



# NORMA GROUP SECOND QUARTER 2022 RESULTS

MAINTAL, August 10, 2022

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Growth in difficult market environment leads to lower margin

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# Facts & Figures Q2 2022 – Key Figures



## Sales

Increase of net sales of 12.9% leads to sales of EUR 317.9 million

(Q2 2021: EUR 281.7 million)

Organic Growth of 5.3%

(Q2 2021: 53.0%)

[→ Go to Segment Sales](#)



## Adj. EBIT & adj. EBIT margin

Adjusted EBIT decreased by 38.2% to EUR 22.3 million

(Q2 2021: EUR 36.1 million)

Adjusted EBIT margin of 7.0%

(Q2 2021: 12.8%)

[→ Go to P&L Details](#)



## Net Operating Cashflow

Net Operating Cashflow of EUR 26.4 million

(Q2 2021: EUR 36.8 million)

[→ Go to Cash Flow Details](#)



## Balance Sheet

Equity Ratio of 44.7%

(Dec. 31, 2021: 44.6%)

Net Debt at EUR 382.8 million

(Dec. 31, 2021: EUR 318.5 million)

[→ Go to Balance Sheet Details](#)



## AGM & Dividend

All agenda items approved by AGM on May 17, 2022, including a dividend of EUR 0.75 per share

(2021: EUR 0.70)

[→ Go to Dividend Details](#)



## Updated Guidance

Medium to high single-digit organic Group sales growth (unchanged)

EBIT margin of around 8%

(prev.: "around 11%")

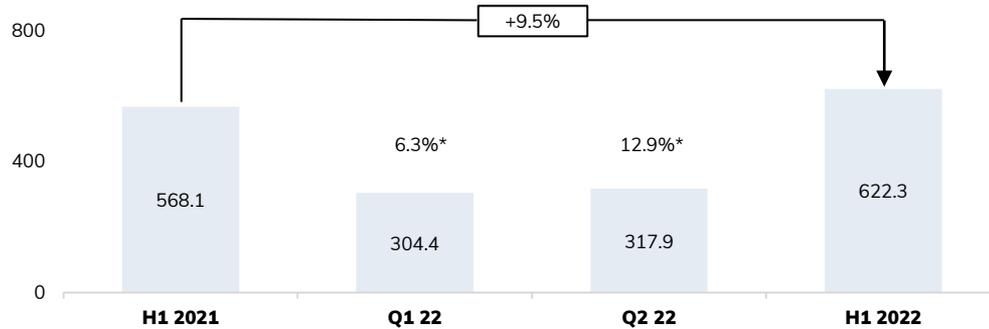
Net Operating Cash Flow of around EUR 60 million

(prev.: "around EUR 100 million")

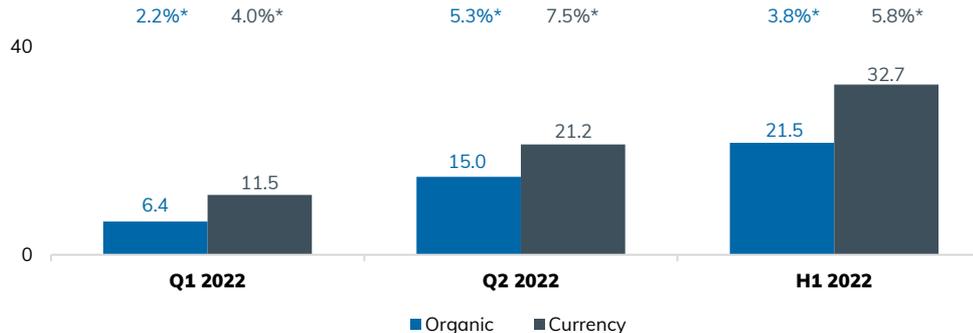
# Top Line Development Q2 & H1 2022



## Sales Development



## Organic Growth & Currency Effects



### Top Line

- Increase in Net Sales by 12.9% to EUR 317.9 million in Q2 2022 compared to EUR 281.7 million in Q2 2021, mainly due to Americas and positive currency effects.

### Organic Growth

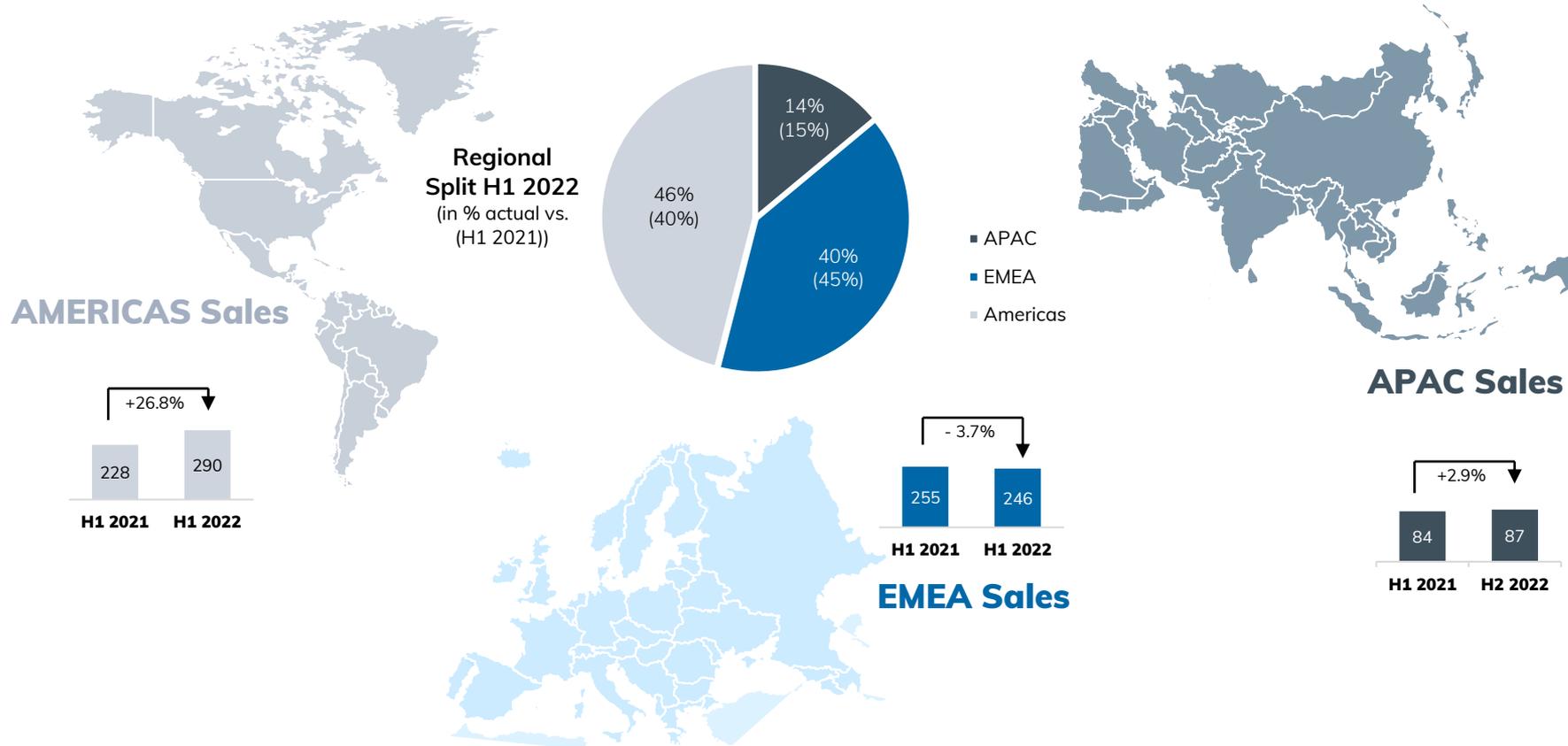
- Organic Growth of 5.3% in Q2 2022 with very strong performance in Americas
- EJT sales increased to EUR 167.6 million, with organic growth of 0.7% due to strong Americas business almost being offset by weak China business in APAC
- SJT sales increased to EUR 147.2 million, showing strong organic growth of 10.5%, mainly due to US Water business and APAC region

### Currency Effects

- Positive translation effects of EUR 21.2 million or 7.5% in Q2 2022

\* In % of prior year sales

# Segment Reporting (I/II) – H1 2022



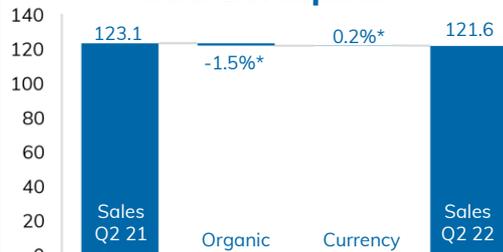
# Segment Reporting (II/II) – Q2 2022

## EMEA



- **EJT:** 1.1% organic decline in Q2 2022 mainly due to weaker automotive business also related to Russia-Ukraine-crisis while partly compensated by positive pricing effects
- **SJT:** 3.3% organic decline in Q2 2022 due to lower volumes partly compensated by higher pricing

### Sales Development



## Americas



- **EJT:** 13.4% organic growth in Q2 2022 mainly due to positive pricing
- **SJT:** Strong double-digit organic growth of 14.9% in Q2 2022 mainly due to positive pricing effects with US water business growing 20.7% in H1 2022

### Sales Development

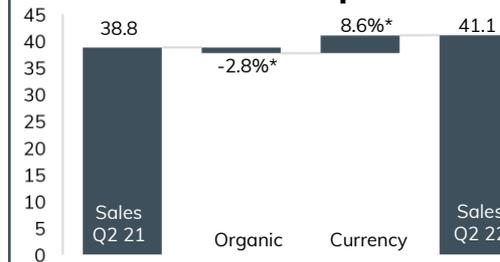


## APAC



- **EJT:** Organic decline of 13.4% mainly due to difficult China business related to COVID-19-lockdowns
- **SJT:** Strong organic growth of 20.1% also due to positive water business in India, Malaysia & Australia

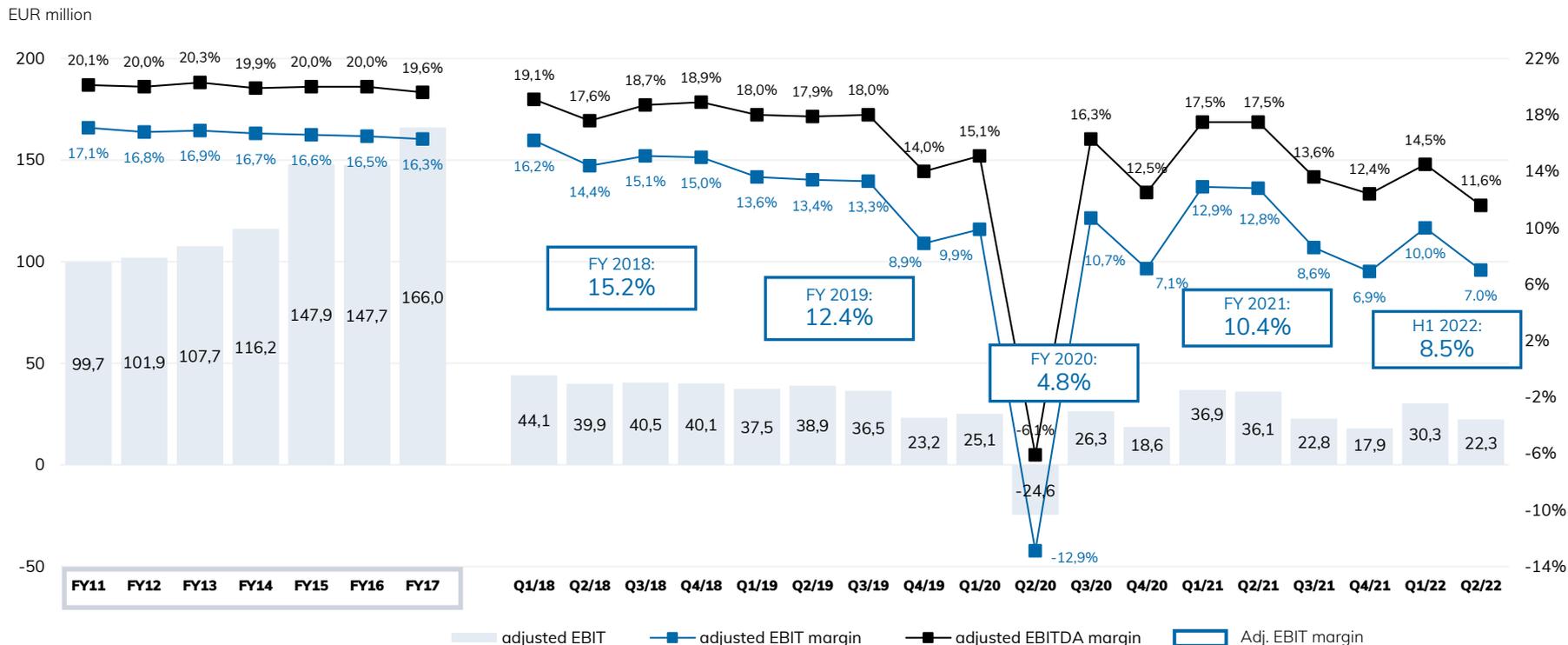
### Sales Development



\* In % of prior year sales

# EBITDA & EBIT Margin Development

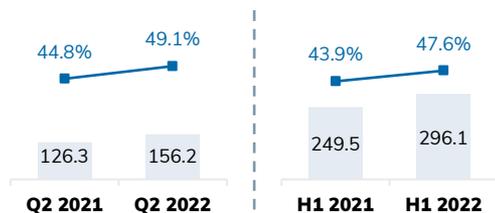
Weakening adj. EBIT margin due to high increased gas and energy prices, a further increase of inflation, ongoing effects of the war in Ukraine, the risk of further lockdowns in China as well as higher costs for logistics and other operative costs including IT implementation costs



