Repayment obligation Draeger Arabia LLC	-	-	27,399	27,399	27,399
Liabilities to employees	16,325	765	-	765	17,090
Debtors with credit balances	5,189	-	-	0	5,189
Liabilities to Drägerwerk Verwaltungs AG	12,750	-	-	0	12,750
Liabilities to associates	14	-	-	0	14
Other financial liabilities	1,233	1,152	-	1,152	2,384
	82,386	**69,372**	**49,628**	**119,000**	**201,387**
	364,469			**119,000**	**483,469**

Other financial liabilities 2024

	Current			Non-current	Total
in € thousand		1 year to 5 years	more than 5 years	Total	
Trade payables to third parties	**230,648**	**-**	**-**	**0**	**230,648**
Other financial liabilities					
Lease liabilities	41,258	64,851	17,723	82,574	123,832
Negative fair values of derivative financial instruments	5,758	83	-	83	5,841
Repayment obligation Draeger Arabia LLC	24,503	-	-	0	24,503
Liabilities to employees	14,311	88	-	88	14,399
Debtors with credit balances	5,743	-	-	0	5,743
Liabilities to Drägerwerk Verwaltungs AG	9,963	-	-	0	9,963
Other financial liabilities	2,429	4,637	-	4,637	7,066
	103,966	**69,659**	**17,723**	**87,382**	**191,348**
	334,614			**87,382**	**421,996**

Since fiscal year 2025, trade payables have included accruals for obligations relating to services that Dräger has already received, but the scope and therefore the value of which are not yet clearly determined until a service notification or invoice is received and have therefore been estimated. Previously, this obligation was reported as provisions for outstanding invoices on services received (refer to ↗ note 32).

A supplier finances its trade receivables from Dräger by means of a reverse factoring agreement. While the agreement provides for early settlement of the supplier's trade receivables from Dräger by the bank, this does not result in any adjustments to the timing or amount of payment for Dräger. The liabilities affected by this agreement continue to be reported as trade payables and amount to EUR 0 thousand as at December 31, 2025 (December 31, 2024: EUR 104 thousand).

The repayment obligation to the minority shareholder of Draeger Arabia LLC, Riyadh, Saudi Arabia is based on a shareholder agreement. The payment obligation to the minority shareholder represents a financial liability that is not recognized in equity but in liabilities. The puttable shares of the minority shareholder were initially recognized as a liability at the fair value of the expected payment obligation for Dräger at the time of termination. Subsequent recognition is at amortized cost. The repayment obligation was adjusted to current expectations in fiscal year 2025 in the amount of EUR 2,896 thousand, recognized in the interest result, and reclassified to non-current liabilities.

Other financial liabilities include payment obligations of EUR 2,021 thousand (2024: EUR 4,637 thousand) to the minority shareholders of STIMIT AG, Biel/Bienne, Switzerland, and AB Ulax, Motala, Sweden, arising from the

contractual option of the shareholders to offer their shares to the other shareholder. These payment obligations to minority shareholders constitute a financial liability that is recognized as debt, rather than recognized in equity.

For an explanation of lease liabilities, please refer to our comments on finance leases with the lessee (↗ note 37).

For derivative financial instruments reported under other financial liabilities, please refer to the overview of derivatives in the Dräger Group presented in ↗ note 36.

35 Other liabilities

Other liabilities

			2025			2024
in € thousand	Current	Non-current	Total	Current	Non-current	Total
Contract liabilities	155,795	44,344	200,139	169,967	43,572	213,539
Deferred other income	1,330	5,755	7,085	603	5,830	6,433
Other tax liabilities	61,200	-	61,200	52,440	-	52,440
Other liabilities to employees and for social security	42,481	-	42,481	40,872	-	40,872
Remaining other liabilities	2,293	3,148	5,441	948	468	1,416
	263,099	**53,247**	**316,347**	**264,831**	**49,869**	**314,700**

Contract liabilities are composed of EUR 114,322 thousand from accrued net sales (2024: EUR 111,350 thousand) and EUR 85,817 thousand from prepayments received (2024: EUR 102,189 thousand).

Deferred other income includes accruals of other income and, in the amount of EUR 0 thousand (2024: EUR 493 thousand), deferred performance obligations from a grant received from the European Commission for research and development in the field of digitalization. Several companies and universities are participating in this research project (consortium partners). Dräger itself is the consortium sponsor, contact partner and coordinator. Each consortium partner has specific work packages for which they are solely responsible. The work packages are divided into milestones. Dräger still has work to do to achieve the future milestones. However, there are currently no indications that the milestones will not be met.

36 Financial instruments

A) Structure of financial instruments and their measurement

The structure of the financial instruments of the Group, their classification, and the resulting measurement are shown below. In addition, financial assets and liabilities that are regularly measured at fair value are assigned to the three levels of the fair value hierarchy and their corresponding fair values are disclosed.

For an explanation of the measurement categories, please refer to our comments on the measurement of financial assets and liabilities in ↗ note 8.

Classification, measurement and fair values of financial assets and liabilities 2025

				Carrying amount		Fair value
		Valuation under IFRS 9		No valuation under IFRS 9		
in € thousand	December 31, 2025	Amortized cost	Fair value through profit and loss		December 31, 2025	Level
Financial assets						
Trade receivables	814,754	814,754				
Cash and cash equivalents	282,103	282,103				
Other financial assets	**100,938**					
thereof other investments	29,812		29,812		29,812	3
thereof derivatives (without hedging relation)	2,122		2,122		2,122	2
thereof finance lease receivables (lessor)	8,483			8,483		
thereof debt instruments	2,635		2,635		2,635	1
thereof other	57,885	57,885				
Total financial assets	**1,197,795**					
Financial liabilities						
Trade payables	282,082	282,082				
Loans and liabilities to banks	272,429	272,429			272,995	2
Other financial liabilities	**201,387**					
thereof derivatives (without hedging relation)	3,881		3,881		3,881	2
thereof lease liabilities	132,678			132,678		
thereof repayment obligation Draeger Arabia LLC	27,399	27,399				
thereof liabilities to employees	17,090			17,090		
thereof other	20,338	20,338				
Total financial liabilities	**755,898**					

Classification, measurement and fair values of financial assets and liabilities 2024

	Carrying amount				Fair value	
		Valuation under IFRS 9		No valuation under IFRS 9		
in € thousand	December 31, 2024	Amortized cost	Fair value through profit and loss		December 31, 2024	Level
Financial assets						
Trade receivables	793,382	793,382				
Cash and cash equivalents	230,599	230,599				
Other financial assets	**81,169**					
thereof other investments	15,997		15,997		15,997	3
thereof derivatives (with hedging relation)	5,865			5,865		
thereof derivatives (without hedging relation)	4,557		4,557		4,557	2
thereof finance lease receivables (lessor)	7,402			7,402		
thereof debt instruments	3,468		3,468		3,468	1
thereof other	43,879	43,879				
Total financial assets	**1,105,150**					
Financial liabilities						
Trade payables	230,648	230,648				
Loans and liabilities to banks	271,749	271,749			259,809	2
Other financial liabilities	**191,348**					
thereof derivatives (with hedging relation)	3,907			3,907		
thereof derivatives (without hedging relation)	1,934		1,934		1,934	2
thereof lease liabilities	123,832			123,832		
thereof repayment obligation Draeger Arabia LLC	24,503	24,503				
thereof liabilities to employees	14,399			14,399		
thereof other	22,773	22,773				
Total financial liabilities	**693,744**					

No financial assets were reclassified in the Dräger Group in the past two fiscal years.

Valuation level 1:
Fair value is measured using prices in active markets for identical financial assets or financial liabilities. It largely affects an Argentinian bond (BOPREAL, Bono para la Reconstrucción de una Argentina Libre), which represents a security denominated in US dollars and was issued by the Argentinian Central Bank (BCRA) for importers with outstanding debt on December 12, 2023 for goods and services rendered. The fair values of non-current securities are based on current stock market prices.

Valuation level 2:
Measurement uses largely observable input factors that can be directly (i.e., price) or indirectly (i.e., derived from prices) observed for financial assets or financial liabilities; these do not include any listed prices taken into consideration in level 1.

Dräger applies the discounted cash flow method when measuring derivatives. Expected cash flows are determined on the basis of secured prices and/or interest rates and the observable closing rates and/or interest rates, which are then discounted using an interest rate that takes into account Dräger's company-specific risks.

The fair values of level 2 financial assets and liabilities measured at amortized cost were determined using the discounted cash flow method by replacing the interest rates used in the initial calculation of non-current financial assets and liabilities with interest rates derived from current company-related interest rate curves on the balance sheet date. These interest rates range from 2.45% for cash flows in fiscal year 2026 to 3.24% for cash flows in fiscal year 2030 for loans and bank liabilities. An increase in the interest rates taken into account would lead to a reduction in the fair values. No adjustment was made to the interest rates of 8.28% and 6.19% for the two leasehold contracts recognized in fiscal years 2013 and 2016 (terms up to fiscal year 2103).

Valuation level 3:
Fair value is measured using factors not based on observable market data for the measurement of the financial asset or the financial liability (unobservable input factors). These are already classified as level 3 when there is an unobservable input factor present that significantly influences the measurement. In the Dräger Group, equity instruments are classified as assets and payment obligations to shareholders of non-controlling interests as liabilities in valuation level 3.

The fair value of two high-tech start-up funds is determined using the >price of recent investment< method, for which the value of the last financing round is used. The remaining equity instruments were valued in fiscal year 2025 on the basis of the valuation in connection with a capital increase on the one hand and on the basis of company information on the other. For these, Dräger applied the discounted cash flow method in the prior year, taking all significant parameters into account (the risk-adjusted discount rate applied was between 6.78% and 6.85%).

The equity instruments in valuation level 3 developed as follows:

Development of equity instruments (level 3)

in € thousand	2025	2024
January 1	**15,997**	**14,044**
Currency translation effects	-	14
Additions	9,562	3,627
Disposals	-	-241
Measurement through profit and loss	4,253	-1,447
December 31	**29,812**	**15,997**

There were no changes between the measurement levels in the past two fiscal years. A change between the measurement levels would have taken place at the end of the fiscal year.

Net result from financial instruments (without interest result)
Net profit or loss from financial instruments (without interest result) recorded in fiscal year is composed as follows:

Net result from financial instruments (without interest result)

in € thousand	2025	2024
Financial assets measured at amortized cost	-8,532	-1,968
Assets measured at fair value through profit or loss	1,831	-2,596
Equity instruments measured at fair value through profit or loss	1	0
Derivatives measured at fair value through profit or loss	-7,593	9,163
Financial liabilities measured at amortized cost	2,156	1,512
	-12,137	**6,111**

Net result from financial instruments (without interest result) in the reporting year mostly comprised changes in value from impairments, reversals of impairments, and profit or loss from currency futures, as in the prior year.