# Profit & Loss Development Q2 and H1 2022

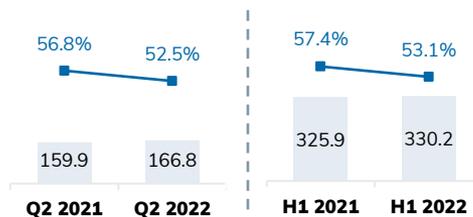
## Material Costs

(in EUR million and % of sales)



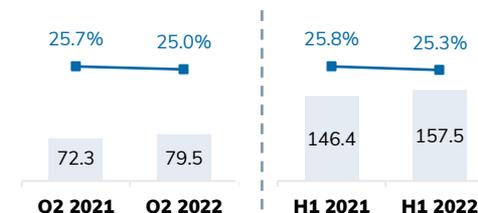
## Gross Profit

(in EUR million and % of sales)



## Adjusted Personnel Expenses

(in EUR million and % of sales)

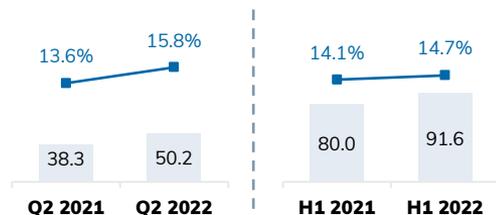


Material cost ratio increased by 430 BPs and Gross Profit ratio decreased by 430 BPs in Q2 2022, mainly due to higher costs related to global supply shortages and high inflation as well as the effects of the war in Ukraine

Improvement in personnel costs ratio by 70 BPs to 25% in Q2 and by 50 BPs in H1 respectively

## Net Expenses from adj. other operating Income and Expenses

(in EUR million and % of sales)



OPEX increased by EUR 11.9 million to EUR 50.2 million leading to 15.8% mainly due to higher number of leased staff & IT implementation costs

## Adjusted EBITDA

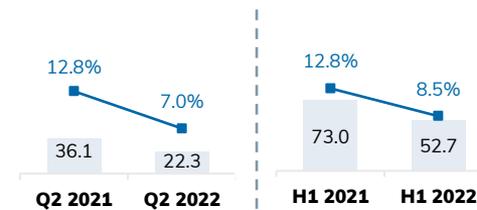
(in EUR million and % of sales)



Consequently adj. EBITDA margin decreased by 590 BPs to 11.6% and adjusted EBIT margin decreased by 580 BPs to 7.0% in Q2

## Adjusted EBIT

(in EUR million and % of sales)



# Operational Adjustments H1 2022



<b>in EUR million*</b>	<b>Reported</b>	<b>Adjustments</b>	<b>Adjusted</b>
Sales	622.3		622.3
EBITDA	81.1	0	81.1
<i>EBITDA margin</i>	13.0%		13.0%
EBITA	56.1	0.6 (depreciation PPA)	56.7
<i>EBITA margin</i>	9.0%		9.1%
EBIT	41.6	11.1 (incl. EUR 10.4 million amortization PPA)	52.7
<i>EBIT margin</i>	6.7%		8.5%
Net Profit	26.7	8.3 (incl. EUR -2.8 million post tax impact)	35.0
<i>Net Profit margin</i>	4.3%		5.6%
EPS (in EUR)	0.84	0.26	1.10

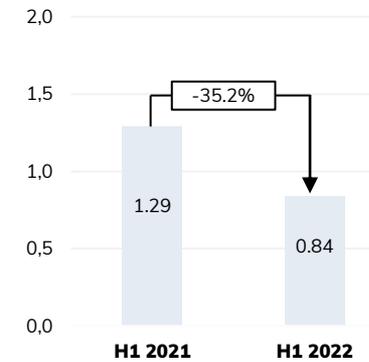
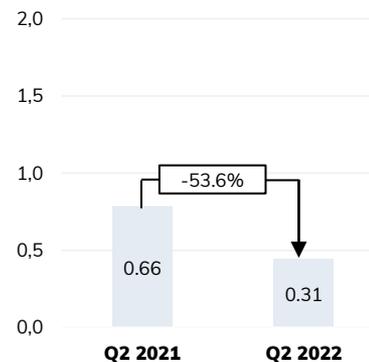
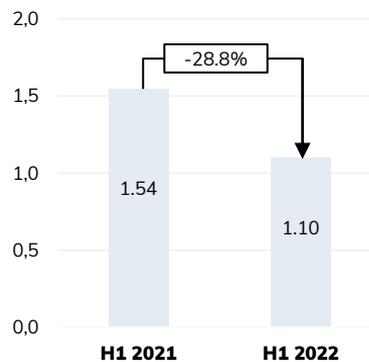
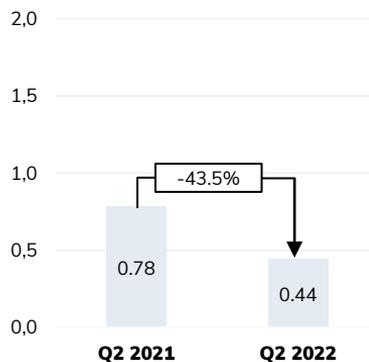
\* Deviations may occur due to commercial rounding.

# EPS Development in Q2 & H1 2022 and Dividend

Dividend of EUR 0.75 or around 33% of adjusted Group net profit for the fiscal year 2021 approved by the AGM on May 17<sup>th</sup>, 2022

## Adjusted EPS\*

## Reported EPS\*



Net Income  
(in EUR million)

24.9

14.1

49.1

35.0

20.8

10.0

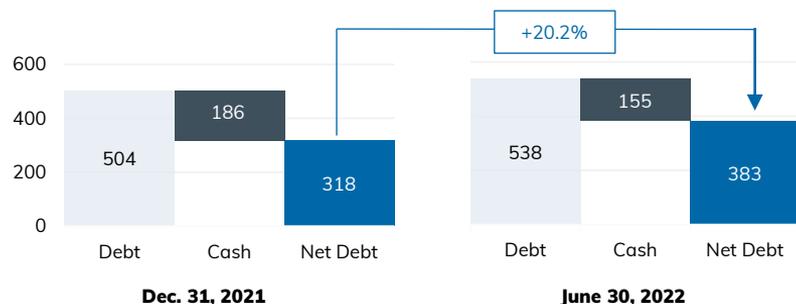
41.1

26.7

\* Based on number of shares of 31.862,400

# Equity Ratio, Net Debt and Debt Ratios

## Net Debt (in EUR million)



- Net Debt increased by 20.2% mainly due to dividend payment and business seasonality
- Leverage showing increase to 2.5x due to higher net debt and lower EBITDA
- Slightly better Equity Ratio of 44.7%

## Equity Ratio

	Dec. 31, 2021	June 30, 2022
<b>Equity Ratio</b> (Equity / balance sheet total)	44.6%	44.7%

## Debt Ratios

	Dec. 31, 2021	June 30, 2022
<b>Leverage</b> (Net debt / EBITDA)	1.9x	2.5x
<b>Gearing</b> (Net debt / equity)	0.5x	0.5x

# Net Operating Cash Flow Development Q2 & H1 2022

in EUR million	2019	2020	2021	Q2 2021	Q2 2022	Variance (2022 to 2021)	H1 2021	H1 2022	Variance (2022 to 2021)
(Adjusted) EBITDA	187.2	99.3	167.6	49.3	37.0	-24.9%	99.5	81.1	-18.5%
Δ ± Trade Working capital	-9.5	20.2	-20.4	-2.0	1.3	166.0%	-40.4	-53.4	-32.2%
Net operating cash flow before investments from operating business	177.7	119.5	147.2	47.3	38.3	-19.0%	59.1	27.7	-53.1%
Δ ± Investments from operating business	-54.8	-41.2	-47.4	-10.5	-11.9	-13.3%	-19.8	-17.9	9.6%
Net Operating Cash Flow	122.9	78.3	99.8	36.8	26.4	-28.3%	39.3	9.8	-75.1%

- Factoring programs decreased to EUR 56 million (Dec. 31, 2022: EUR 62 million)
- Lower adj. EBITDA with higher working capital outflow leads to decreased Net Operating Cash Flow before CAPEX of EUR 27.7 million compared to EUR 59.1 million in H1 2021
- CAPEX spending of EUR 17.9 million in H1 compared to EUR 19.8 million in prior year
- Resulting in a Net Operating Cash Flow of EUR 9.8 million compared to EUR 39.3 million in H1 2021

# NORMA Value Added



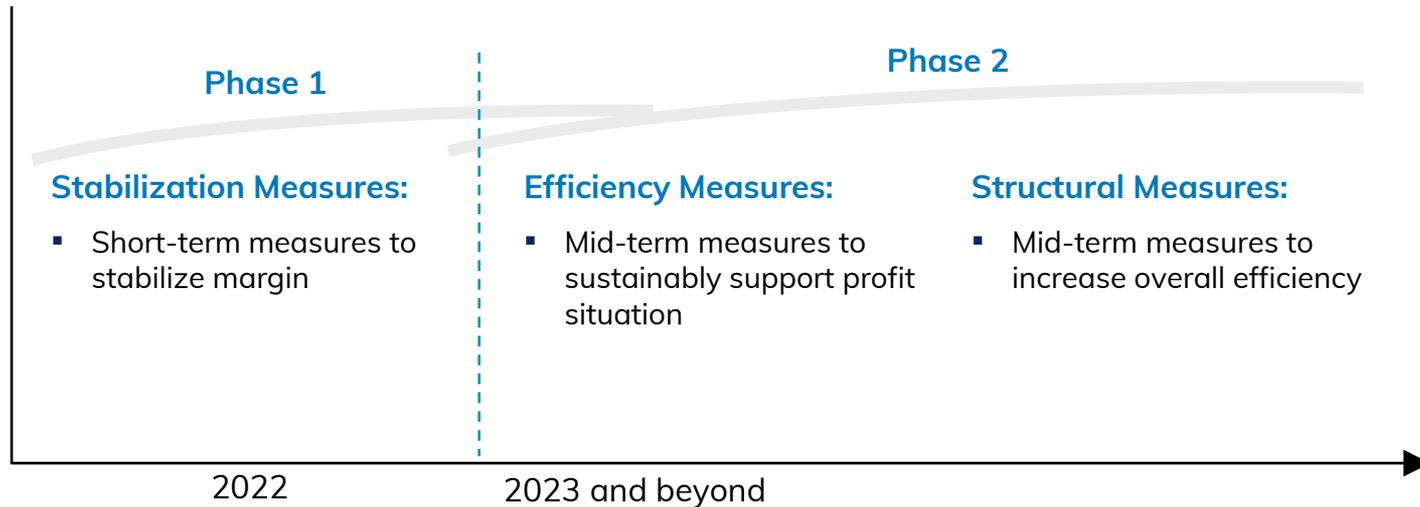
<b>in EUR million</b>	<b>Q2 2021</b>	<b>Q2 2022</b>	<b>H1 2021</b>	<b>H1 2022</b>
Adjusted EBIT after taxes	26.6	16.3	53.6	38.3
Capital Cost (WACC x CE per January 1st)	-18.0	-17.2	-32.1	-34.1
NOVA	8.6	-0.9	21.6	4.2

- The NORMA Value Added (NOVA) is NORMA Group's long term strategic target
- NORMA Group determines the annual value creation in form of the NORMA Value Added (NOVA)
- NOVA is calculated on the basis of adjusted EBIT, tax rate and the cost of capital
- The cost of capital is defined by the weighted average cost of capital (WACC) and the capital employed (equity plus net debt)

# Performance Improvement Program



- Stabilization and sustainable improvement of NORMA Group
- Program comprising of 3 optimization layers to be implemented in the coming years
  - Stabilization Measures (short-term)
  - Efficiency Measures (mid-term)
  - Structural Measures (mid-term)



# Outlook 2022 – Updated Company Guidance\*



## Organic Sales Growth

Medium to high single-digit  
Organic Group Sales Growth  
(unchanged)



## Adj. EBIT Margin

Around 8%  
(previously: "around 11%")



## Net Operating Cash Flow

Around EUR 60 million  
(previously: "around EUR 100 million")



## NOVA

Between EUR -20 million and  
EUR 10 million  
(previously: "between EUR 20 million and EUR  
40 million")



# NORMA GROUP FULL YEAR 2021 RESULTS

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01

## FY 2021 Review

Strong H1 2021 with good recovery;  
But challenging environment in H2 2021

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02

## P&L Statement & Segment Reporting

Economic recovery and strict cost control measures -  
Resulting in an increased EBIT margin

[→ Go to p. 22](#)

03

## Balance Sheet & Maturity Profile

Strong Balance Sheet even further improved;  
Solid maturity profile with long-term financing strategy

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04

## Cash Flow & NORMA Value Added

Improved Net Operating Cash Flow;  
Positive NORMA Value Added

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05

## Status on "Get on track"

"Get on track" program well under way with  
further savings to come

[→ Go to p. 40](#)

06

## Guidance & Outlook

Medium to high single-digit Organic Group Sales Growth &  
Adjusted EBIT margin of around 11% expected

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## Strategy & Business Model

Strong business model with growth opportunities;  
Resilient business model driven by global mega trends

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## Financial Track Record

Long-term Charts including P&L, Balance Sheet, Cash Flow,  
Working Capital, CapEx & Factoring Programs

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## Corporate Responsibility

Business driven by mega trends climate change &  
resource scarcity

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## Share Information & Others

Long-term shareholder basis;  
Q1 2022 results on May 4<sup>th</sup>, 2022

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# FULL YEAR 2021 REVIEW



# Facts & Figures FY 2021 – Key Figures (I/III)



## Sales

Increase of net sales of 14.7% leads to sales of EUR 1,091.9 million

(2020: EUR 952.2 million)

[→ Go to Segment Sales](#)



## Organic Sales

16.2% organic sales growth for the full year 2021

(2020: -12.1%)

[→ Go to Top Line Details](#)



## Adjusted EBIT

Increased adjusted EBIT by 151.2% to EUR 113.8 million

(2020: EUR 45.3 million)

[→ Go to P&L Details](#)



## Adj. EBIT Margin

Increased adjusted EBIT margin of 10.4%

(2020: 4.8 %)

[→ Go to Margin Development](#)



## EPS

Adjusted EPS at EUR 2.27

(2020: EUR 0.77)

Reported EPS at EUR 1.76

(2020: EUR 0.18)

[→ Go to EPS Development](#)



## NOVA

Increased NORMA Value Added\* of EUR 16.0 million

(2020: EUR -46.4 million)

[→ Go to NOVA Details](#)

\* NOVA = [adj. EBIT x (1-t)] – (WACC x capital employed per January 1st)

# Facts & Figures FY 2021 – Key Figures (II/III)



## Equity

Improved equity ratio of 44.6%  
(2020: 41.7 %)

[→ Go to  
Equity Details](#)



## Net Debt

Net debt decreased to EUR  
318.5 million  
(2020: EUR 338.4 million)

[→ Go to Net  
Debt Details](#)



## Leverage

Improved leverage of 1.9x  
(December 31, 2020: 3.4x)

[→ Go to Debt  
Ratios](#)



## Net Operating Cashflow

Increased Net Operating  
Cashflow of  
EUR 100 million\*  
(2020: EUR 78 million)

[→ Go to Cash  
Flow Details](#)



## Dividend

Dividend proposal of  
EUR 0.75 for the  
fiscal year 2021 to the AGM on  
May 17, 2022  
(2020: EUR 0.70)

[→ Go to  
Dividend Details](#)



## Corporate Responsibility

CO<sub>2</sub> emissions reduced by  
12.8% in 2021  
(2020: 8.6%)

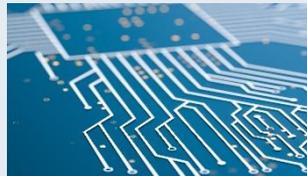
[→ Go to CR  
Details](#)

\* With factoring programs at EUR 62 million on December 31, 2021 (December 31, 2020: EUR 52 million)

## Global Supply Chain Disruptions & Lowered Production Rates



- Scarcity of raw material
- Severe cuts in light vehicle production



## Price Inflation



- Higher logistic and energy costs
- Material cost inflation



## Delayed Economic Recovery



- Strong H1 2021 with good recovery
- But challenging environment in H2 2021



## Ongoing Corona Challenges



- Ongoing Corona related costs in production and health
- High sick leave of staff and quarantine

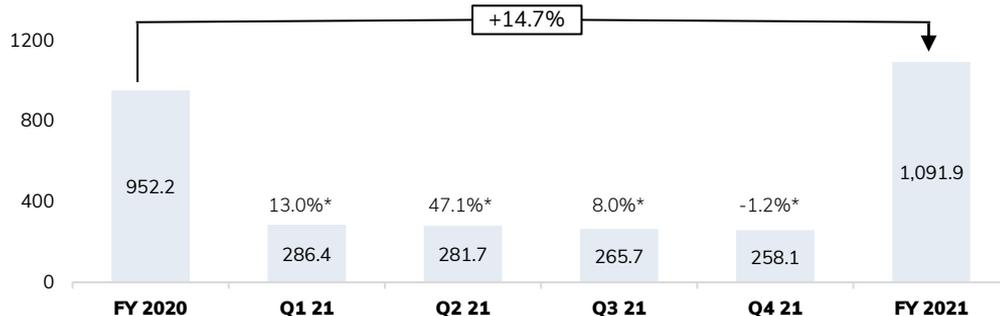


# SEGMENT REPORTING & P&L STATEMENT – FY 2021



# Top Line Development - FY 2021

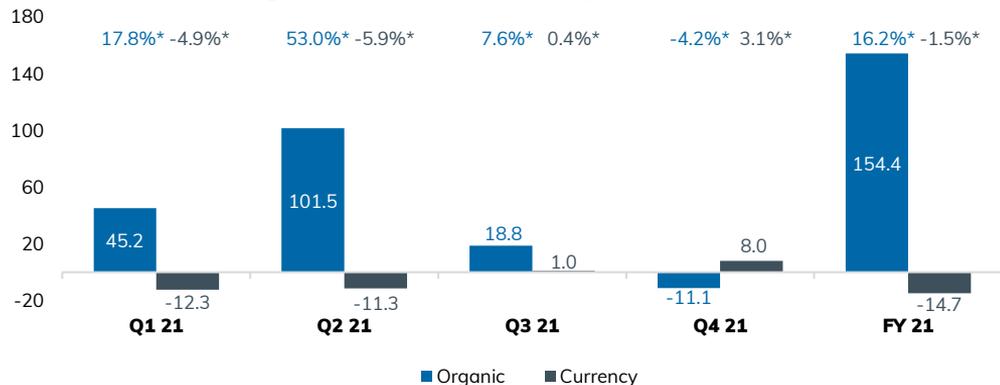
## Sales Development YoY



### Top Line

- Increase in Net Sales by 14.7% to EUR 1,091.9 million in FY 2021 compared to EUR 952.2 million in FY 2020, mainly due to economic recovery.

## Organic Growth & Currency Effects



### Organic Growth

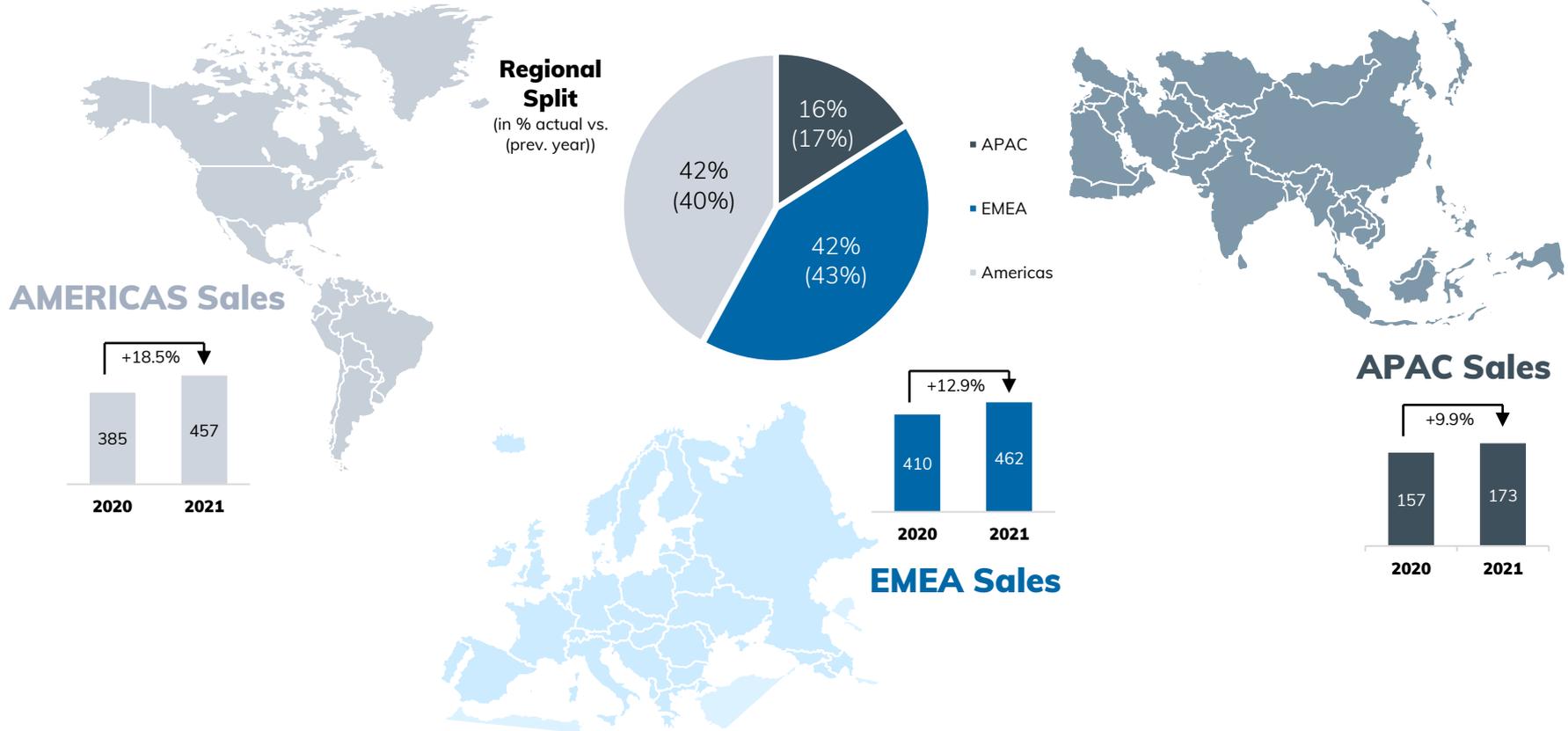
- Organic Growth of 16.2% in FY 2021 with good recovery in all regions, especially in EMEA and Americas
- EJT sales increased to EUR 620.7 million, showing an organic growth of 13.2%, mainly due to strong double-digit growth in the Americas region
- SJT showing strong organic growth of +19.9% in FY 2021, mainly due to the EMEA and Americas region

### Currency Effects

- Negative translation effects of EUR 14.7 million or -1.5% in FY 2021

\* In % of prior year sales

# Segment Reporting – Sales Development - FY 2021 (I/II)



# Segment Reporting – Sales Development – FY 2021 (II/II)

## EMEA



- **EJT:** Excellent recovery in H1 2021 leads to high single-digit development of 9.7% organic growth in FY 2021
- **SJT:** Strong double-digit organic growth of 20.3% in FY 2021 due to good business development and restocking

### Sales Development



## Americas



- **EJT:** Good rebound in H1 2021 leads to double-digit recovery of 22.3% in FY 2021
- **SJT:** Strong double-digit organic growth of 22.6% in FY 2021 with water management showing another record organic growth of 20.9% in FY 2021

### Sales Development

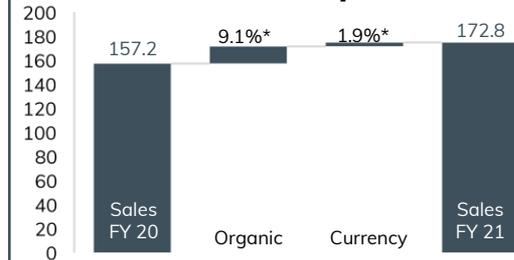


## APAC



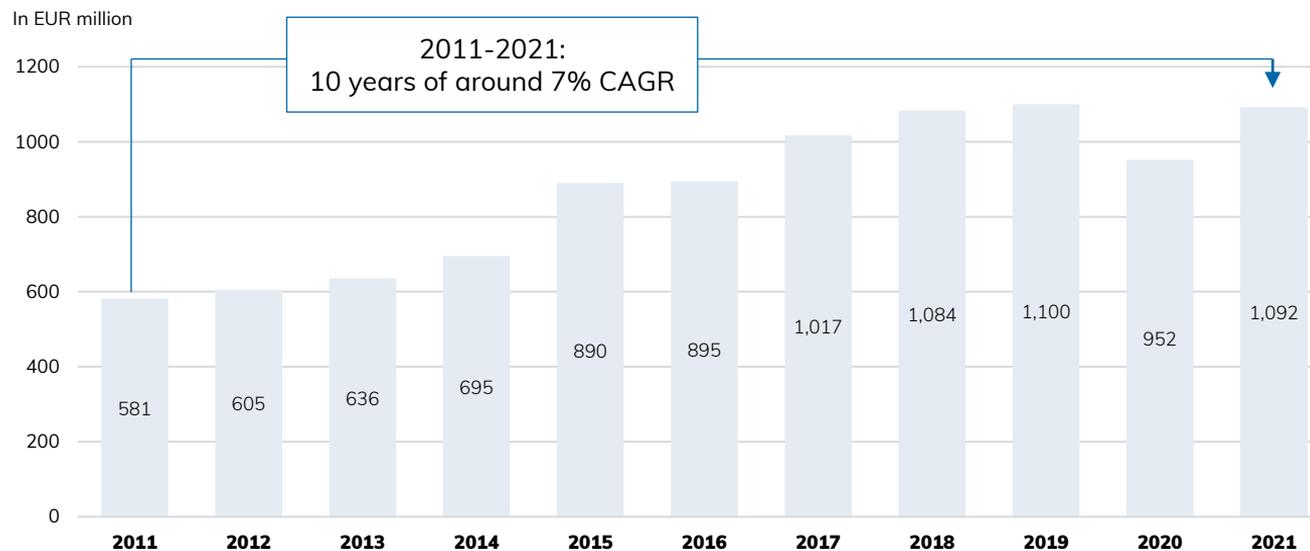
- **EJT:** Strong economic recovery in H1 2021 leads to double-digit organic growth of 10.6% in FY 2021
- **SJT:** Solid H1 2021 organic growth leads to 6.7% in FY 2021