Interest result from financial instruments

Interest result from financial instruments recorded in the fiscal year is composed as follows:

Interest result from financial instruments

in € thousand	2025	2024
Financial assets measured at amortized cost	10,076	8,424
Debt instruments measured at fair value through profit or loss	52	96
Financial liabilities measured at amortized cost	-13,252	-12,154
	-3,124	**-3,634**

For the composition of interest expense on financial liabilities measured at amortized cost, please refer to our comments in ↗ note 16.

B) Financial risk management

As a company operating on an international scale, the Dräger Group is exposed to liquidity risk and default risk as well as risks from changes in exchange rates and interest rates.

The aim of financial risk management is to shed light on financial risks posed to the Dräger Group and mitigate them through suitable measures. The systematic detection, control, and monitoring of risk positions is intended to counteract developments that threaten the Company's existence at an early stage and secure the Company's continued existence in the long term.

Derivative financial instruments are used to hedge existing underlying transactions in order to reduce currency and interest rate risks. These derivatives are used exclusively as hedging instruments and are generally not concluded for speculative purposes.

The following derivative financial instruments were held as at the balance sheet date:

Derivative financial instruments

	Nominal value						Fair value
in € thousand		Non-current	Current	Assets total	Non-current	Current	Equity and liabilities total
2025							
Currency futures							
Without a hedging relationship recognized in the balance sheet	376,996	164	1,959	2,122	61	3,821	3,881
	376,996	**164**	**1,959**	**2,122**	**61**	**3,821**	**3,881**
2024							
Currency futures							
Without a hedging relationship recognized in the balance sheet	308,538	17	4,540	4,557	83	1,851	1,934
In conjunction with cash flow hedges	291,376	-	5,865	5,865	-	3,907	3,907
	599,914	**17**	**10,405**	**10,422**	**83**	**5,758**	**5,841**

The Treasury department is responsible for treasury management, secures the Group's liquidity, and monitors its interest risks. Together with Controlling, it monitors and hedges currency risks. The organizational structures and processes, and the Group's internal treasury policy, ensure transparency and security. Responsibilities for trading (front office) and completing (back office) financial transactions are separated.

The basic principles of the Dräger Group's financial policy are defined and monitored by a committee consisting of the Chief Financial Officer and participants from the Treasury, Tax, Accounting and Controlling departments. The financial policies as well as financial risk management for liquidity, currency, and interest rate risks are implemented centrally by the Treasury department. For further information on risk management, please refer to the combined management report.

Liquidity risk

Drägerwerk AG & Co. KGaA mitigates its liquidity risk by diversifying the maturity structure of its financing instruments so as to ensure the Dräger Group's solvency and financial flexibility at all times. Drägerwerk AG & Co. KGaA also has various non-current and current liabilities to banks as well as a liquidity reserve comprising freely available credit facilities with numerous banks with which it has concluded bilateral agreements. Due to the maturity structure of these financing instruments, Drägerwerk AG & Co. KGaA has only a limited prolongation risk.

The following analysis of the maturities of financial liabilities (contractually agreed, non-discounted payments) shows the influence on the Group's liquidity situation:

Maturities of financial liabilities 2025

in € thousand	2026	2027	2028 to 2030	from 2031	Total
Derivative financial liabilities					
Foreign currency derivatives – cash outflow	169,676	661	-	-	170,336
Foreign currency derivatives – cash inflow	-163,859	-587	-	-	-164,445
	5,817	**74**	**0**	**0**	**5,891**
Non-derivative financial liabilities					
Interest-bearing loans and liabilities to banks	76,448	724	208,302	743	286,218
Trade payables	282,082	-	-	-	282,082
Lease liabilities	43,054	33,402	43,434	43,877	163,767
Other financial liabilities	35,511	1,930	25	44,935	82,401
	437,096	**36,056**	**251,761**	**89,555**	**814,469**
	442,913	**36,130**	**251,761**	**89,555**	**820,360**

Maturities of financial liabilities 2024

in € thousand	2025	2026	2027 to 2029	from 2030	Total
Derivative financial liabilities					
Foreign currency derivatives – cash outflow	276,943	1,616	1,973	-	280,532
Foreign currency derivatives – cash inflow	-270,271	-1,546	-1,895	-	-273,711
	6,673	**70**	**78**	**0**	**6,821**
Non-derivative financial liabilities					
Interest-bearing loans and liabilities to banks	67,599	55,127	158,628	1,269	282,624
Trade payables	230,648	-	-	-	230,648
Lease liabilities	41,258	32,150	40,931	39,469	153,808
Other financial liabilities	56,950	39	49	-	57,038
	396,455	**87,316**	**199,609**	**40,738**	**724,117**
	403,127	**87,386**	**199,687**	**40,738**	**730,938**

Currency risk

The Group's currency risks arise from financial instruments denominated in foreign currencies that have been acquired in the course of its operating activities or as a result of investment and financing measures.

The aim of our currency risk management is the reduction of the impact of exchange rate fluctuations on Group EBIT, taking into account the cost-effectiveness of the hedging methods used. Non-cash currency risks resulting from the consolidation of the balance sheet and consolidated income statement of foreign subsidiaries (translation risk) are generally not hedged. Currency risks are netted by offsetting income and costs or assets and liabilities for each currency.

Foreign currency risks arising from recognized assets or liabilities are hedged using forward exchange contracts with matching maturities, which are measured at fair value through profit or loss.

Starting in fiscal year 2025, operating foreign currency risks will be hedged in the same way as risk positions from investment and financing activities based on recognized assets or liabilities. We ended our strategy for hedging operating currency risks based on planned foreign currency positions at the end of fiscal year 2024. The application of IFRS 9 (Hedge accounting) for the accounting of hedging relationships will therefore cease at the beginning of fiscal year 2025.

The development of currency risks is monitored continuously. We respond flexibly to significant changes in risk positions within the framework of the Group hedging strategy by implementing appropriate risk mitigation measures or suitable derivative hedging instruments.

The nominal volumes of foreign currency hedging instruments in the prior year are distributed as follows:

Nominal volumes of foreign currency hedging instruments

			Residual terms	Total nominal volume	Average hedging rate/price
in € million	up to 1 year	1 to 5 years	over 5 years	December 31	December 31
2024					
Currency futures CNY	74.5	-	-	74.5	7.8
Currency futures JPY	32.8	-	-	32.8	158.6
Currency futures AUD	32.7	-	-	32.7	1.7
Currency futures MXN	27.5	-	-	27.5	20.8
Currency futures BRL	23.2	-	-	23.2	6.0
Currency futures PLN	19.8	-	-	19.8	4.4
Currency futures THB	18.6	-	-	18.6	38.3
Currency futures CHF	13.6	-	-	13.6	0.9
Currency futures CAD	10.1	-	-	10.1	1.5
Currency futures TWD	8.3	-	-	8.3	34.0
Total other currency areas	25.7	-	-	25.7	n/a

In the prior year, the sum of other currency areas includes the currency futures in five currencies, whose combined nominal volumes represent only 9% of the total volume.

The effects of these currency hedging transactions on the consolidated balance sheet for 2024 are as follows:

Disclosures on hedging instruments as part of foreign currency cash flow hedges

in € million	Carrying amount	Balance sheet items	Change in fair value to determine ineffectiveness	Nominal volume
2024				
Currency futures				
Derivative assets	5.9	Other financial assets	6.7	135.4
Derivative liabilities	3.9	Other financial liabilities	4.5	156.0

Changes in fair value to determine ineffectiveness only include changes to spot components.

The effects of the hedged items on the consolidated balance sheet only include the changes to the spot component and are as follows:

Disclosures on underlying transactions as part of foreign currency cash flow hedges

in € million	2025	2024
Value change to the hedged item period to determine ineffectiveness	-	2.2
Status of hedging reserve and currency reserve of active cash flow hedges	-	0.5

The effects of foreign currency cash flow hedges on the consolidated income statement and other comprehensive income only include the changes in the spot component and are as follows:

Disclosures on gains and losses from foreign currency cash flow hedges

in € million	2025	2024
Gain or loss from cash flow hedges recognized in equity	5.0	6.2
Ineffectiveness recognized in the income statement	-0.0	0.0
Items in the statement of comprehensive income containing the recognized ineffectiveness	Cost of sales	Cost of sales
Reclassifications from the cash flow hedge reserve to the income statement		
due to early termination of the cash flow hedge	-0.5	-0.1
due to the recognition of the hedged item in the income statement	-6.9	-8.7
Items in the statement of comprehensive income containing the reclassification	Net sales / cost of sales	Net sales / cost of sales

The foreign currency cash flow hedge reserves pursuant to IFRS 9 developed as follows:

Development of foreign currency cash flow hedge reserves

	2025		2024	
in € million	Hedge reserves	Costs of hedging	Hedge reserves	Costs of hedging
January 1	**0.5**	**0.2**	**1.4**	**-0.8**
Gain or loss from effective hedge accounting	6.8	-1.8	8.0	-1.8
Reclassifications due to amended expectations regarding the occurence of the hedged item	-0.5	0.1	-0.1	0.1
Reclassifications due to recognition of the hedged item	-6.9	1.5	-8.7	2.8
December 31	**0**	**0**	**0.5**	**0.2**

In order to better illustrate existing currency risks, the effects of hypothetical changes in relevant currencies on net profit and equity are discussed below on the basis of a currency sensitivity analysis. For this purpose, it was assumed that most original monetary financial instruments are already denominated in the functional currency or have been converted into the functional currency using derivative financial instruments (such as the Mexican peso and Saudi riyal). Currency risks therefore arise from the unhedged monetary financial instruments in foreign currencies in respect of which currency fluctuations affect profit or loss.

As of the balance sheet date, we recorded significant risk positions after hedging in British pounds, US dollars, and Indian rupees. The risk positions as of December 31, 2025, amount to EUR 16.0 million for the British pound (December 31, 2024: EUR 19.1 million), EUR 16.3 million for the US dollar (December 31, 2024: EUR 24.5 million), and EUR 10.2 million for the Indian rupee (December 31, 2024: EUR 33.3 million). A hypothetical strengthening/weakening of the euro against these foreign currencies by 10% as at the reporting date, with all other variables remaining the same, would have the following impact on earnings after taxes and other comprehensive income in equity (pursuant to IFRS 7):

Exchange rate sensitivity

	2025		2024	
		Influence to		Influence to
in € million	Earnings after taxes	other comprehensive income in equity	Earnings after taxes	other comprehensive income in equity
US dollar				
Euro up 10%	1.0	-	-1.5	-
Euro down 10%	-1.2	-	1.9	-
British pound				
Euro up 10%	1.0	-	1.2	-
Euro down 10%	-1.2	-	-1.5	-
Indian rupee				
Euro up 10%	-0.6	-	-2.1	-
Euro down 10%	0.8	-	2.5	-

Interest rate risk

Changes in market interest rates also arise from variable-rate, long-term loan liabilities or the use of variable-rate overdraft facilities. Depending on the risk position and market situation, we hedge variable debt interest rates through standard interest rate hedging products where appropriate. Changes in the market interest rate of primary financial instruments with fixed interest rates only affect the result if they are recognized at fair value. As a result, none of the fixed-interest financial instruments recognized at amortized cost poses an interest rate risk that would affect cash flows.

In order to better illustrate existing interest rate risks, the effects of hypothetical changes in market interest rates on the overall result for the year are discussed below on the basis of an interest rate sensitivity analysis. A hypothetical increase in the market interest rate level by 100 basis points (2024: 100 basis points) as of the balance sheet date, with all other variables remaining constant, would increase earnings after tax by EUR 140 thousand (2024: EUR –348 thousand). A hypothetical decrease in the market interest rate level by 100 basis points (2024: 100 basis points) as of the balance sheet date, with all other variables remaining constant, would reduce earnings after tax by EUR 140 thousand (2024: EUR 348 thousand).

Credit risk

The maximum default risk is shown by the carrying amount of each financial asset recognized in the balance sheet. In terms of derivates and cash and cash equivalents, the Dräger Group assumes that the contractual partners will fulfill their obligations, as these are exclusively financial institutions with an investment grade rating. In terms of trade receivables, Dräger's customer structure in the medical division mainly involves public or private hospitals, while customers in the safety division are public organizations (fire service, police, etc.) as well as companies from the chemical, oil, and gas industries and other industries. Consequently, the Group considers that its maximum exposure is reflected by the amount of trade receivables and other current assets, less impairments on these assets and received collateral recognized as at the balance sheet. Trade receivables amounting to EUR 1,543 thousand (2024: EUR 1,756 thousand) are mainly secured by letters of credit or bank guarantees. There are no other financial assets or liabilities that are covered by financial collateral (including cash collateral). Dräger does not hold collateral in the form of financial or non-financial assets.

Dräger bases its calculation of impairment losses on the fundamental assumptions and requirements of IFRS 9. Impairment losses on receivables are already made at the time the receivable arises. Trade and other receivables without material financing components are based on expected payment defaults throughout the whole contractual term. For receivables with material financing components, impairments are generally based on the expected payment defaults in the following twelve months. Expected payment defaults over the whole contractual term are only calculated for these receivables if the credit risks of the receivables increase significantly over time. The expected defaults are generally estimated individually for each receivable, taking into account different factors, in particular the credit rating of the debtor, partly using empirical values of homogeneous groups of receivables.

There are no significant risk concentrations relating to credit risks in connection with trade receivables. Trade receivables are mainly attributable to a very large number of customers.

Trade receivables and contract assets continue to represent more than 90% of Dräger's financial assets measured at amortized cost (excluding cash and cash equivalents). Dräger applies the simplified approach for these financial assets, whereby risk provisions are measured in the amount of the expected losses from default for the entire term, both at initial recognition and on all subsequent reporting dates. Expected payment defaults in the future are recognized and these risk provisions are adjusted at each reporting date so as to recognize possible credit risks on the balance sheet of trade receivables without material financing components and contract assets.

As contract assets have the same risk profile as trade receivables, the calculated default rate for trade receivables was also applied to the portfolio of contract assets. Accordingly, for the portfolio of contract assets amounting to EUR 58,307 thousand (2024: EUR 52,982 thousand), a risk provision of EUR 114 thousand (2024: EUR 96 thousand) was recognized.

In line with the simplified approach, risk provisions totaling EUR 41,794 thousand (2024: EUR 44,651 thousand) were recognized for gross carrying amounts totaling EUR 914,740 thousand (2024: EUR 890,919 thousand). Impairment losses are recognized if there is objective evidence of impairment of receivables and are shown in the table.

Risk provisions for trade receivables and contract assets were calculated as follows:

Calculating risk provisions for trade receivables and contract assets

in € thousand	not due	due in < 30 days	due in 30 to 59 days	due in 60 to 89 days	due in 90 to 119 days	due in >= 120 days	Risk provisions in total	Impairment	Total
December 31, 2025									
Gross carrying amounts of trade receivables and contract assets	653,815	87,974	30,304	23,334	10,787	61,523		47,003	914,740
Risk provisions	1,223	145	77	74	27	523	2,067	39,727	41,794
Loss rate	0.2%	0.2%	0.3%	0.3%	0.2%	0.8%			
December 31, 2024									
Gross carrying amounts of trade receivables and contract assets	607,084	98,353	36,186	19,738	11,180	56,536		61,842	890,919
Risk provisions	1,044	187	88	54	33	199	1,604	43,047	44,651
Loss rate	0.2%	0.2%	0.2%	0.3%	0.3%	0.4%			

The development of risk provisions according to IFRS 9 is as follows:

Reconciliation of risk provisions for trade receivables and contract assets (level 2 and 3)

in € thousand	Level 2 - Risk provision	Level 3 - Credit-impaired value	Total
January 1, 2024	**1,563**	**45,317**	**46,880**
Allocation	392	9,052	9,445
Utilization	-	-4,797	-4,797
Reversal	-372	-7,294	-7,666
Currency translation effects	21	768	789
December 31, 2024 / January 1, 2025	**1,604**	**43,047**	**44,651**
Allocation	827	8,240	9,067
Utilization	-	-4,112	-4,112
Reversal	-246	-4,923	-5,168
Currency translation effects	-118	-2,525	-2,644
December 31, 2025	**2,067**	**39,727**	**41,794**

The risk provision includes EUR 114 thousand (2024: EUR 96 thousand) for contract assets. EUR 38 thousand (2024: EUR 26 thousand) were allocated and EUR 13 thousand (2024: EUR 43 thousand) were used. As before, no impairment losses were recognized on contract assets.

During the reporting period, Dräger wrote off trade receivables in the amount of EUR 0 thousand (2024: EUR 162 thousand) for which enforcement measures have not yet been completed.

All other financial assets at Dräger that are classified at amortized cost were measured at the 12-month expected default losses. A default is assumed here if contractual payments are 90 days overdue. This presumption can be rebutted for individual assets. The analysis of historical defaults and loss ratios for individual countries showed that, due to local characteristics, a default event only occurs after a period of 720 days of delinquency. At the same time, in certain cases, a default can be assumed for a financial asset if internal or external information determines outstanding contractual amounts to be uncollectible. In this case, a risk provision must be recognized in the amount of the expected default losses over the remaining term. On this basis, a risk provision totaling EUR 44 thousand (2024: EUR 52 thousand) was recognized for gross carrying amounts totaling EUR 57,885 thousand (2024: EUR 43,879 thousand).

The assets in question mainly involve notes receivables, receivables from commissioning agents, and security deposits, for which no defaults were to be recognized in the past.

The development of the risk provisions in level 1 according to IFRS 9 is as follows:

Reconciliation of risk provisions for other financial assets (level 1 and 3)

in € thousand	Level 1 - Risk provision (expected 12-month loss)	Level 3 - Credit-impaired value	Total
January 1, 2024	**34**	**10,287**	**10,321**
Allocation	18	446	464
Utilization	-	-459	-459
Currency translation effects	-	333	333
December 31, 2024 / January 1, 2025	**52**	**10,606**	**10,658**
Allocation	-	182	182
Utilization	-	-247	-247
Reversal	-8	-	-8
Currency translation effects	-	-634	-634
December 31, 2025	**44**	**9,908**	**9,953**

During the reporting period, no material changes were made to estimation procedures or significant assumptions.

Dräger does not hold any financial assets that were already impaired in their credit rating at the point at which they were acquired or originated.

Netting of financial assets and liabilities

The following financial assets and liabilities are subject to netting due to contractually agreed offsetting procedures:

Netting of financial assets 2025

in € thousand	Gross amounts of financial assets	Amount of netted financial liabilities	Recognized net amout 2025	Unnetted amount of a netting agreement	Net amount 2025
Positive derivative financial instruments	2,122	-	2,122	-	2,122
Cash and cash equivalents	282,103	-	282,103	-1	282,103
	284,226	**0**	**284,226**	**-1**	**284,225**

Netting of financial assets 2024

in € thousand	Gross amounts of financial assets	Amount of netted financial liabilities	Recognized net amount 2024	Unnetted amount of a netting agreement	Net amount 2024
Positive derivative financial instruments	10,422	-	10,422	-4,355	6,067
Cash and cash equivalents	230,599	-	230,599	-2,819	227,781
	241,022	**0**	**241,022**	**-7,173**	**233,848**

Netting of financial liabilities 2025

in € thousand	Gross amounts of financial liabilities	Amount of netted financial assets	Recognized net amout 2025	Unnetted amount of a netting agreement	Net amount 2025
Negative derivative financial instruments	3,881	-	3,881	-1,830	2,052
Liabilities to banks	172,429	-	172,429	-72	172,357
	176,310	**0**	**176,310**	**-1,901**	**174,408**

Netting of financial liabilities 2024

in € thousand	Gross amounts of financial liabilities	Amount of netted financial assets	Recognized net amount 2024	Unnetted amount of a netting agreement	Net amount 2024
Negative derivative financial instruments	5,841	-	5,841	-1,100	4,741
Liabilities to banks	171,749	-	171,749	-149	171,600
	177,590	**0**	**177,590**	**-1,249**	**176,341**

The offsetting potential shown results on the one hand from the respective banks' basic offsetting claims in the event of liquidity problems. On the other hand, there are offsetting claims for groups of banks within the framework of agreements on credit lines concluded with these banks. No balancing has been carried out to date due to non-fulfillment of the requirements.

As before, no offsetting claims exist from operating activities within the scope of supply and service relationships.

37 Leasing

Contracts recognized under IFRS 16 as leases are explained below.

A) Dräger Group as lessee

Property leased by the Dräger Group primarily includes real estate as well as factory and office equipment (particularly the vehicle fleet). The most significant obligations assumed under the lease terms comprise rental payments, the upkeep of the facilities and equipment, insurance, and taxes on capital. Only lease payments are included in the calculation of the right-of-use assets. The terms of the leases are generally between one and nine years and include renewal options under various conditions.

Lessee accounting

The carrying amounts and depreciation and amortization of right-of-use assets capitalized within the scope of lessee accounting are split across the following asset classes:

Right-of-use assets 2025

in € thousand	Land, equivalent titles and buildings	Other plant, factory and office equipment	Leased equipment	Total
Carrying value as at January 1	76,716	39,120	-	115,836
Carrying value as at December 31	85,051	41,042	-	126,093
Additions in fiscal year	33,987	29,654	-	63,641
Amortization in fiscal year	-22,154	-25,966	-	-48,119

Right-of-use assets 2024

in € thousand	Land, equivalent titles and buildings	Other plant, factory and office equipment	Leased equipment	Total
Carrying value as at January 1	78,093	37,011	-	115,104
Carrying value as at December 31	76,716	39,120	-	115,836
Additions in fiscal year	22,658	27,516	-	50,174
Amortization in fiscal year	-23,420	-24,109	-	-47,530

Lease liabilities and their maturities are presented in ↗ note 36. Possible additional payments from options amounting to EUR 23,994 thousand (2024: EUR 24,056 thousand) for which there was no reasonable certainty of exercise at the valuation date were not included in the valuation of lease liabilities.