### Sales Development



\* In % of prior year sales

# Revenue Track Record



## Thereof organic development (in EUR million and %)

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Ø 10 years
In EUR million	-10.8	15.1	41.3	25.9	7.6	77.0	78.6	-21.6	-133.3	154.4	
In %	-1.9	2.5	6.5	3.7	0.9	8.6	7.7	-2.0	-12.1	16.2	3.0

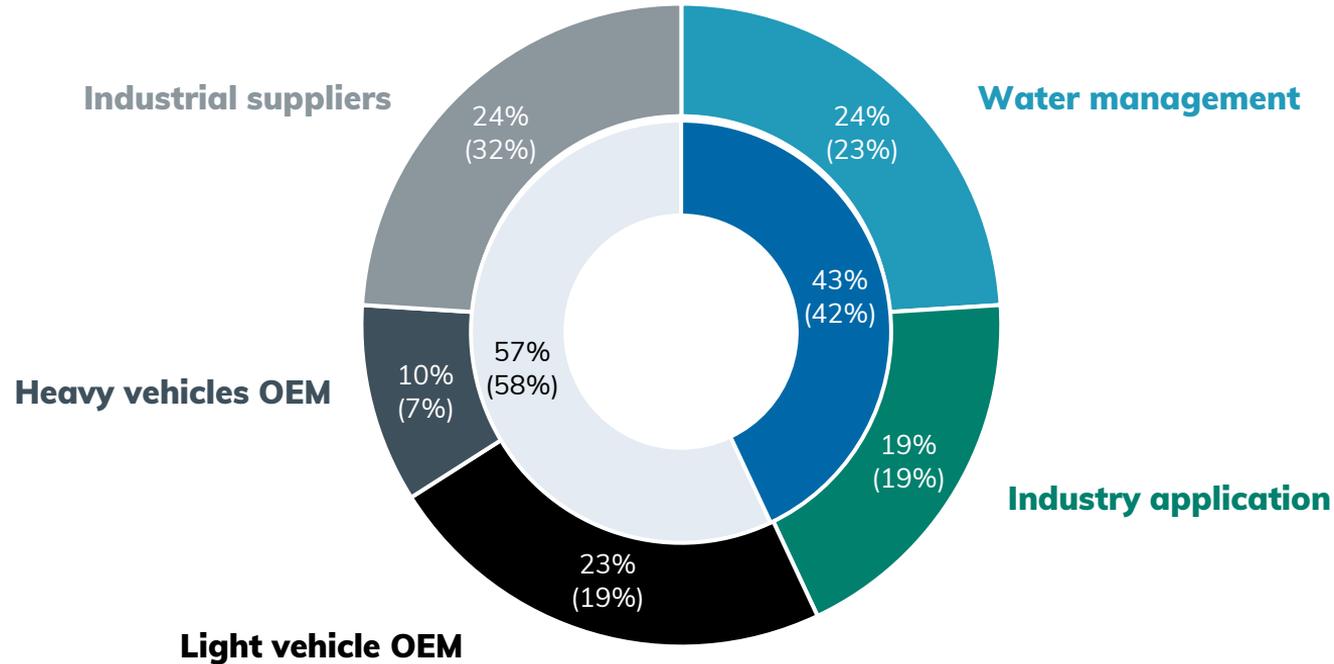
[→ Go to further long-term financials](#)

# Balanced Sales Mix with Focus on Water Management & Industry Applications\* - FY 2021



**Engineered Joining Technology (EJT)**

**Standardized Joining Technology (SJT)**

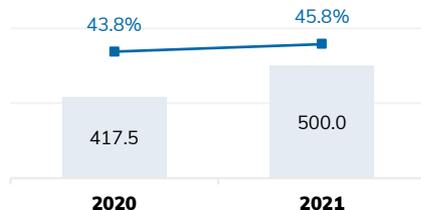


\* FY 2021 (2020 in brackets)

# (Adjusted) Profit & Loss Development - FY 2021

## Material Costs

(in EUR million and % of sales)



Material costs increased by 19.8% and the material cost ratio increased by 200 BPs due to higher costs mainly related to global supply shortages, while Gross Profit ratio only decreased by 30 BPs, mainly due to increase in inventory.

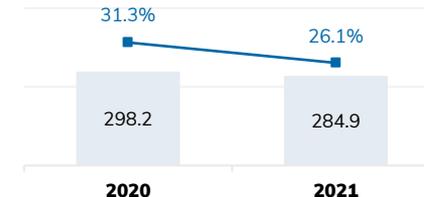
## Gross Profit

(in EUR million and % of sales)



## Personnel Expenses

(in EUR million and % of sales)



Strong improvement in personnel costs ratio to 26.1%, by that better than 2019 level of 27.5%.

## Net Expenses from adj. other oper. Income and Expenses

(in EUR million and % of sales)



Higher OPEX in line with sales increase mainly due to increase in temp workers related to business recovery leading to a stable OPEX to sales ratio.

## Adjusted EBITA

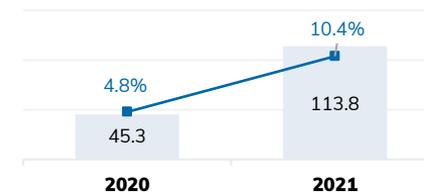
(in EUR million and % of sales)



Increased adjusted EBITA and adjusted EBIT margin of 11.2% and 10.4% mainly due to sales recovery and lower expenses (unadjusted) related to "Get on track".

## Adjusted EBIT

(in EUR million and % of sales)



# Operational Adjustments FY 2021 and Outlook 2022-2023



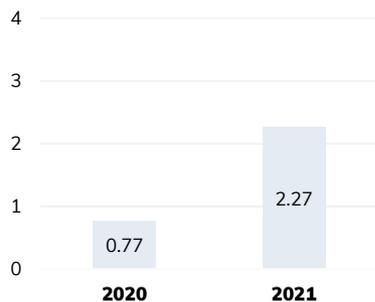
<b>in EUR million*</b>	<b>Reported</b>	<b>Adjustments</b>	<b>Adjusted</b>	<b>FY 2022</b>	<b>FY 2023</b>
Sales	1,091.9		1,091.9		
EBITDA	167.6	0	167.6	0	0
EBITDA margin	15.3%		15.3%		
EBITA	121.0	1.5 (depreciation PPA)	122.5	ca. 1.1 (depreciation PPA)	ca. 0.9 (depreciation PPA)
EBITA margin	11.1%		11.2%		
EBIT	92.1	21.7 (incl. EUR 20.2 million amortization PPA)	113.8	ca. 21.8 (incl. around EUR 20.7 million amortization PPA)	ca. 21.4 (incl. around EUR 20.5 million amortization PPA)
EBIT margin	8.4%		10.4%		
Net Profit	56.1	16.2 (incl. EUR -5.5 million post tax impact)	72.3	ca. 16.3	ca. 16.0
Net Profit margin	5.1%		6.6%		
EPS (in EUR)	1.76	0.51	2.27	ca. 0.51	ca. 0.50

- Costs related to the „Get on track“ change program are not adjusted

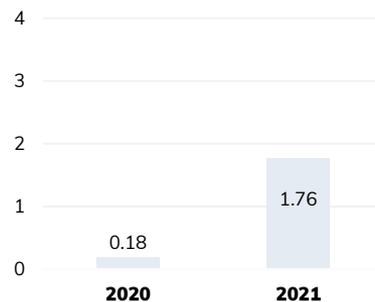
\* Deviations may occur due to commercial rounding.

# EPS and Dividend Development - FY 2021

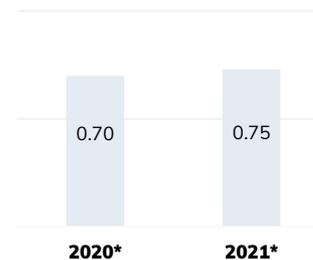
### Adjusted EPS in EUR



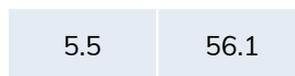
### Reported EPS in EUR



### Dividend per share in EUR



Net Income  
(in EUR million)



Proposal for dividend of EUR 0.75 or 33% of adjusted Group net profit for the fiscal year 2021 to the AGM on May 17<sup>th</sup> 2022

\* The date is referring to the financial year for which the dividend is being paid after the approval in the AGM

# Profit and Loss Statement - FY 2021



in EUR million and %	Adjusted		Reported	
	2020	2021	2020	2021
Sales	952.2	1,091.9	952.2	1,091.9
Gross Profit	536.7	612.4	536.7	612.4
EBITDA	99.3	167.6	99.3	167.6
in % of sales	10.4%	15.3%	10.4%	15.3%
EBITA	54.6	122.5	51.1	121.0
in % of sales	5.7%	11.2%	5.4%	11.1%
EBIT	45.3	113.8	20.1	92.1
in % of sales	4.8%	10.4%	2.1%	8.4%
Financial Result	-14.8	-12.4	-14.8	-12.4
Profit before Tax	30.5	101.4	5.4	79.7
Taxes	-6.2	-29.0	0.1	23.6
in % of profit before tax	20.3%	28.6%	1.8%	29.6%
Net Profit	24.3	72.3	5.5	56.1

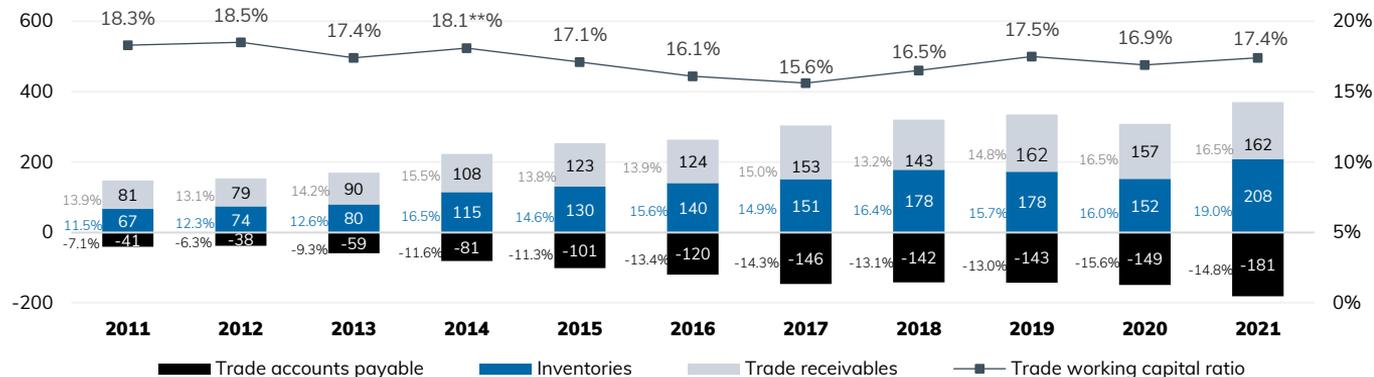
# BALANCE SHEET & MATURITY PROFILE – FY 2021



# Working Capital Development

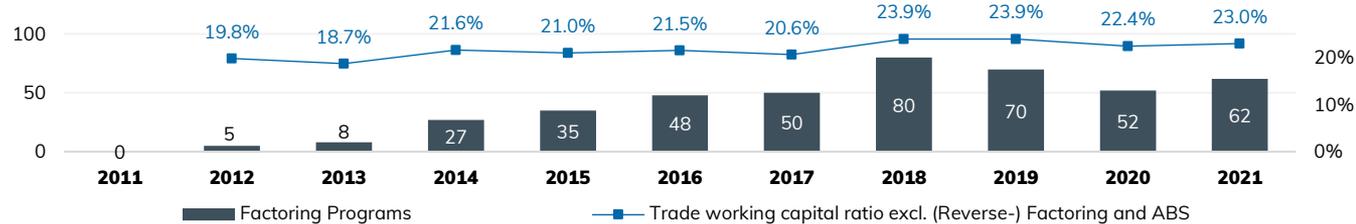
## Working capital incl. (Reverse) Factoring and ABS programs

(in EUR million and % of sales)



Working Capital Ratio increased by 50 BPs due to higher inventories and only partly compensated by higher payables.