These leases had the following effects on the income statement:

Expenses from lease contracts (lessee)

in € thousand	2025	2024
Amortization of right-of-use assets	48,119	47,530
Interest expenses for lease obligations	6,936	6,590
Expenses for short-term leases	3,529	3,292
Expenses for low-value leases	1,715	2,499
	60,300	**59,910**

Lease payments, consisting of fixed lease payments, interest payments, and payments for low-value and short-term leases, amount to EUR 60,466 thousand (2024: EUR 58,483 thousand).

Income of EUR 217 thousand (2024: EUR 203 thousand) was generated from subleases in the fiscal year.

B) Dräger Group as lessor

Lessor – finance leases

The Dräger Group's main finance leases relate to medical equipment, as well as solutions products and personal protection products.

Receivables from future lease payments outstanding are shown below:

Receivables from future lease payments outstanding

in € thousand	2025	2024
Due in less than 1 year	2,070	1,607
Due in 1 to 2 years	1,857	1,442
Due in 2 to 3 years	1,748	1,292
Due in 3 to 4 years	1,531	1,175
Due in 4 to 5 years	1,386	984
Due in more than 5 years	2,638	2,255
Undiscounted lease payments	**11,229**	**8,754**
Unearned finance income	2,746	1,352
Net investments in leases	**8,483**	**7,402**

The following table shows the amounts recognized in the income statement:

Amounts from finance leases recognized in the income statement

in € thousand	2025	2024
Selling profit for finance leases	310	648
Finance income on the net investment in finance leases	462	240
	772	**889**

No impairments on receivables from irrecoverable minimum lease payments were required.

Lessor – operating leases

The Dräger Group's main operating leases relate to medical equipment, solutions, and gas detection products, as well as building space.

Leased building space is included in the Group's property, plant, and equipment at its historical acquisition cost of EUR 19,310 thousand (2024: EUR 23,824 thousand) and accumulated depreciation of EUR 16,213 thousand (2024: EUR 20,033 thousand). Depreciation and amortization for the fiscal year amounted to EUR 336 thousand (2024: EUR 773 thousand).

Dräger reports leased assets (products) separately under property, plant and equipment (see ↗ note 22).

The future outstanding minimum lease payments under non-cancelable operating leases are distributed as follows:

Minimum lease payments

in € thousand	2025	2024
Payments in the first year	32,984	40,831
Payments from the first to second year	7,511	8,017
Payments from the second to third year	4,801	5,511
Payments from the third to fourth year	3,169	2,579
Payments from the fourth to fifth year	2,648	2,207
Payments after five years	2,370	1,006
	53,483	**60,149**

As in the prior year, no contingent rents were agreed in the fiscal year.

38 Contingent liabilities and other financial obligations

There is a commitment to a supplier for a possible future liquidity grant of EUR 5,000 thousand. It is assumed that this will not be utilized. Furthermore, as in the prior year, the Dräger Group did not have any contingent liabilities.

Other financial obligations

Other financial obligations amounted to a total of EUR 67,820 thousand (2024: EUR 29,407 thousand) as of December 31, 2025 and break down as follows:

a) Rental and lease agreements

Other financial obligations from rental and lease contracts amount to EUR 32,674 thousand (2024: EUR 17,894 thousand).

b) Purchase obligations

In line with the usual requirements, the Dräger Group has also entered into purchase obligations with other service providers in order to guarantee the availability of IT services. Due to the centralization of IT activities at Drägerwerk AG & Co. KGaA, the Company assumed all existing long-term obligations to IT service providers of the medical and safety divisions. As of December 31, 2025, there were obligations to purchase intangible assets of EUR 85 thousand (2024: EUR 88 thousand) and property, plant and equipment of EUR 35,061 thousand (2024: EUR 11,425 thousand) as a result of outstanding orders.

c) Litigation

Companies within the Dräger Group were involved in legal disputes and claims for damages in connection with their business activities as of December 31, 2025. The Executive Board of the general partner believes that the outcome of such litigation and claims will not have any further material adverse effect on the Company's net assets, financial position, or results of operations over and above the provisions which have already been recognized.

It is not to be expected that these contingent liabilities will become actual liabilities for which no provisions have been recognized yet.

d) Other contingent liabilities

A company of the Dräger Group is currently in dialog with an authority to clarify compliance with import regulations agreed in individual contracts. Financial effects cannot be estimated at this time.

39 Segment report

Business performance of the segments

		Medical division		Safety division		Twelve months Dräger Group	
		2025	2024	2025	2024	2025	2024
Order intake	**€ million**	**2,046.6**	**1,924.1**	**1,522.8**	**1,456.4**	**3,569.4**	**3,380.5**
thereof Germany	€ million	441.1	426.0	368.8	385.8	809.9	811.8
thereof EMEA	€ million	725.3	674.2	696.7	625.7	1,422.0	1,299.9
thereof Americas	€ million	550.5	481.1	257.1	242.8	807.6	723.9
thereof APAC	€ million	329.7	342.8	200.2	202.1	529.9	544.9
Net sales	**€ million**	**1,995.6**	**1,899.7**	**1,486.3**	**1,471.2**	**3,481.9**	**3,370.9**
thereof Germany	€ million	435.0	406.8	369.4	369.0	804.3	775.8
thereof EMEA	€ million	733.4	678.6	663.3	631.9	1,396.7	1,310.5
thereof Americas	€ million	493.3	474.1	244.1	262.7	737.4	736.8
thereof APAC	€ million	333.9	340.2	209.5	207.6	543.4	547.8
Cost of goods sold	€ million	-1,124.7	-1,082.4	-782.8	-776.0	-1,907.5	-1,858.4
Gross profit / net sales	%	43.6	43.0	47.3	47.3	45.2	44.9
Functional expenses	€ million	-817.7	-786.6	-528.6	-519.9	-1,346.3	-1,306.4
Financial Result (before Interest result)	€ million	3.8	-2.5	1.5	-9.5	5.3	-12.0
		0	0	0	0	0	0
EBIT [1]	**€ million**	**57.0**	**28.3**	**176.4**	**165.7**	**233.4**	**194.0**
Depreciation/amortization	€ million	63.6	64.0	69.2	71.6	132.7	135.6
Impairment	€ million	10.5	4.2	3.3	7.8	13.8	12.0
Write-up	€ million	-0.6	-0.1	-1.7	-1.7	-2.4	-1.8
EBITDA [2]	**€ million**	**130.4**	**96.3**	**247.1**	**243.5**	**377.6**	**339.9**
thereof other significant income and expense items							
Income from the disposal of a business area	€ million	-	-	-	15.4	-	15.4
Income from the disposal of real estate	€ million	-	9.2	-	5.0	-	14.2
Income from the adjustment of a put option	€ million	-	6.0	-	-	-	6.0
Impairment in connection with an associated company	€ million	-	-	-	-10.3	-	-10.3
Other significant income and expense items	€ million	-	-	-	-3.2	-	-3.2
	€ million	**0**	**15.2**	**0**	**6.9**	**0**	**22.1**
Capital employed [3, 4]	€ million	921.5	899.9	739.2	701.0	1,660.7	1,601.0
EBIT [1] / net sales	%	2.9	1.5	11.9	11.3	6.7	5.8
EBIT [1, 5] / capital employed [3, 4] (ROCE)	%	6.2	3.1	23.9	23.6	14.1	12.1
DVA [5, 6]	€ million	-22.9	-50.1	113.0	104.3	90.1	54.3

[1] EBIT = Earnings before net interest result and income taxes
[2] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[3] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[4] Value as at reporting date
[5] Value of the last twelve months
[6] Dräger Value Added = EBIT less cost of capital of average capital employed

Segment reporting in the annual report is geared towards the organizational and management system pursuant to IFRS 8. The chief operating decision maker is the Executive Board.

On the one hand, Dräger develops, produces and markets system solutions, devices and services in the medical division, which contribute towards the optimization of processes in acute care. These include emergency medicine, the perioperative area (in connection with surgery), intensive care, and perinatal medicine (obstetrics).

On the other, Dräger develops, produces and markets products, system solutions and services in the safety division for personal protection, gas measurement technology and comprehensive risk management. Its customers come from industry, mining, and public sectors such as fire departments, police, and disaster protection.

The segment reports were prepared in accordance with IFRS as applied in the Group financial statements.

At Group level, the key figures from the segment report are as follows:

EBIT

in € million	2025	2024
Net profit	140.4	124.8
+ Interest result	17.7	18.6
+ Income taxes	75.3	50.6
EBIT	**233.4**	**194.0**

Calculation of capital employed

in € million	December 31, 2025	December 31, 2024
Total assets	3,163.1	3,093.4
less non-interest bearing and non-operating liabilities		
thereof income tax liabilities	-51.4	-47.4
thereof non-current and current provisions for personnel and other provisions	-257.2	-318.7
thereof trade payables	-282.1	-230.6
thereof from other financial liabilities	-39.9	-62.7
thereof from other liabilities	-316.3	-314.8
less non-operating assets		
thereof investment in associates	-0.8	-0.8
thereof from other financial assets	-64.5	-25.1
thereof non-current assets held for sale		0
less securities	-2.6	-3.5
less deferred tax assets	-205.4	-258.3
less cash and cash equivalents	-282.1	-230.6
Capital employed	**1,660.7**	**1,601.0**

DVA

in € million	December 31, 2025	December 31, 2024
EBIT (of the last 12 months)	233.4	194.0
- Cost of capital (basis: average of capital employed in the past 12 months)	-143.3	-139.8
DVA	**90.1**	**54.3**

The breakdown of non-current assets by segments is as follows:

Non-current assets by segments[1]

in € million	2025	2024
Medical division	533.2	510.1
Safety division	435.4	405.1
	968.6	**915.2**

[1] Non-current assets = intangible assets; property, plant and equipment, right-of-use asset and other non-current assets

Non-current assets are also broken down by regions as follows:

Non-current assets by regions[1]

in € million	2025	2024
Germany	468.0	414.2
EMEA	274.7	266.9
Americas	115.4	122.6
APAC	110.5	111.5
	968.6	**915.2**

[1] Non-current assets = intangible assets; property, plant and equipment, right-of-use asset and other non-current assets

The development of the individual segments is described in detail in the combined management report. Services rendered between the divisions follow the arm's length principle.

40 Notes to the cash flow statement

Due to the adjustment of effects from changes in foreign currency exchange rates and transactions that have not or not yet resulted in a change in cash and cash equivalents, the changes used as a basis in the cash flow statement cannot be directly reconciled with the balance sheet items in the published balance sheet.

In fiscal year 2025, the Dräger Group's cash inflow from operating activities amounted to EUR 238.3 million (2024: cash inflow of EUR 167.3 million). The increase in cash inflow is mainly due to the EUR 40.2 million improvement in earnings before income taxes and the EUR 5.3 million reduction in income tax payments. Despite the significantly improved operating result, trade receivables fell by EUR 1.7 million and trade payables rose by only EUR 6.0 million. In addition, other liabilities increased by EUR 16.7 million in fiscal year 2025 (2024: decrease of EUR 1.4 million), while inventories decreased by EUR 2.9 million (2024: increase of EUR 6.2 million). It must also be noted that the prior-year result included special items amounting to EUR 26.6 million from the sale of assets, which were attributable to cash flow from investing activities.

Cash outflow from investing activities rose by EUR 54.8 million to EUR 98.1 million in fiscal year 2025. The higher cash outflow is mainly due to a supplier loan of EUR 20.6 million, and the purchase of additional shares of EUR 9.6 million in an investment. At the same time, investments in property, plant and equipment increased by EUR 11.9 million to EUR 71.8 million, whereas cash inflows from the sale of property, plant and equipment (in particular real estate) remained almost unchanged at EUR 12.8 million (2024: EUR 11.2 million). Furthermore, funds from the sale of business areas amounting to EUR 15.4 million were received in the prior year.

Free cash flow – the sum of the change in cash flow from operating and investing activities – amounted to EUR 140.2 million in fiscal year 2025 (2024: EUR 123.9 million).

The cash outflow from financing activities amounted to EUR 84.0 million (2024: EUR 161.4 million). Of this, EUR 1.4 million related to net cash inflows for bank loans and current account liabilities (2024: net payments of

EUR 78.4 million), and EUR 48.3 million related to payments under leases (2024: EUR 46.1 million). The dividend payment resulted in a cash outflow of EUR 37.5 million (2024: EUR 33.2 million). The employee participation program launched in fiscal year 2024 could not be implemented until fiscal year 2025. Therefore, the payments from the purchase of treasury shares totaling EUR 5.9 million include not only the share purchases for the 2025 program amounting to EUR 3.7 million, but also the remaining share purchases for the 2024 program amounting to EUR 1.1 million, as well as additional share purchases of EUR 1.1 million. The proceeds from the sale of treasury shares amounting to EUR 6.5 million accordingly include transfers to employees of EUR 2.7 million for the 2025 program and EUR 2.6 million for the 2024 program, as well as the sale of the remaining shares amounting to EUR 1.1 million.

The financial statements and comparative figures of economically independent foreign entities operating in a hyperinflationary environment and reporting in a currency of a hyperinflationary economy are continuously reevaluated. The result from net exposure from monetary items in the earnings after income taxes is adjusted in the operating cash flows from assets. ↗ Please refer to note 7.

The Dräger Group reports its interest payments in the cash flow from operating activities. Interest payments from leases amounted to EUR 6,936 thousand (2024: EUR 6,590 thousand) with corresponding interest expenses of EUR 6,936 thousand (2024: EUR 6,590 thousand). In addition, interest payments of EUR 13,407 thousand (2024: EUR 12,193 thousand) were made on bank loans and promissory note loans with corresponding interest expenses of EUR 13,302 thousand (2024: EUR 12,198 thousand). The changes in liabilities from financing activities excluding these interest effects are broken down into cash and non-cash items as follows:

Reconciliation of liabilities from financing activities 2025

	January 1	Affecting payments				Not affecting payments	December 31
in € thousand			Addition	De-recognition	Reclassi-fication	Exchange rate change	
Non-current note loans	100,000	-	-	-	-50,000	-	50,000
Non-current liabilities to banks	104,354	-377	-	-	49,770	0	153,748
Current note loans	-	-	-	-	50,000	-	50,000
Current liabilities to banks	67,394	1,728	1,628	-1,737	-49,770	-561	18,681
Lease liabilities	123,832	-48,285	63,641	-2,097	-	-4,412	132,678
Total liabilities from financing activities	**395,580**	**-46,935**	**65,269**	**-3,834**	**0**	**-4,973**	**405,107**

Reconciliation of liabilities from financing activities 2024

	January 1	Affecting payments				Not affecting payments	December 31
in € thousand			Addition	De-recognition	Reclassi-fication	Exchange rate change	
Non-current note loans	100,000	-	-	-	-	-	100,000
Non-current liabilities to banks	157,711	-677	0	-	-52,694	14	104,354
Current liabilities to banks	92,630	-77,758	1,737	-1,730	52,694	-179	67,394
Lease liabilities	121,043	-46,102	50,174	-2,449	-	1,167	123,832
Total liabilities from financing activities	**471,384**	**-124,537**	**51,911**	**-4,179**	**0**	**1,002**	**395,580**

Cash and cash equivalents amounted to EUR 282.1 million as of the balance sheet date of December 31, 2025, down EUR 51.5 million on the prior year (December 31, 2024: EUR 230.6 million). Cash and cash equivalents consisted exclusively of liquid funds; these were subject to restrictions on their use in the amount of EUR 16.0 million (December 31, 2024: EUR 7.1 million).

Unused credit lines amounted to EUR 601.6 million as of the reporting date (December 31, 2024: EUR 601.5 million). The credit lines are subject to standard market restrictions.

41 Executive and Supervisory Board remuneration

Executive Board remuneration
In fiscal year 2025, the total remuneration granted of the active Executive Board within the meaning of Section 314 (1) No. 6 HGB in conjunction with Section 315e HGB amounted to EUR 9,032 thousand (2024: EUR 7,549 thousand). Total remuneration includes share-based compensation with a long-term incentive, the fair value of which at the time of allocation amounts to EUR 1,619 thousand (2024: EUR 1,119 thousand). This value is equivalent to a total of 23,745.32 virtual shares (2024: 25,681.30 shares). Furthermore, the total remuneration granted for fiscal year 2025 includes long-term non-share-based variable remuneration amounting to EUR 1,958 thousand (2024: EUR 1,870 thousand).

If Executive Board remuneration is paid by Drägerwerk Verwaltungs AG, it is entitled to claim reimbursement from Drägerwerk AG & Co. KGaA monthly pursuant to Section 11 (1) and (3) of the articles of association of Drägerwerk AG & Co. KGaA. Pursuant to Section 11 (4) of the Company's articles of incorporation, the general partner receives a fee, independent of profit and loss, of 6% of the equity disclosed in its single entity financial statements, payable one week after the general partner prepares its single entity financial statements, for the management of the Company and the assumption of personal liability. For fiscal year 2025, this remuneration amounts to EUR 122 thousand (2024: EUR 164 thousand) plus any applicable VAT.

The remuneration of former members of the Executive Board and their surviving dependants amounted to EUR 3,570 thousand at the end of the reporting year (2024: EUR 3,748 thousand). Pension obligations to former members of the Executive Board and their surviving dependants amounted to EUR 24,264 thousand (2024: EUR 31,178 thousand).

Remuneration of the Supervisory Board
For fiscal year 2025, the total remuneration of the Supervisory Board of Drägerwerk AG & Co. KGaA amounted to EUR 682 thousand (2024: EUR 550 thousand).

In fiscal year 2025, the six Supervisory Board members of the general partner, Drägerwerk Verwaltungs AG, received total remuneration of EUR 280 thousand (2024: EUR 267 thousand). This includes additional expense allowances totaling EUR 60 thousand (2024: EUR 60 thousand). No remuneration was paid to Supervisory Board members of affiliated companies.

42 Shares owned by the Executive and Supervisory Boards
As of December 31, 2025, the Executive Board members of Drägerwerk Verwaltungs AG, including their related parties, directly held 49,671 preferred shares in Drägerwerk AG & Co. KGaA (corresponding to 0.578% of the Company's shares) and 157,281 common shares (corresponding to 1.548% of the Company's shares).

As at December 31, 2025, the Supervisory Board members and persons related to them directly or indirectly held a total of 335 preferred shares (corresponding to 0.004% of the Company's shares) and three common shares (corresponding to 0.00% of the Company's shares).

43 Transactions with related persons and companies
Services amounting to EUR 91 thousand (2024: EUR 29 thousand) were provided for Stefan Dräger and companies and persons related to Stefan Dräger, the Dräger Foundation and the Dräger Family Foundation in the fiscal year 2025. As at December 31, 2025, there were receivables from this in the amount of EUR 1 thousand (2024: EUR 1 thousand). Expenses of less than EUR 100 thousand were incurred for other services provided by other related companies and persons.

Due to the relationship with a Supervisory Board member of Drägerwerk AG & Co. KGaA, the companies GFT Technologies SE, Stuttgart, Germany, and SW34 Gastro GmbH, Stuttgart, Germany, are classified as related parties. As in the prior year, no expenses were incurred for services provided by GFT Technologies SE in fiscal year 2025. There were no liabilities as at either reporting date. Expenses for services provided by SW34 Gastro GmbH

amounted to EUR 24 thousand in the 2025 fiscal year (2024: EUR 23 thousand). Liabilities from this amounted to EUR 0 thousand (2024: EUR 0 thousand).

For joint operations, services amounted to EUR 2,398 thousand (2024: EUR 4,306 thousand) for the 2025 fiscal year. Receivables from this amounted to EUR 341 thousand (2024: EUR 1,163 thousand) at the balance sheet date. As at December 31, 2025, liabilities amounted to EUR 341 thousand (2024: EUR 271 thousand).

Rental and other services amounting to EUR 161 thousand (2024: EUR 186 thousand) were provided by Group companies for the associated company MAPRA Assekuranzkontor GmbH in the 2025 fiscal year. Receivables in this respect amounted to EUR 0 thousand as at December 31, 2025 (2024: EUR 1 thousand). As at December 31, 2025, liabilities amounted to EUR 12 thousand (2024: EUR 0 thousand).

A convertible loan of CAD 1,500 thousand was granted by Dräger Safety AG & Co. KGaA to associate Focus Field Solutions Inc., St. Johns, Canada, in fiscal year 2020. This was disbursed in three tranches totaling CAD 1,500 thousand (EUR 932 thousand in total) in the fiscal years 2020 to 2021. The interest rate is 5.5%. In the fiscal year 2023, the term of this loan was extended by four years. No conversion was carried out. In fiscal year 2022, a further loan of CAD 2,600 thousand (total: EUR 1,615 thousand) was granted by Dräger Safety AG & Co. KGaA. The loan was paid out in three tranches in fiscal years 2022 to 2024. The interest rate is 8.55%. The interest is due at the point at which the loan is fully repaid on December 31, 2027. Expenses for services rendered by Focus Field Solutions Inc. amounted to EUR 318 thousand in the 2025 fiscal year (2024: EUR 610 thousand). There were no liabilities from this as at December 31, 2025 and the prior year.

With the sale of the associate MultiSensor Scientific Inc., Somerville, USA, in fiscal year 2025, there are no further loan receivables. A loan totaling USD 2,717 thousand (2024: EUR 2,614 thousand) was paid to the company in fiscal year 2024 by Dräger Safety AG & Co. KGaA at an interest rate of 10.0%. There were no receivables or liabilities vis-à-vis MultiSensor Scientific Inc. on either balance sheet date. No services were provided in either of the two fiscal years.