## Factoring Programs\* (in EUR million and % of sales)



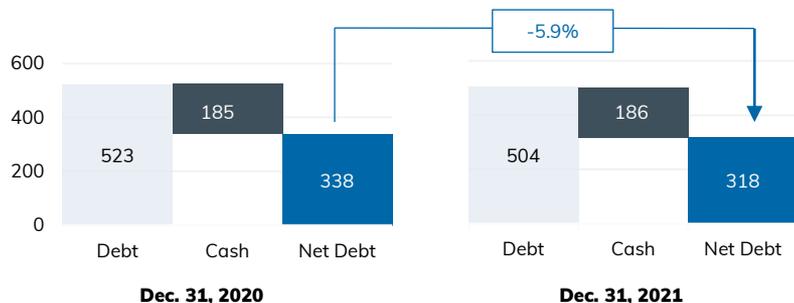
Factoring programs increased to EUR 62 million in order to optimize financial flexibility.

\* (Reverse) Factoring and ABS programs

\*\* In % of sales runrate of EUR 784 million including NDS sales on full year 2014 basis

# Equity Ratio, Net Debt and Debt Ratios – FY 2021

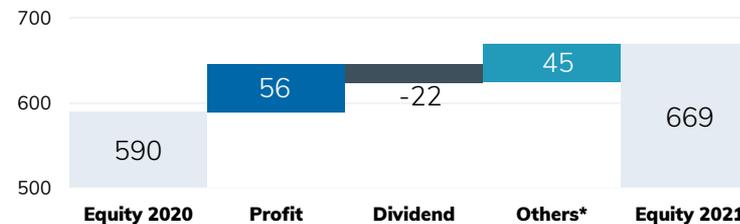
## Net Debt (in EUR million)



## Debt Ratios

	Dec. 31, 2020	Dec. 31, 2021
<b>Leverage</b> (Net debt / EBITDA)	3.4x	1.9x
<b>Gearing</b> (Net debt / equity)	0.6x	0.5x

in EUR million

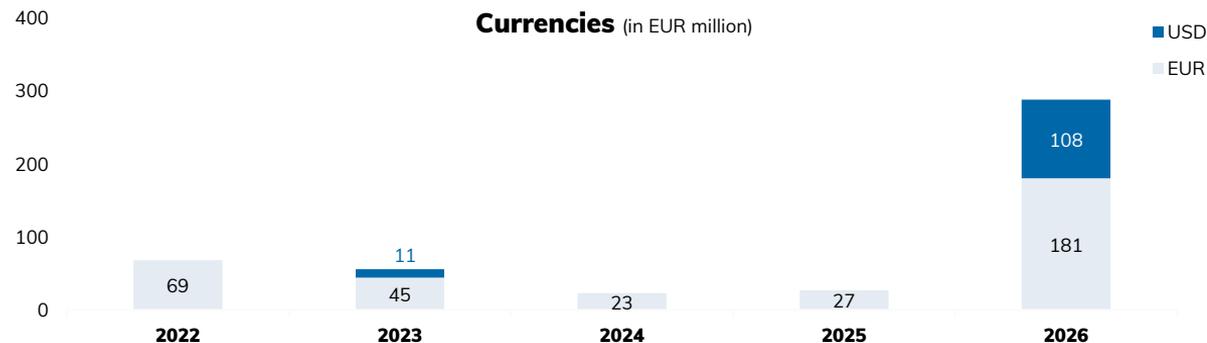
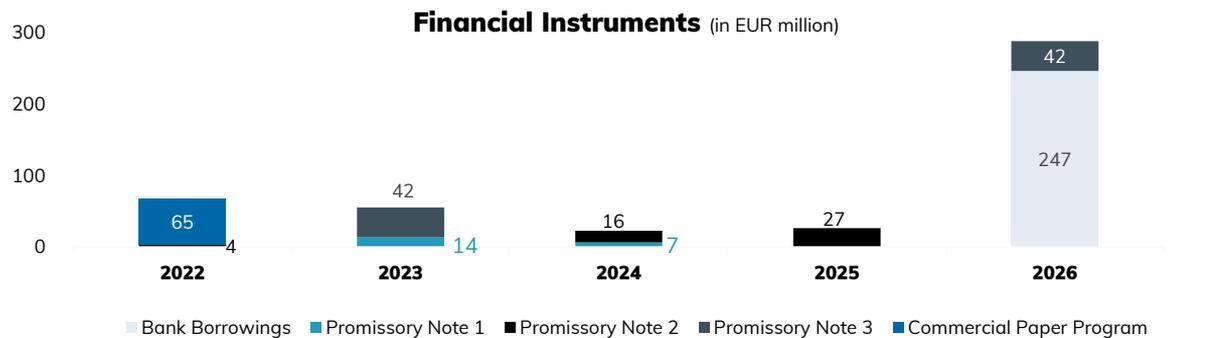


- Net Debt decreased by 5.9% due to strict cash collection and cash management
- Leverage showing strong improvement to 1.9x
- Further improved Equity Ratio of 44.6%
- Equity increased to EUR 669 million

Balance Sheet Total (in EUR million)	1,415	1,498
Equity Ratio	41.7%	44.6%

\* Includes exchange differences on translation of foreign operations of EUR 42.9 million and cash flow hedges net of tax amounting to EUR 0.8 million

# Solid Maturity Profile – FY 2021



- Solid maturity profile with longterm financing strategy established
- Next larger refinancing only due in 2026

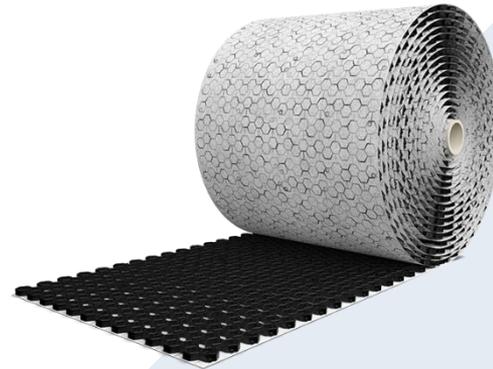
# Balance Sheet - FY 2021



in EUR million	Dec 31, 2020	Dec 31, 2021
Assets		
Non-current assets		
Goodwill / Other intangible assets / Property, plant & equipment	870.3	883.2
Other non-financial assets / Derivative financial assets / Deferred- and income tax assets	21.5	22.4
Total non-current assets	891.7	905.6
Current assets		
Inventories	152.2	208.0
Other non-financial / other financial / derivative financial / income tax assets	28.1	30.0
Trade and other receivables	157.3	162.0
Cash and cash equivalents	185.1	185.7
Contract assets	0.3	0.8
Total current assets	523.0	592.6
Total assets	1,414.7	1,498.2

in EUR million	Dec 31, 2020	Dec 31, 2021
Equity and liabilities		
Equity		
Total equity	589.5	668.6
Non-current and current liabilities		
Retirement benefit obligations / Provisions	55.2	42.9
Borrowings and other financial liabilities	488.2	471.6
Other non-financial liabilities	35.5	38.5
Contract liabilities	1.2	0.6
Lease liabilities	33.8	30.8
Tax liabilities and derivative financial liabilities	62.6	64.6
Trade payables	148.7	180.5
Total liabilities	825.2	829.6
Total equity and liabilities	1,414.7	1,498.2

# CASH FLOW & NORMA VALUE ADDED - FY 2021



# Strong Cash Flow Development 2011 - 2021



## Net Operating Cash Flow

in EUR million	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Variance (2021 to 2020)
(Adjusted) EBITDA	117.0	120.8	129.3	138.4	177.5	179.4	199.7	201.4	187.2	99.3	167.6	68.8%
Δ ± Trade Working capital	-19.5	-9.8	+5.1	+10.4	-0.6	+17.0	-19.1	-13.7	-9.5	20.2	-20.4	-201.0%
Net operating cash flow before investments from operating business	97.5	111.0	134.4	148.8	176.9	196.4	180.6	187.7	177.7	119.5	147.2	23.2%
Δ ± Investments from operating business	-30.7	-30.0	-30.5	-39.6	-42.2	-47.9	-47.7	-63.3	-54.8	-41.2	-47.4	15.1%
Net Operating Cash Flow	66.8	81.0	103.9	109.2	134.7	148.5	132.9	124.4	122.9	78.3	99.8	27.5%

- Working Capital outflow of EUR 20.4 million due to higher business activities and growth
- Increased Capex due to investments in actual and future growth
- Net Operating Cash Flow of EUR 99.8 million compared to EUR 78.3 million in 2020

# NORMA Value Added and ROCE - FY 2021



<b>in EUR million</b>	<b>2020</b>	<b>2021</b>
Adjusted EBIT after taxes	36.1	81.2
Capital Cost (WACC x CE per January 1st)	-82.4	-65.2
NOVA	-46.4	16.0
ROCE (adjusted EBIT / Ø CE)	4.6%	11.9%
ROCE (reported EBIT / Ø CE)	2.2%	9.6%

- The NORMA Value Added (NOVA) is NORMA Group's long term strategic target
- NORMA Group determines the annual value creation in form of the NORMA Value Added (NOVA)
- NOVA is calculated on the basis of adjusted EBIT, tax rate and the cost of capital
- The cost of capital is defined by the weighted average cost of capital (WACC) and the capital employed (equity plus net debt)

# STATUS „GET ON TRACK“



# "Get on track" (I/II) – Scope

EUR 50 million savings p.a.

## Examples

<ul style="list-style-type: none"><li>▪ Increase share of best cost country production</li><li>▪ Reduction of complexity</li></ul>	Savings: EUR 20 million
<ul style="list-style-type: none"><li>▪ Streamlining of product portfolio through active portfolio management</li><li>▪ Bundle and transfer low volume products and business to wholesaler</li></ul>	Savings: EUR 5 million
<ul style="list-style-type: none"><li>▪ Strengthen commodities strategy</li><li>▪ Focus on best cost country purchasing</li><li>▪ Improvement of structures and processes</li></ul>	Savings: EUR 25 million

## Implementation Costs

- Accumulated total cost volume of around EUR 50 million until 2023
- Implementation costs will be shown on an unadjusted basis

Scope

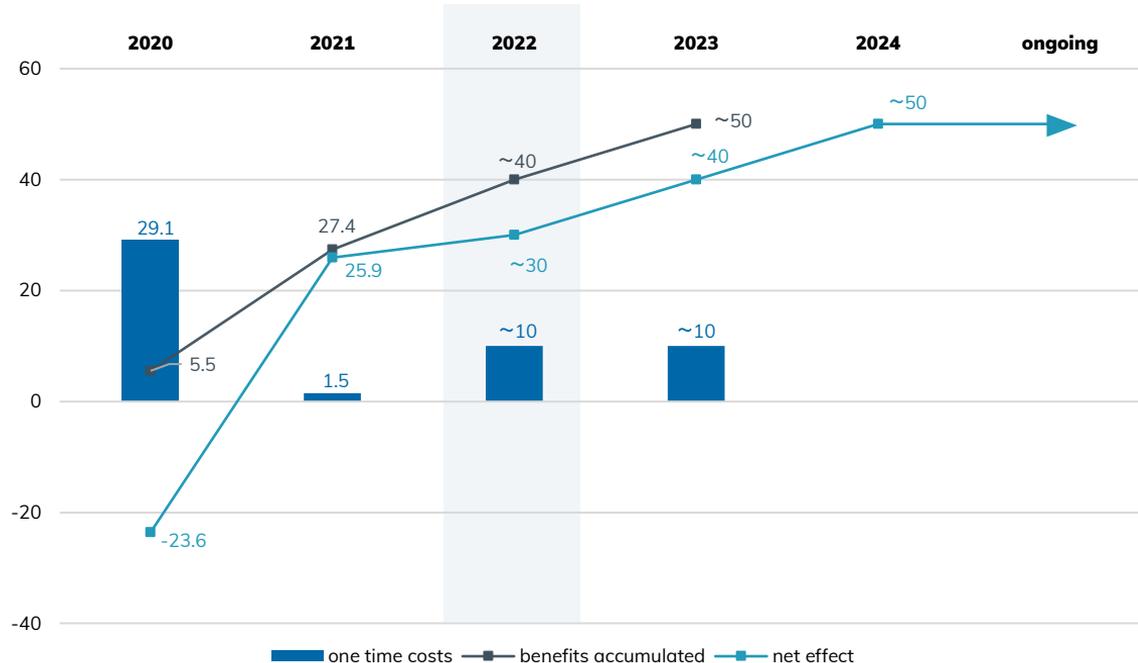
Locations

Product Portfolio

Structures

# "Get on track" (II/II) – Costs & Savings\* Timeline

"Get on track" program well under way with further savings in 2022



- Successful savings of EUR 27.4 million in 2020 and 2021
- Additional costs of EUR 1.5 million in 2021 (not adjusted)