Write-ups of EUR 1,826 thousand (2024: write-downs of EUR 10,334 thousand) were recognized on the carrying amount of associates and loans to associates in the fiscal year.

The remuneration of the employee representatives on the Supervisory Board for work performed in addition to the Supervisory Board activities was concluded at arm's length terms and conditions. Overall, remuneration is of immaterial importance for the Dräger Group.

Drägerwerk Verwaltungs AG is the general partner of Drägerwerk AG & Co. KGaA (parent company of the Dräger Group) and holds 0 % of the capital. Only a few transactions are conducted with the general partner, as it only exercises administrative functions. The general partner is entitled to compensation for all expenses incurred in association with the management of Drägerwerk AG & Co. KGaA. This includes the contractually agreed remuneration for its executive bodies. These expenses comprise the remuneration of the Executive Board, the remuneration of its Supervisory Board, liability remuneration, and other expenses.

As of December 31, 2025, liabilities to Drägerwerk Verwaltungs AG amounted to EUR 12,750 thousand (2024: EUR 9,963 thousand) mainly resulting from cash management and management remuneration. The expenses for services rendered by Drägerwerk Verwaltungs AG amounted to EUR 11,545 thousand (2024: EUR 10,141 thousand) in fiscal year 2025. These consisted mainly of management remuneration payments of EUR 3,026 thousand (2024: EUR 2,825 thousand), royalties to the amount of EUR 7,299 thousand (2024: EUR 4,710 thousand), and pension expenses of EUR 1,271 thousand (2024: EUR 1,233 thousand). Services amounting to EUR 79 thousand (2024: EUR 416 thousand) were provided for Drägerwerk Verwaltungs AG in fiscal year 2025. Receivables from this amounted to EUR 34 thousand (2024: EUR 133 thousand) on December 31, 2025.

Since 2024, the members of the Executive Board no longer have the option of acquiring shares under the employee share purchase program and additionally converting part of their bonus into shares in accordance with the conditions of the employee participation program. Instead, 40% of the one-year variable remuneration will be converted into virtual shares with a five-year holding period.

All transactions with related parties were conducted at arm's length terms and conditions.

Key management positions are held by members of the Executive Board of Drägerwerk Verwaltungs AG, the Supervisory Board of Drägerwerk AG & Co. KGaA, and the Supervisory Board of Verwaltungs AG. Executive Board remuneration as defined by IAS 24 is as follows:

Executive Board remuneration

in €	2025	2024
Payments due in the short term	5,417,591	4,517,458
Post-employment benefits	1,341,333	1,270,500
Other payments due in the long term	2,075,158	2,025,271
Share-based payment	2,974,525	976,821
Total remuneration	**11,808,608**	**8,790,050**

The Supervisory Board members of Drägerwerk AG & Co. KGaA received short-term benefits of EUR 682 thousand (2024: EUR 550 thousand). The Supervisory Board members of Drägerwerk Verwaltungs AG received short-term benefits of EUR 280 thousand (2024: EUR 267 thousand).

44 Further information

Auditor's fee

The total fee paid or payable in the fiscal year to the auditor of the 2025 Group financial statements – KPMG AG Wirtschaftsprüfungsgesellschaft, as well as other companies in the KPMG network whose fees for the 2025 fiscal year are reported and are in accordance with the International Ethics Standards Board for Accountants Code of Ethics – by Drägerwerk AG & Co. KGaA and the affiliated companies over which the Company exercises control and which are consolidated in the Group financial statements amounted to EUR 4,268 thousand (2024: EUR 4,095 thousand) for auditing services, EUR 541 thousand (2024: EUR 47 thousand) for other certification services, EUR 30 thousand (2024: EUR 454 thousand) for other services and EUR 30 thousand (2024: EUR 5 thousand) for tax advisory services.

The total fee paid or payable in the fiscal year to the auditor of the 2025 Group financial statements – KPMG AG Wirtschaftsprüfungsgesellschaft – in the fiscal year amounted to EUR 1,440 thousand (2024: EUR 1,391 thousand) for auditing services, EUR 523 thousand (2024: EUR 47 thousand) for other certification services, EUR 5 thousand (2024: EUR 446 thousand) for other services and EUR 0 thousand (2024: EUR 0 thousand) for tax advisory services.

The auditing services include the fees for the audit of the consolidated financial statements, as well as the legally required or voluntary auditing of Drägerwerk AG & Co. KGaA and the subsidiaries included in the Group financial statements. The fees for assurance services comprise, on the one hand, legally required assurance services relating to the EMIR (European Market Infrastructure Regulation) and audits in accordance with the German Packaging Ordinance and, on the other hand, voluntary assurance services for the audit of sustainability reporting with limited assurance and in connection with financial covenants and IT audits in accordance with IDW AsS 860. Other services include services in connection with the provision of the "Valuation Data Source" application via a "Software as a Service" model.

The responsible auditors of KPMG AG Wirtschaftsprüfungsgesellschaft are Hartmut Heckert and Dr. Mark Uschkurat.

Corporate governance declaration

The declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) of Drägerwerk AG & Co. KGaA has been submitted and made permanently available to shareholders on the Internet at www.draeger.com in December 2025.

45 Consolidated and associated companies according to Sec 313 (2) German Commercial Code (HGB)

Consolidated and associated companies according to Sec. 313 (2) German Commercial Code (HGB)

	Name and registered office	Shareholding in %
Germany		
	Dräger Safety AG & Co. KGaA, Lübeck	100 [1]
	Dräger Medical Deutschland GmbH, Lübeck	100 [1]
	Dräger Electronics GmbH, Lübeck	100
	Dräger Digital GmbH, Lübeck	100
	Dräger Safety Verwaltungs AG, Lübeck	100 [1]
	Dräger TGM GmbH, Lübeck	100 [1]
	Dräger Medical ANSY GmbH, Lübeck	100 [1]
	Dräger Interservices GmbH, Lübeck	100 [1]
	Dräger Gebäude und Service GmbH, Lübeck	100 [1]
	Dräger Medical International GmbH, Lübeck	100 [1]
	MAPRA Assekuranzkontor GmbH, Lübeck	49 [2]
	Fachklinik für Anästhesie und Intensivmedizin Vahrenwald GmbH, Lübeck	100 [1]
	Dräger Energie GmbH, Lübeck	100
	FIMMUS Grundstücks-Vermietungsgesellschaft mbH, Lübeck	100 [1, 3]
	FIMMUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Lübeck KG, Lübeck	100 [3, 4]
	DRENITA Grundstücks- und Vermietungsgesellschaft mbH & Co. Objekt Fertigung Dräger Medizintechnik KG, Düsseldorf	100 [3]
	Dräger Holding International GmbH, Lübeck	100 [1]
Europe		
Belgium	Dräger Belgium NV, Wemmel	100
Bulgaria	Draeger Bulgaria EOOD, Sofia	100
Denmark	Dräger Danmark A/S, Herlev	100
Finland	Dräger Suomi Oy, Vantaa	100
France	Dräger France SAS, Antony	100
	Dräger Production France SAS, Obernai	100
Greece	Draeger Hellas S.M.A.E. for Products of Medical and Safety Technology, Athens	100
United Kingdom	Draeger Safety UK Ltd., Blyth	100
	Draeger Medical UK Ltd., Hemel Hempstead	100
Ireland	Dräger Ireland Ltd., Dublin	100
Italy	Draeger Italia S.p.A., Corsico	100
Croatia	Dräger Medical Croatia d.o.o., Zagreb	100
	Dräger Safety d.o.o., Zagreb	100
Lithuania	QuaDigi UAB, Vilnius	100
Netherlands	Dräger Nederland B.V., Zoetermeer	100
Norway	Dräger Norge AS, Oslo	100
	GasSecure AS, Oslo	100
Austria	Dräger Austria GmbH, Vienna	100
Poland	Dräger Polska Sp. z o.o., Warsaw	100
Portugal	Dräger Portugal, Lda, Carnaxide	100
Romania	Draeger Romania srl, District 1, Bucharest	100
Russia	Dräger OOO, Moscow	100
Sweden	Dräger Sverige AB, Kista	100
	ACE Protection AB, Svenljunga	100
	AB Ulax, Motala	75
Switzerland	Dräger Schweiz AG, Liebefeld-Bern	100
	STIMIT AG, Biel/Bienne	67.32
Serbia	Dräger tehnika trgovina i servisiranje d.o.o., Vozdovac Belgrade	100
Slovakia	Dräger Slovensko s.r.o., Piestany	100
Slovenia	Dräger Slovenija d.o.o., Ljubljana-Crnuce	100
Spain	Dräger Hispania S.A.U., Madrid	100

[1] Exemption pursuant to Sec. 264 (3) HGB
[2] This company is treated as an associated company as per IAS 28.
[3] Special purpose entities as per IFRS 10
[4] Exemption pursuant to Sec. 264b HGB

Consolidated and associated companies according to Sec. 313 (2) German Commercial Code (HGB)

	Name and registered office	Shareholding in %
Europe (continued)		
Czech Republic	Dräger Medical s.r.o., Čestlice	100
	Dräger Safety s.r.o., Čestlice	100
	Dräger Manufacturing Czech s.r.o., Klášterec nad Ohří	100
Türkiye	Draeger Medikal Ticaret ve Servis A.S., Istanbul	100
	Draeger Safety Korunma Teknolojileri A.S., Istanbul	100
Hungary	Dräger Safety Hungaria Kereskedelmi és Szolgáltató Kft., Budapest	100
	Dräger Medical Hungary Sales and Service Kft., Budapest	100
Africa		
Ghana	Draeger Ghana Ltd, Accra-North	100
Kenya	Dräger Kenya Ltd, Nairobi	100
Morocco	Draeger Maroc SARL AU, Casablanca	100
South Africa	Dräger South Africa (Pty) Ltd, Buccleuch	69
	Dräger Safety Zenith (Pty) Ltd, East London	100
Americas		
Argentina	Drager Argentina S.A., Buenos Aires	100
Brazil	Dräger do Brasil Ltda., São Paulo	100
	Dräger Safety do Brasil Equipamentos de Seguranca Ltda., São Paulo	100
Chile	Dräger Chile Ltda., Santiago	100
	Dräger-Simsa S.A., Santiago	51
Canada	Draeger Safety Canada Ltd., Mississauga	100
	Draeger Medical Canada Inc., Mississauga	100
	Focus Field Solutions Inc., St. John's	29.53 [2]
Colombia	Draeger Colombia S.A., Bogotá D.C.	100
Mexico	Draeger Safety, S.A. de C.V., Col. Lomas de Santa Fe	100
	Dräger Medical Mexico, S.A. de C.V., Col. Lomas de Santa Fe	100
Panama	Draeger Panama Comercial, S. de R.L., Ciudad de Panamá	100
Peru	Draeger Peru S.A.C., Lima	100
United States	Draeger, Inc., Harrisburg	100
	Draeger Medical Systems, Inc., Wilmington, New Castle County	100
Asia/Australia		
P.R. China	Shanghai Dräger Medical Instrument Co., Ltd., Shanghai	100
	Draeger Safety Equipment (China) Co., Ltd., Beijing	100
	Dräger Medical Equipment (Shanghai) Co., Ltd., Shanghai	100
	Dräger Medical Systems (Shanghai) Co., Ltd., Shanghai	100
Hong Kong	Draeger Hong Kong Limited, Kwun Tong, Kowloon	100
India	Draeger India Pvt. Ltd., Mumbai	100
	Draeger Safety India Pvt. Ltd., Mumbai	100
Indonesia	PT Draegerindo Jaya, Jakarta	100
	PT Draeger Medical Indonesia, Jakarta	100
Japan	Draeger Japan Ltd., Tokyo	100
Malaysia	Draeger Malaysia Sdn. Bhd., Kuala Lumpur	100
Philippines	Draeger Philippines Corporation, Pasig City	100
Saudi Arabia	Draeger Arabia LLC, Riyadh	51
	Draeger Medical International Regional Headquarter LLC, Riyadh	100
Singapore	Draeger Singapore Pte Ltd., Singapore	100
South Korea	Draeger Korea Co., Ltd., Hanam	100
Taiwan	Draeger Safety Taiwan Co., Ltd., Hsinchu City	100
	Draeger Medical Taiwan Ltd., Taipei City	100
Thailand	Draeger Medical (Thailand) Ltd., Bangkok	100
	Draeger Safety (Thailand) Ltd., Bangkok	100
Vietnam	Draeger Vietnam Co., Ltd., Ho Chi Minh City	100