\* All figures are given approximately according to current planning

# GUIDANCE & OUTLOOK FOR FY 2022



# Outlook 2022 – Updated Company Guidance\*



<b>Organic Sales Growth</b>	Mid to high single-digit Organic Group Sales Growth	<b>Financial Result</b>	Up to EUR – 10 million
<b>EJT</b>	Mid single-digit Organic Sales Growth	<b>Tax Rate</b>	Between 27% and 29%
<b>SJT</b>	High single-digit Organic Sales Growth	<b>Adjusted Earnings Per Share</b>	Significant decrease in adjusted Earnings Per Share
<b>EMEA</b>	Mid single-digit Organic Sales Growth	<b>NORMA Value Added (NOVA)</b>	Between EUR -20 million and EUR 10 million
<b>Americas</b>	Mid to high single-digit Organic Sales Growth	<b>Investment Rate (without acquisitions)</b>	Investment Ratio between 5% and 6% of Group Sales
<b>APAC</b>	Mid to high single-digit Organic Sales Growth	<b>Net Operating Cash Flow</b>	Around EUR 60 million
<b>Material Costs Ratio</b>	Higher cost of materials ratio compared to previous year	<b>Dividend</b>	Around 30% to 35% of adjusted Group Earnings
<b>Personnel Costs Ratio</b>	Improvement of personnel cost ratio compared to previous year	<b>CO<sub>2</sub> Emissions</b>	Less than 10,000 metric tons of CO <sub>2</sub> equivalents
<b>R&amp;D Investment Ratio</b>	Around 3% of Sales	<b>Number of Invention Applications</b>	More than 20
<b>Adjusted EBIT Margin</b>	Around 8%	<b>Number of Defective Parts</b> (parts per million / PPM)	5.5

\* According to AdHoc Notification of July 21, 2022

# STRATEGY & BUSINESS MODEL





## Business Focus

Global growth in Water Management and Industry Applications with selective expansion in Mobility & New Energy



## Mergers & Acquisitions

Continue dialogue with potential M&A targets in Water Management and Industry Applications as well as Mobility and New Energy in all regions



## Digitization

Expand e-commerce channels



## Transformation

Ongoing execution of “Get on track” projects for further profitable growth



## Handling of Market Environment

Close monitoring of market dynamics regarding ongoing Coronavirus impact, supply chain issues, cost pressure and geopolitical tensions

## NORMA Group Strategy including Corporate Responsibility Roadmap

-  Focus on our stakeholders ...
-  ... by being market leader in Joining & Fluid-handling technology ...
-  ... in existing & future markets, focusing on profitable & sustainable growth ...
-  ... in Water Management and Industry Applications especially in stormwater & irrigation business via e-commerce ...
-  ... in Mobility and New Energy focusing on the roll-out of global best-practices as well as selected, high profitability projects ...
-  ... with selective acquisitions, especially in Water Management, supporting NORMA Group's value creation.

✓ **Exceeding customer expectations**

✓ **Being an employer of choice**

✓ **Value Creation**

Strong focus on sustainable economic activities

Maintain high quality standards

Target to reduce CO<sub>2</sub> emissions

Continuous reduction of water consumption and waste volume

Target for trainings hours per employee

Improve health and safety

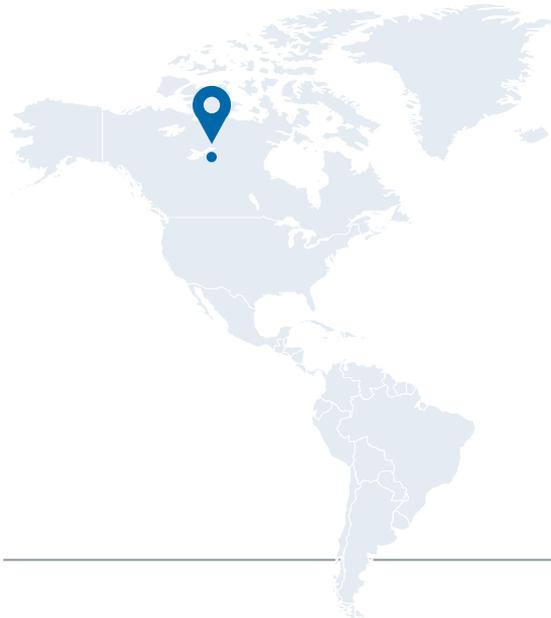


# NORMA Group Strategy – Strategic focus by region



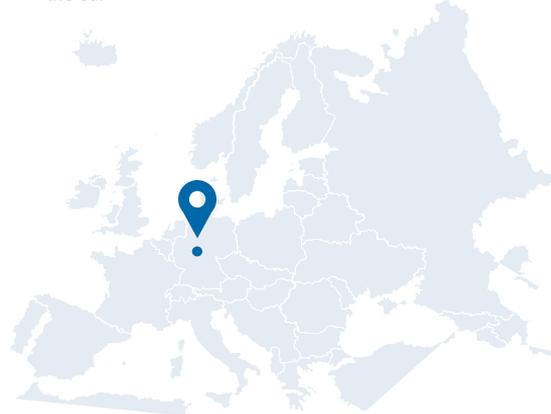
## Americas

- **Water Management:**  
Expansion of stormwater and irrigation business
- **Industry Applications:**  
Strengthening online and e-commerce channels
- **Mobility & New Energy:**  
Focus on selected and profitable business



## EMEA

- **Water Management:**  
Organic expansion might be enhanced via M&A
- **Industry Applications:**  
Active management of the product portfolio including online and e-commerce channels
- **Mobility & New Energy:**  
Focus on growth opportunities, both inside and outside of the car



## Asia-Pacific

- **Water Management:**  
Expansion of existing business
- **Industry Applications:**  
Increase product availability and localization
- **Mobility & New Energy:**  
Expansion of alternative mobility solutions



# NORMA Group's Key Facts



**NORMA serves various markets via its strategic business units Water Management, Industry Applications and Mobility & New Energy**



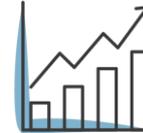
One of the global market and technology leaders in joining technology



Sales of about EUR 1,091.9 million in fiscal year 2021



Delivers to more than 10,000 customers in 100 countries



Listed on the Frankfurt Stock Exchange since 2011 and included in the SDAX index



Headquarters in Maintal near Frankfurt/Main, Germany



More than 40,000 innovative joining and fluid-handling solutions in three product categories: **Water, Fluid and Fasten**



Numerous sales and distribution sites across **Europe, the Americas and Asia-Pacific**

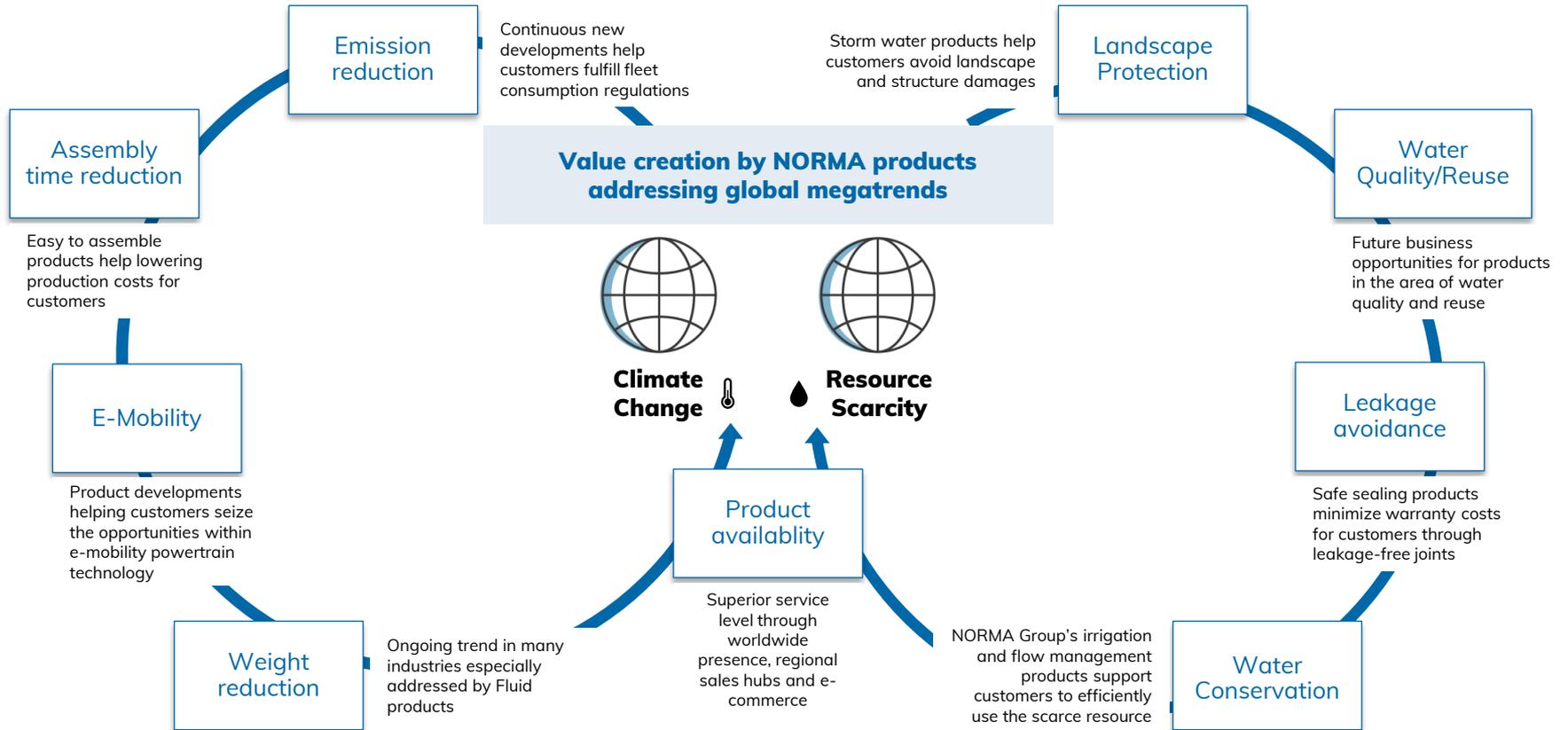


Operates a global network of **27 manufacturing facilities**



Employees > **8,600 worldwide**

# Proven business model addresses global megatrends



# NORMA Group's products – selected examples



## Water Products



### Dura Flo HD

- Dripwater irrigation product
- Saves up to 30% of water



### Spee-D Channel

- Stormwater management product
- Lightweight and easy to install drainage systems



### Compression Fittings

- Flowmanagement product
- High resistance to temperature and UV exposure

## Fluid Products



### PS3-Connector

- "Push & Seal" plastic quick connector
- Ideal for the secure connection of cooling water and heating hoses



### eM Compact

- Smallest Quick Connector in the electric and hybrid car market
- Robust design to ensure a leak-free interface



### NORMAQuick Connector

- Combines reinforced and unreinforced materials
- Enables safe connection of the connector with the plastic fuel tank

## Fasten Products



### Torro Clamp

- Multi-range hose clamp remaining the benchmark within modern clamp construction
- Ideally suited to applications with high mechanical loads



### FGR Combi Grip

- Connect plastic pipes with metal pipes without welding
- Special design of the anchoring ring the coupling can withstand even high vibration loads



### VPP Compact

- Connection solution to applications exposed to high temperatures
- V PP profile clamps are reliable and time-effective connection elements

# Good Balance in the Two Distinct Ways to Market



**Standardized Joining Technology (SJT)**  
ca. 43% of 2021 sales

**Engineered Joining Technology (EJT)**  
ca. 57% of 2021 sales

High quality, branded and standardized joining products provided at competitive prices to broad range of customers, especially via e-commerce.



- High quality, standardized joining technology products
- No. 1 product portfolio & service level
- B2B and B2C

## Unique business model with two distinct ways-to-market

- Significant economies of scale in production
- Resident engineers with close contact to international EJT customers
- National and international SJT service level and SJT product portfolio

Innovation and product solution partner for customers, focused on engineering expertise with high value-add, including digital solutions.