[2] This company is treated as an associated company as per IAS 28.

Consolidated and associated companies according to Sec. 313 (2) German Commercial Code (HGB)

	Name and registered office	Shareholding in %
Asia/Australia (continued)		
Australia	Draeger Safety Pacific Pty Ltd, Notting Hill	100
	Draeger Australia Pty Ltd, Notting Hill	100
New Zealand	Draeger New Zealand Ltd, Auckland	100

46 Events after the balance sheet date

Sales of shares
In February 2026, Dräger sold all of its shares in its subsidiary STIMIT AG, Biel/Bienne, Switzerland, and in its associate Focus Field Solutions Inc., St. John's, Canada. As of December 31, 2025, the Executive Board had not made any decisions regarding the sales, consequently no assets held for sale are reported. The sales will not have a material impact on the Group's earnings in fiscal year 2026. The outcomes from the sales were included in determining the recoverable amount of the assets of both companies as of the balance sheet date. The main asset of STIMIT AG consists of technologies. With regard to Focus Field Solutions Inc., only financial assets within the scope of IFRS 9 are reported. Both transactions will result in a reduction in non-current assets in the mid-single-digit million euro range. STIMIT AG is assigned to the medical division, while Focus Field Solutions Inc. is part of the safety division.

Distributable earnings
The general partner intends, together with the Supervisory Board of Drägerwerk AG & Co. KGaA, Lübeck, to distribute a dividend for fiscal year 2025 from the net retained profits of Drägerwerk AG & Co. KGaA of EUR 568,291 thousand to propose a dividend of EUR 2.21 per common share and EUR 2.27 per preferred share, totaling EUR 41,976 thousand. The remaining amount of EUR 526,315 thousand is to be carried forward to new account.

Lübeck, February 26, 2026

The general partner
Drägerwerk Verwaltungs AG
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

The Company's Boards[1]

Supervisory Board of Drägerwerk AG & Co. KGaA

Maria Dietz
Chairwoman of the Supervisory Board (since January 1, 2025)

Member of the Administrative Board and shareholder of GFT Technologies SE[2], Stuttgart

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA[3], Lübeck
- Drägerwerk Verwaltungs AG, Lübeck, Vice Chairwoman of the Supervisory Board
- Ernst Klett Aktiengesellschaft, Stuttgart
- GFT Technologies SE[2], Stuttgart, Member of the Administrative Board
- LBBW Asset Management Investmentgesellschaft mbH, Stuttgart

Christian Fischer
Vice Chairman of the Supervisory Board

Member of Dräger European Forum / European Works Council, Lübeck
Chairman of the Dräger Lübeck Works Council, Lübeck
Chairman of the Group Works Council of Dräger, Lübeck

Dr. Peter Bartels (since July 1, 2025)
Managing Director of Dr. Hans Riegel Holding GmbH

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA3, Lübeck (since July 1, 2025)
- Drägerwerk Verwaltungs AG, Lübeck (since July 1, 2025)

Memberships on comparable boards of German or foreign companies:
- Advisory Board of HYDAC Group, Sulzbach, Germany

Bettina van Almsick (until April 30, 2025)
Chairwoman of the Works Council Dräger Sales and Service Germany, Essen
Member of the Works Council Dräger Sales and Service Germany, Lübeck
Member of the Group Works Council of Dräger, Lübeck

Supervisory Board memberships:
- Dräger Medical Deutschland GmbH3, Lübeck, Vice Chairwoman

Eckard Gesell
Senior employee, Drägerwerk AG & Co. KGaA[2], Lübeck

Andrea Görndt
Chairwoman of Dräger European Forum / European Works Council, Lübeck
Member of the Dräger Works Council, Lübeck
Member of the Group Works Council of Dräger, Lübeck

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[1] This chapter is also part of the Group sustainability statement in the combined management report.
[2] Listed company
[3] Group mandate within the meaning of Sec. 18 AktG

Prof. Dr. Thorsten Grenz
Managing Partner of KIMBRIA Gesellschaft für Beteiligung und Beratung mbH, Berlin
Honorary Professor of Economics and Social Sciences at Christian-Albrechts University, Kiel

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA[3], Lübeck, Chairman (since January 1, 2025)
- Dräger Safety Verwaltungs AG[3], Lübeck, Chairman (since January 1, 2025)
- Drägerwerk Verwaltungs AG, Lübeck
- SNP Schneider-Neureither & Partner SE[2], Heidelberg (until June 30, 2025)

Memberships on comparable boards of German or foreign companies:
- Gerlin Participaties Coöperatief U.A., Maarsbergen, Netherlands

Henning Groskreutz
First Authorized Representative / Managing Director IG Metall Lübeck-Wismar

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA[3], Lübeck
- L. Possehl & Co. mbH, Lübeck

Astrid Hamker
Advisory Board member and partner of Piepenbrock Unternehmensgruppe GmbH & Co. KG, Berlin
KOMPASS-Beratung, independent consultant for family businesses, Georgsmarienhütte

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA[3], Lübeck
- Drägerwerk Verwaltungs AG, Lübeck
- L. Possehl & Co. mbH, Lübeck
- Schmitz Cargobull AG, Horstmar

Memberships on comparable boards of German or foreign companies:
- Felix Schoeller Gruppe GmbH & Co. KG, Osnabrück
- Piepenbrock Unternehmensgruppe GmbH & Co. KG, Berlin, Advisory Board member
- Tengelmann Verwaltungs- und Beteiligungs GmbH, Munich

Stefan Lauer
Former Member of the Executive Board of Deutsche Lufthansa AG[2], Frankfurt

Supervisory Board memberships:
- Dräger Safety AG & Co. KGaA[3], Lübeck
- Dräger Safety Verwaltungs AG[3], Lübeck
- Drägerwerk Verwaltungs AG, Lübeck, Chairman
- People at Work Systems AG, Munich

Memberships on comparable boards of German or foreign companies:
- Valeta GmbH, Bad Säckingen, Chairman of the Advisory Board

[2] Listed company
[3] Group mandate within the meaning of Sec. 18 AktG

Laura Pooth
Chairwoman of DGB District North – German Trade Union Confederation, Hamburg

Supervisory Board memberships:
– Bürgschaftsbank Schleswig-Holstein GmbH, Kiel
– Dräger Safety AG & Co. KGaA[3], Lübeck

Memberships on comparable boards of German or foreign companies:
– Federal Employment Agency, Nuremberg, Deputy Member of the Administrative Board

Frank Riemensperger
Managing Director 440.digital GmbH
Member of the Senate, German Academy of Science and Engineering

Supervisory Board memberships:
– Dräger Safety AG & Co. KGaA[3], Lübeck
– Dräger Safety Verwaltungs AG[3], Lübeck
– Drägerwerk Verwaltungs AG, Lübeck
– Sartorius AG[2], Göttingen

Memberships on comparable boards of German or foreign companies:
– Datenraum Mobilität GmbH, Munich
– Member of the Administrative Board of GFT Technologies SE[2], Stuttgart (since June 5, 2025)

Marion Schumann (since May 1, 2025)
Chairwoman of the Works Council, Dräger Sales and Service Germany, Markkleeberg
Member of the Works Council Dräger Sales and Service Germany, Lübeck

Dr. Reinhard Zinkann (until June 30, 2025)
Managing Partner of Miele & Cie. KG, Gütersloh

Supervisory Board memberships:
– Dräger Safety AG & Co. KGaA[3], Lübeck
– Drägerwerk Verwaltungs AG, Lübeck
– Falke KGaA, Schmallenberg (Chairman)

Memberships on comparable boards of German or foreign companies:
– Hipp & Co., Pfaffenhofen, Chairman of the Administrative Board
– Nobilia-Werke J. Stickling GmbH & Co. KG, Verl, Chairman of the Advisory Board

[2] Listed company
[3] Group mandate within the meaning of Sec. 18 AktG

Members of the Audit Committee

Prof. Dr. Thorsten Grenz (Chairman)
Dr. Peter Bartels (since July 1, 2025)
Christian Fischer
Henning Groskreutz
Stefan Lauer
Frank Riemensperger (until June 30, 2025)

Members of the Nomination Committee

Maria Dietz (Chairwoman since January 1, 2025)
Prof. Dr. Thorsten Grenz (since July 1, 2025)
Stefan Lauer
Dr. Reinhard Zinkann (until June 30, 2025)

Members of the Joint Committee

Representatives of Drägerwerk Verwaltungs AG:
Dr. Peter Bartels (since July 1, 2025)
Maria Dietz
Astrid Hamker
Frank Riemensperger
Dr. Reinhard Zinkann (until June 30, 2025)

Representatives of Drägerwerk AG & Co. KGaA[2]:
Prof. Dr. Thorsten Grenz (Chairman since January 1, 2025)
Christian Fischer
Henning Groskreutz
Stefan Lauer

[2] Listed company

Members of the Executive Board of Drägerwerk Verwaltungs AG, acting on behalf of Drägerwerk AG & Co. KGaA

Stefan Dräger
Chairman of the Executive Board

Chairman of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Chairman of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Supervisory Board memberships:
– L. Possehl & Co. mbH, Lübeck, Chairman (since April 30, 2025)
– Sparkasse zu Lübeck AG, Lübeck

Gert-Hartwig Lescow
CFO and Executive Board member for IT, Vice-Chairman of the Executive Board

Member of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Member of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Supervisory Board memberships:
– Carl Zeiss AG, Oberkochen, Chairman of the Audit Committee

Stefanie Hirsch
Executive Board member for Sustainability and Quality

Member of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Member of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Rainer Klug
Executive Board member for Safety Division

Member of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Member of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Dr. Reiner Piske
Executive Board member for Sales and Human Resources

Member of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Member of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Anton Schrofner

Executive Board member for Medical Division

Member of the Executive Board of Drägerwerk Verwaltungs AG, Lübeck
(general partner of Drägerwerk AG & Co. KGaA)
Member of the Executive Board of Dräger Safety Verwaltungs AG, Lübeck
(general partner of Dräger Safety AG & Co. KGaA)

Memberships on comparable boards of German or foreign companies:
- Draeger Medical Systems, Inc.[3], Telford, USA, Member of the Board of Directors
- Sibel Health, Inc., Chicago, USA, Member of the Board of Directors

[3] Group mandate within the meaning of Sec. 18 AktG

Management compliance statement

We confirm to the best of our knowledge that, in accordance with the applicable financial reporting framework, the Group financial statements give a true and fair view of the net assets, financial position, and results of operations of the Group, that the Group management report presents business performance including business results and the situation of the Group so as to give a true and fair view, and that the material opportunities and risks relating to the Group's development have been described.