- Customized, engineered solutions
- 1,017 patents and utility models
- B2B

# Selective Competitors per Industry

## Water Management

- Rain Bird (US)
- Hunter (US)
- Toro (US)
- Netafim (ISR)
- Irritec (US)
- Plasson (ISR)
- ACO (GER)
- Oldcastle Infrastructure (US)
- Philmac (AUS)

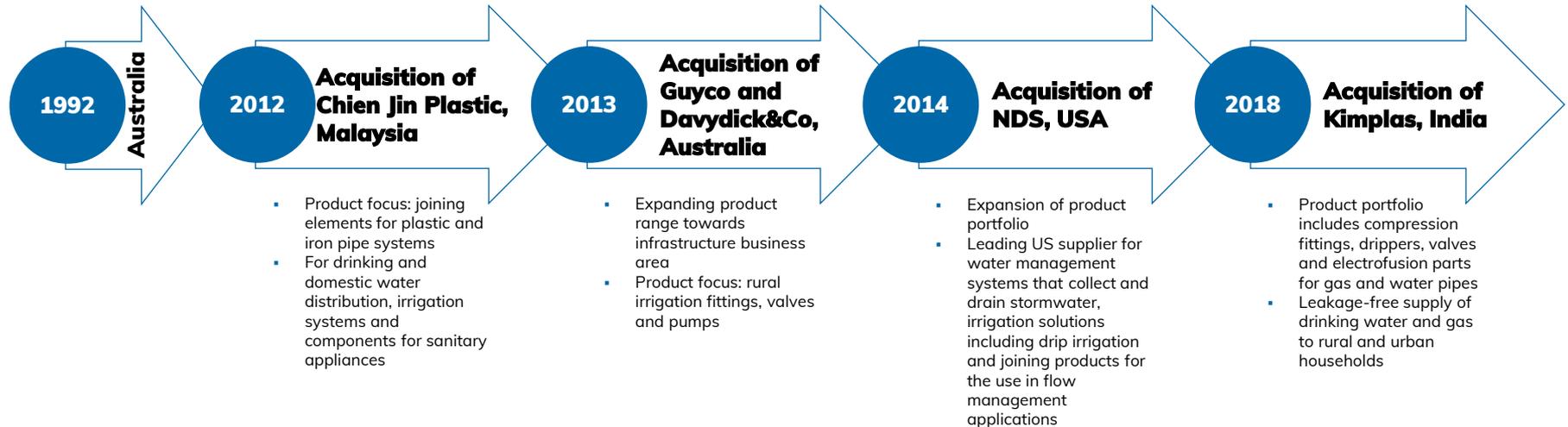
## Industry Applications

- Ideal Tridon (US)
- Oetiker (CH)
- Straub Werke (CH)
- Kale (TUR)
- Mikalor (ESP)
- TeekayCouplings (UK)
- Teconnex (UK)
- Clampco (UK)
- Murray (US)
- Dong-A Metal (KOR)

## Mobility & New Energy

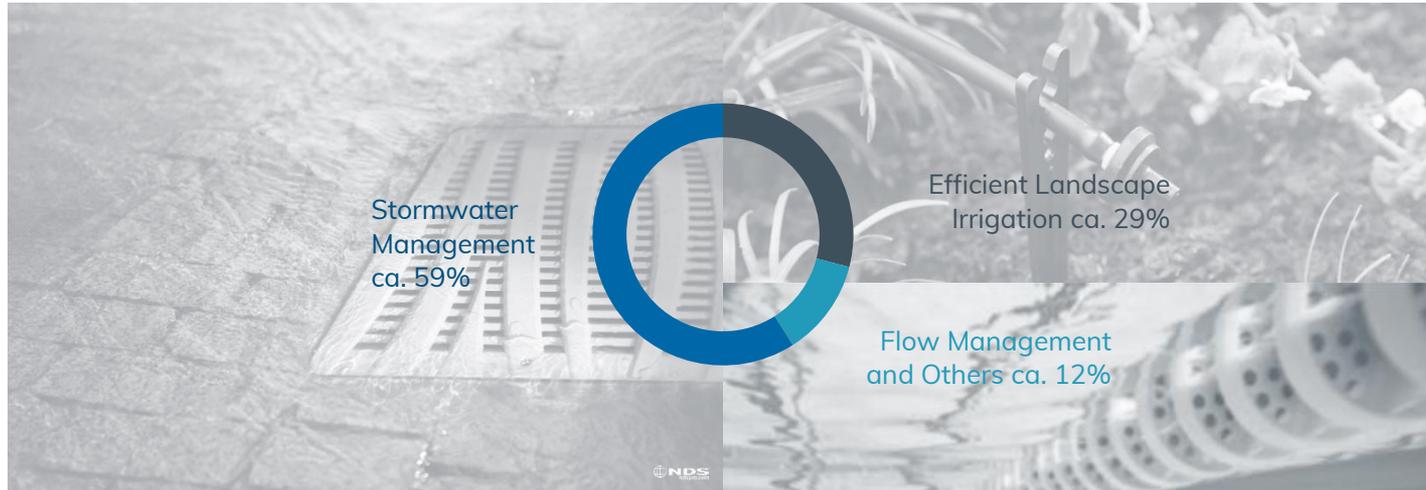
- Oetiker (CH)
- Caillau (FRA)
- Kale (TUR)
- Continental (Fluid) (GER)
- TI Group (Fluid) (UK)
- Hutchinson (Fluid) (FRA)
- ARaymond (Fluid) (FRA)
- Chinaust (Fluid) (CHN)
- Voss (Fluid) (GER)
- Fränkische Rohrwerke (Fluid) (GER)

## Scarce resource calling for water handling products



- 24% of sales or EUR 260.8 million in 2021
- Production and distribution sites in Australia, Malaysia, the US, Mexico and India
- Expanding Water Business organically and through M&A transactions

**Broad diversification in terms of application areas and products**



- Large target markets for all NDS application areas nationwide and international
- International expansion with mid-term focus

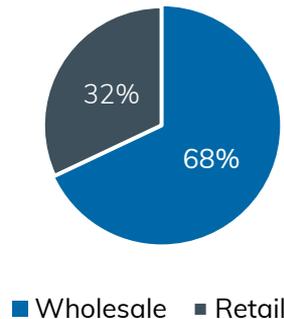
# NDS has deep and longstanding Customer Relationships



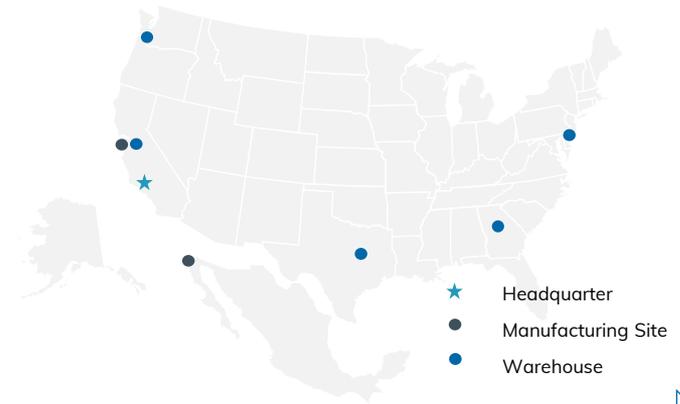
## Highly differentiated distribution and service model

- More than 3,000 products
- Over 12,300 customer locations (retail and wholesale customers)
- Two production sites (CA & MX), five warehouses in the US, more than 500 employees
- Orders received by 11 am are shipped the same day for wholesale orders
- 97% order fill rate, 98% on-time shipment of orders, and 98% order accuracy

## Over 12,300 customer locations

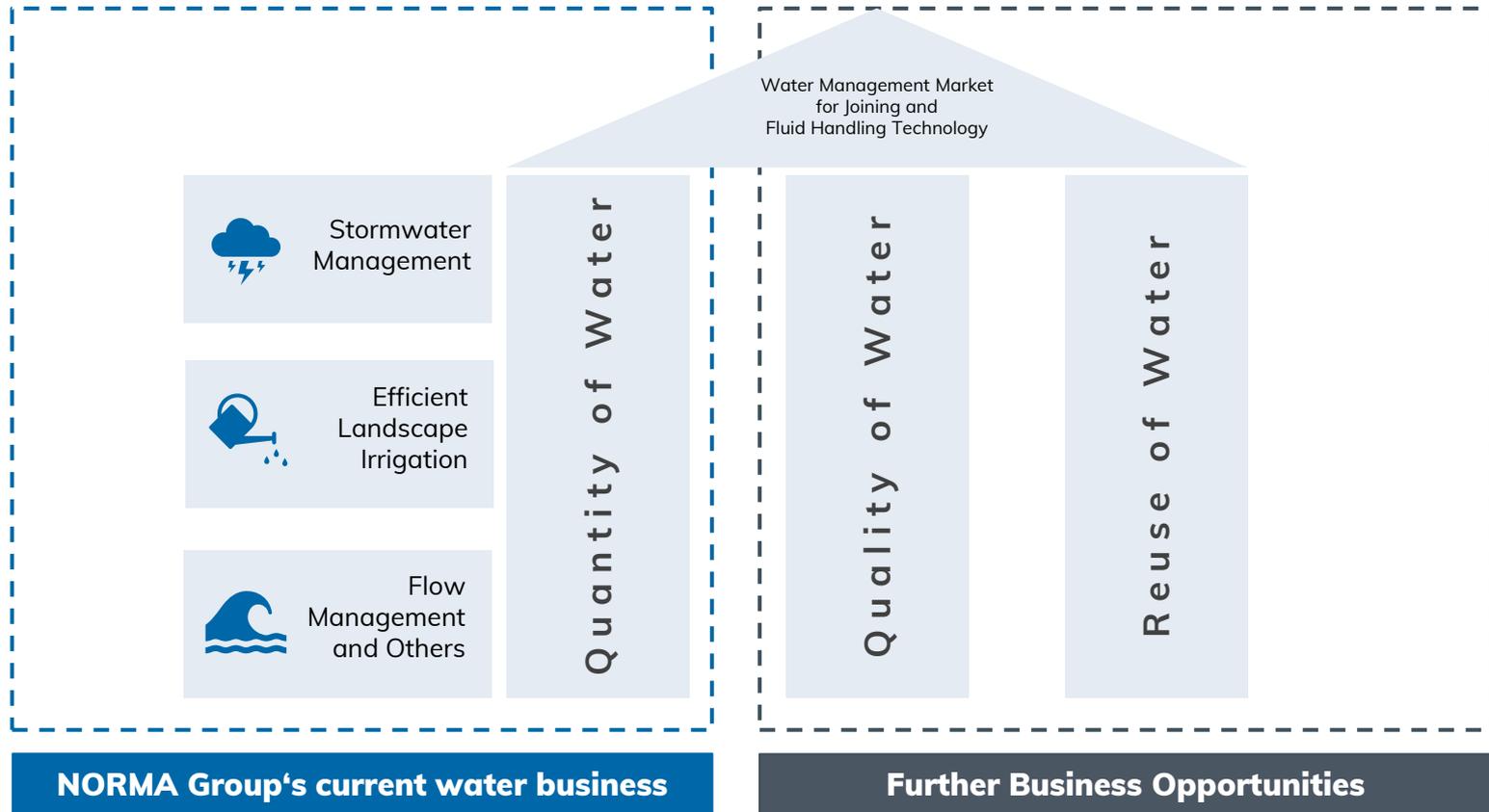


## Nation-wide presence

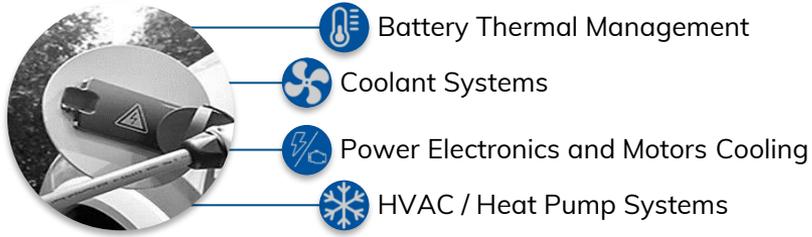


Over 25 years relationship with all of our top retail and wholesale customers

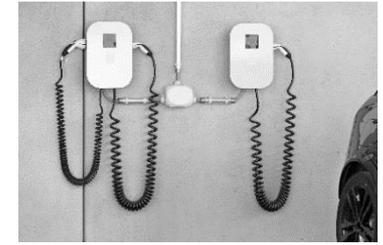
# Business Opportunities in Water Management



## Growth opportunities within the car



## Further growth opportunities outside the car

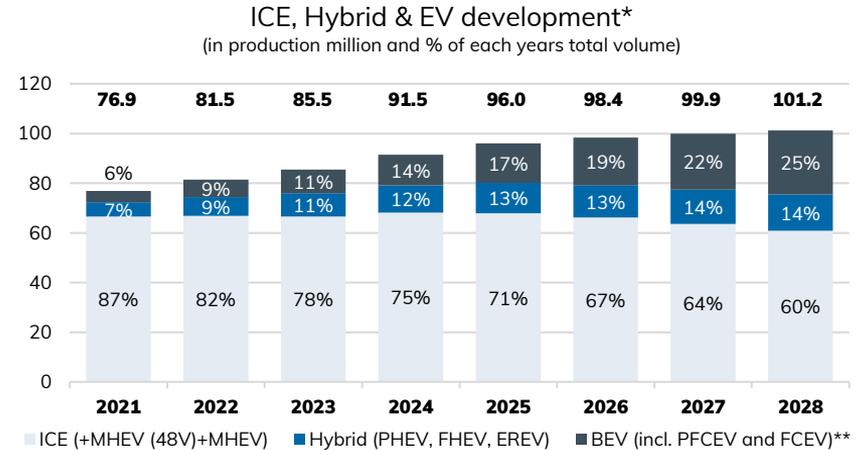
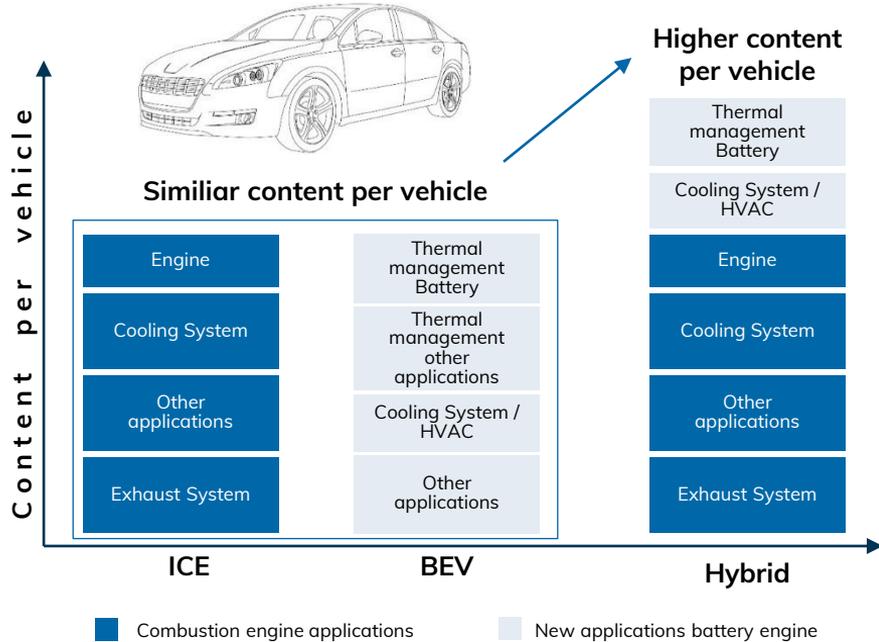