Lübeck, February 26, 2026

The general partner
Drägerwerk Verwaltungs AG
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

Independent Auditor's Report

To Drägerwerk AG & Co. KGaA, Lübeck

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of Drägerwerk AG & Co. KGaA, Lübeck, and its subsidiaries (the Group), which comprise the balance sheet as of December 31, 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from January 1 to December 31, 2025, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (hereinafter the "combined management report") of Drägerwerk AG & Co. KGaA for the financial year from January 1 to December 31, 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2025, and of its financial performance for the financial year from January 1 to December 31, 2025, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to Note 8 and 21 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Information on the value of goodwill can be found under Note 21 in the notes to the consolidated financial statements.

The Financial Statement Risk

Goodwill amounted to EUR 310.3 million as of December 31, 2025, and, at 19.1% of the Group's equity, has a significant impact on the net assets.

Goodwill is routinely tested for impairment each year on the level of the medical and safety divisions, to which the goodwill in question is allocated. If any indications of potential impairment arise during the financial year, an ad hoc goodwill impairment test is also carried out during the year. For the impairment test, the Company primarily determines the value in use and compares this with the respective carrying amount of the segment. The reporting date for the impairment test is December 31, 2025.

Impairment testing of goodwill is complex and based on a number of assumptions requiring judgment. These include the expected business and earnings development of the divisions in the form of the expected revenue performance and EBIT margin over the next five years, the assumed long-term growth rate and the discount rate used.

Based on the impairment tests conducted, the Company did not identify any need to recognize impairment losses. However, the Company's sensitivity analysis indicated that a decrease in the medical technology operating segment's EBIT margin by more than 4.9 percentage points to 8.9% at the end of the planning horizon would lead to an impairment of goodwill.

There is the risk for the consolidated financial statements that an existing need to recognize impairment losses is not identified. There is also the risk that the related disclosures in the notes are not appropriate.

Our audit approach

With the involvement of our valuation experts, we assessed (among other elements) the appropriateness of the Company's significant assumptions and calculation method. For this purpose, we discussed the expected revenue development and EBIT margin for the next five years as well as the assumed long-term growth rates with those responsible for planning. We also reconciled this information with the budget prepared by management and approved by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

We also verified the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and analyzing deviations. We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta coefficient, with our own assumptions and publicly available data.

To evaluate the methodically and mathematically correct implementation of the valuation method, we verified the measurement made by the Company using our own calculations and analyzed deviations.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, the expected revenue development and EBIT margin for the next five years/the long-term growth rate on the value in use by calculating alternative scenarios and comparing these with the values stated by the Company (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes regarding recoverability of goodwill are appropriate. This also included an assessment of the appropriateness of the disclosures in accordance with IAS 36.134(f) on the sensitivities in the event of a reasonably possible change to key assumptions underlying the evaluation in the medical technology operating segment.

Our observations
The calculation method used for impairment testing of goodwill is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data used for measurement are appropriate.

The related disclosures in the notes are appropriate.

Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the Company's and Group's sustainability statement, including the combined non-financial statement contained therein, which is included in the group sustainability statement section of the combined management report, and
- the combined corporate governance statement of the Company and the Group, which is contained in the corporate governance statement (Sections 289f and 315d HGB) of the combined management report and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file „ Draeger-2025-12-31-0-DE.xbri" (SHA256 hash value: edc1edd4bfa4e419da3dbdf11ccf1d00532b8b0b18d26f09beb6b1a1e8e64357) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2025, contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Opinion
We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Audit of the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

Responsibilities of Management and the Supervisory Board for the ESEF documents
The Company's management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's management is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Audit of the ESEF documents
Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available, containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Article 10 of the EU Audit Regulation
We were elected as auditor of the consolidated financial statements at the Annual General Meeting on May 9, 2025. We were engaged by the Supervisory Board on September 19, 2025. We have been the auditor of the consolidated financial statements of Drägerwerk AG & Co. KGaA without interruption since financial year 2025.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Hartmut Heckert.

Hamburg, March 3, 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft

Heckert	Dr. Uschkurat
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the Group Sustainability Statement[1]

To Drägerwerk AG & Co. KGaA, Lübeck

Assurance Conclusion

We have conducted a limited assurance engagement on the Group Sustainability Statement, included in section "Group sustainability statement" of the combined management report, of Drägerwerk AG & Co. KGaA, Lübeck, for the financial year from 1st of January 2025 to 31st of December 2025. The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a consolidated non-financial statement and Sections 289b to 289e of the HGB for a non-financial statement of the company.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, Sections 289b to 289e of the HGB for a non-financial statement of the company and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "Process to identify and assess material impacts, risks and opportunities" of the Group Sustainability Statement, or
- the disclosures in section "Information on the EU Taxonomy Regulation" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

[1] Our engagement applied to the German version of the Group Sustainability Statement 2025. This text is a translation of the assurance report of the independent German Public Auditor issued in German language, whereas the German text is authoritative.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section "Disclosures in relation to specific circumstances" of the Group Sustainability Statement, the quantification of the non-financial performance indicators particularly in the areas of E1 (scope 3 reporting) and E5 (resource use) is also subject to inherent uncertainties due to significant estimations and measurement uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors t and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement.
- conducted site visits.
- considered the presentation of the information in the Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use / Clause on General Engagement Terms

This assurance report is solely addressed to Drägerwerk AG & Co. KGaA.

The engagement, in the performance of which we have provided the services described above on behalf of Drägerwerk AG & Co. KGaA, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www. kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations to EUR 4 million specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Hamburg, March 3, 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft

Edelmann	Krayl
Wirtschaftsprüferin	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

The segments over the past five years

						Twelve months
		2025	2024	2023	2022	2021
Medical division						
Order intake	**€ million**	**2,046.6**	**1,924.1**	**1,916.2**	**1,979.3**	**1,916.9**
Net sales	**€ million**	**1,995.6**	**1,899.7**	**1,966.2**	**1,821.5**	**2,064.2**
Gross profit / net sales	%	43.6	43.0	41.9	40.2	47.2
EBIT [1]	**€ million**	**57.0**	**28.3**	**37.1**	**-90.4**	**191.6**
EBIT [1]/ net sales	%	2.9	1.5	1.9	-5.0	9.3
Safety division						
Order intake	**€ million**	**1,522.8**	**1,456.4**	**1,373.8**	**1,305.4**	**1,170.9**
Net sales	**€ million**	**1,486.3**	**1,471.2**	**1,407.3**	**1,223.7**	**1,264.2**
Gross profit / net sales	%	47.3	47.3	45.2	41.4	44.9
EBIT [1]	**€ million**	**176.4**	**165.7**	**129.4**	**1.8**	**80.0**
EBIT [1]/ net sales	%	11.9	11.3	9.2	0.1	6.3

[1] EBIT = Earnings before net interest result and income taxes

The Dräger Group over the past five years

						Twelve months
		2025	2024	2023	2022	2021
Order intake	**€ million**	**3,569.4**	**3,380.5**	**3,290.0**	**3,284.7**	**3,087.8**
Net sales	**€ million**	**3,481.9**	**3,370.9**	**3,373.5**	**3,045.2**	**3,328.4**
Gross profit	**€ million**	**1,574.4**	**1,512.5**	**1,459.7**	**1,238.4**	**1,540.9**
Gross profit / net sales	%	45.2	44.9	43.3	40.7	46.3
EBITDA [1]	**€ million**	**377.6**	**339.9**	**315.0**	**55.8**	**421.0**
EBIT [2]	**€ million**	**233.4**	**194.0**	**166.4**	**-88.6**	**271.7**
EBIT [2]/ net sales	%	6.7	5.8	4.9	-2.9	8.2
Interest result	€ million	-17.7	-18.6	-25.1	-13.8	-35.0
Income taxes	€ million	-75.3	-50.6	-29.3	38.8	-82.4
Net profit/loss	**€ million**	**140.4**	**124.8**	**112.0**	**-63.6**	**154.3**
Earnings per share						
per preferred share	€	7.48	6.67	5.92	-3.41	7.19
per common share	€	7.42	6.61	5.86	-3.47	7.13
DVA [3, 4]	**€ million**	**90.1**	**54.3**	**55.8**	**-196.2**	**171.8**
Equity [5]	€ million	1,628.7	1,536.8	1,409.2	1,319.4	1,260.5
Equity ratio [5]	%	51.5	49.7	45.5	42.5	39.7
Capital employed [5, 6]	€ million	1,660.7	1,601.0	1,523.2	1,537.2	1,381.1
EBIT [2, 3] / capital employed [5, 6] (ROCE)	%	14.1	12.1	10.9	-5.8	19.7
Net financial debt [5, 7]	€ million	123.0	165.0	197.7	259.2	-24.0
Headcount as at December 31		16,687	16,598	16,329	16,219	15,900

[1] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[2] EBIT = Earnings before net interest result and income taxes
[3] Value of the last twelve months
[4] Dräger Value Added = EBIT less cost of capital of average capital employed
[5] Value as at reporting date
[6] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[7] For the years 2021 and 2022, including the payment obligations from the termination of the participation certificates

Financial calendar 2026

Publication of 2025 fiscal year figures, analysts' conference	March 24, 2026
Report as of March 31, 2026, conference call	April 30, 2026
Annual shareholders´meeting, Lübeck, Germany	May 8, 2026
Report as of June 30, 2026, conference call	July 30, 2026
Report as of September 30, 2026, conference call	October 29, 2026

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Possible rounding differences in this financial report may lead to slight discrepancies.

In the interest of readability, only the masculine form is used in this report.

This report has been provided in German and English language. In case of any discrepancy, the German version shall prevail.

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