- ✓ Charging stations and wallboxes for e-mobility
- ✓ Joining technology within renewable energy sector (e.g. windmills)
- ✓ Colling systems for data centers

# NORMA Group well on track for Mobility & New Energy



## Benefit from hybridization and maintain content in Battery Electric Vehicles (BEV) vs. Internal Combustion Engines (ICE)



\* Source: LMC / NORMA Group as of end of July 2022

\*\* MHEV= Mild Hybrid EV, PHEV= Plug-in hybrid EV, FHEV= Full Hybrid EV, EREV= Extended-range EV, PFCEV= Plug-in fuel cell EV, FCEV= Fuel cell EV

# Premium Pricing through Technology and Innovation Leadership in Mission-Critical Components



**Mission-criticality: Small relative costs – high impact**

## Basis for premium pricing

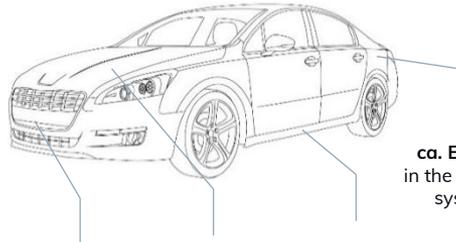
Market leadership

Technology

Quality

Innovation

Tailor-made solutions



ca. EUR 50  
in the engine

ca. EUR 25  
in the cooling  
system

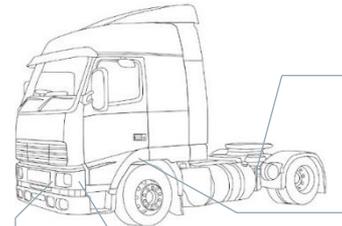
ca. EUR 5  
in other  
application  
areas

ca. EUR 10  
in the exhaust  
system

ca. EUR 90  
Content per  
vehicle\*  
in total

ca. 0.1%  
Content per  
vehicle\*

ca. EUR 120,000  
costs an average  
passenger  
vehicle\*



ca. EUR 80  
in the engine

ca. EUR 50  
in the cooling  
system

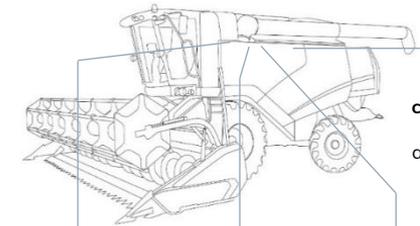
ca. EUR 40  
in the exhaust  
system

ca. EUR 10  
in other  
application  
areas

ca. EUR 180  
Content per  
vehicle  
in total

ca. 0.1%  
Content per  
vehicle

ca. EUR 100,000  
costs an average  
commercial  
vehicle



ca. EUR 23  
in the  
engine

ca. EUR 24  
in the cooling  
system

ca. EUR 82  
in the  
exhaust  
system

ca. EUR 95  
in other  
application  
areas

ca. EUR 224  
Content per  
vehicle  
in total

< 0.1%  
Content per  
vehicle

ca. EUR 350,000  
costs an average  
harvester

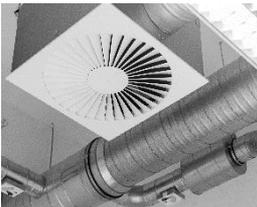
## High switching costs for customers

\* Example: Premium gasoline combustion engine passenger vehicle

# Enhanced Stability through Broad Diversification Across Products, End Markets and Regions



## Examples of NORMA Group's key end markets

Construction / infrastructure / water management	Commercial vehicles	Engines	Passenger vehicles	Construction equipment
				
Agricultural equipment	Shipbuilding	HVAC	Pharma & Biotech	Wholesalers & technical distributors and E- Commerce
				

- >40,000 products, manufactured in 27 locations and sold to more than 10,000 customers in 100 countries
- Top 5 customers account only for around 14% of 2021 sales

# NORMA Group Provides Mission-Critical Products and Solutions with Clear Added-Value



## A World without NORMA Group

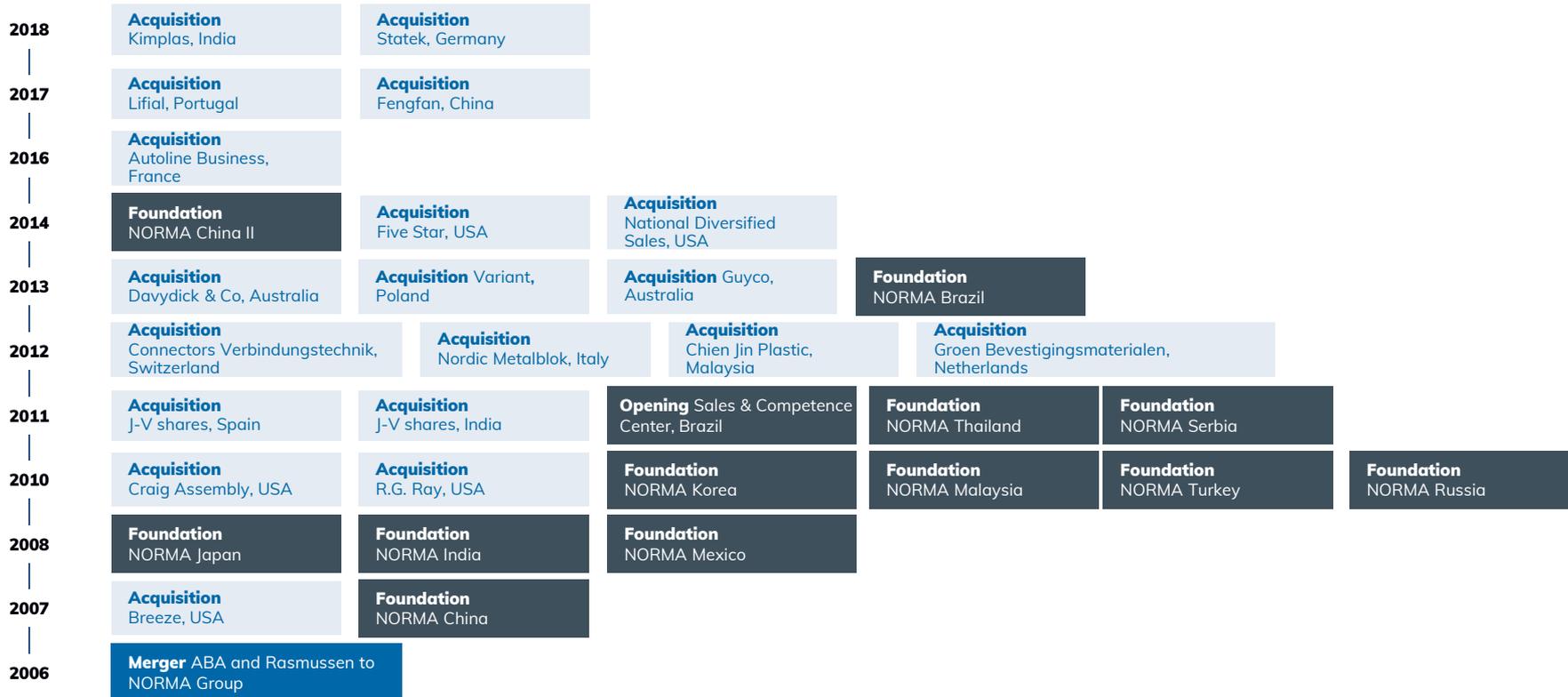


## Customer Impact

- Reputation loss
- Image loss
- Warranty costs
- Non-compliance with legal requirements/regulations

**Loss of End Customers**

# History of Acquisitions and Foundations



# 14 Acquisitions since IPO representing 46% of Sales in 2011



<b>Sales Consolidation Effects</b> (in EUR million)	<b>Date of Acquisition</b>		<b>Total Sales</b>
CONNECTORS Verbindungstechnik AG, Switzerland	04/12	Market entry in connecting technology in Pharma & Biotech	16.6
Nordic Metalblok S.r.l., Italy	07/12	Market consolidation heating and air conditioning clamps	5.2
Chien Jin Plastic Sdn. Bhd., Malaysia	11/12	Market entry joining elements for water distribution	7.7
Groen Bevestigingsmaterialen B.V., Netherlands	12/12	Securing market with national dealer	3.4
Davydick & Co. Pty. Limited, Australia	01/13	Enforce market position with distribution of water & irrigation systems	3.4
Variant SA, Poland	06/13	Securing market with national dealer	2.3
Guyco Pty. Limited, Australia	07/13	Enforce market position with distribution of water & irrigation systems	7.2
Five Star Clamps Inc., USA	05/14	Consolidation of multi-industrial engineered clamps	4.0
National Diversified Sales, Inc., USA	10/14	Expanding water management product portfolio	129.3
Autoline, France	12/16	Expanding product portfolio and strengthening market position in the area of quick connectors	46.2
Lifial - Indústria Metalúrgica de Águeda, Lda., Portugal	01/17	Strengthening product portfolio of DS business and market consolidation	7.4
Fengfan Fastener (Shaoxing) Co., Ltd., China	05/17	Expanding product portfolio and market position	11.5
Kimplas Piping Systems Ltd., India	07/18	Expanding water management product portfolio	20.4
Statek Stanzereitechnik GmbH, Germany	08/18	Expanding value chain for stamping and forming technology	5.1
<b>Total</b>			<b>269.8</b>

## EMEA

Czech Republic (P)  
France (P, D)  
Germany (P, D)  
Italy (D)  
Poland (P, D)  
Portugal (P,D)  
Serbia (P)  
Spain (D)  
Sweden (P, D)  
Switzerland (P, D)  
Turkey (D)  
United Kingdom (P, D)

## Americas

Brazil (P, D)  
Mexico (P, D)  
USA (P, D)

## Asia-Pacific

Australia (D)  
China (P, D)  
India (P, D)  
Japan (D)  
Malaysia (P, D)  
Singapore (D)  
South Korea (D)  
Thailand (D)



- 27 Production sites
- 21 Countries with Distribution, Sales & Competence Centers
- Sales into more than 100 countries

# NORMA Group – Key Investment Highlights



## Technology & Future Markets

Focus on Joining & Fluid-handling technology with profitable & sustainable growth in existing & future markets driven by global mega trends such as climate change and resource scarcity



## Business Units

Active in Water Management, Industry Applications and Mobility & New Energy



## Diversification

Enhanced stability through broad diversification across products, end markets and regions



## Distribution Channels

Strong global distribution network with one-stop-shopping service to specialized dealers, wholesalers and distributors as well as increased focus on e-commerce channels



## Positioning

Well positioned with engineered products with premium pricing through technology and innovation leadership in mission-critical components to benefit from shift to e-mobility



## Growth Prospects & Value Creation

Significant growth and value creation opportunity through synergistic acquisitions as well as focus on shareholder return and strong commitment to sustainable development goals

# Management Board of NORMA Group SE



## Dr. Michael Schneider

**Chairman of the Management Board,  
CEO of NORMA Group SE  
since November 14, 2019**



### Responsibilities:

Group Development, Group Communications, Regional Organization, Sales, Marketing, Human Resources & Integrity, Legal and M&A, Product Development, R&D, Divisional Organization

### Professional background

- Since 2019: CEO, NORMA Group
- 2015 – 2019: CFO, NORMA Group
- 2010 - 2015 Managing Director / CFO, FTE automotive Group
- 2006 - 2009 Member of the Management Board, Veritas AG
- 2003 - 2006 Director of Finance and IT, Aesculap AG (B. Braun Melsungen Group)
- Previous Various international management positions, thereof 3 years in Brazil

### Studies / professional education

- Studies of business economics at the Justus-Liebig-University of Gießen
- PhD in Economics at the Justus-Liebig-University of Gießen

## Dr. Friedrich Klein

**Member of the Management Board,  
COO of NORMA Group SE  
since October 1, 2018**



### Responsibilities:

Production, Purchasing, Supply Chain Management, Operational Global Excellence, ICT, Quality, Environment, Health and Safety (EHS), Project Management

### Professional background

- Since 2018: COO, NORMA Group
- 2008 - 2018 Various leading positions at Schaeffler Technologies AG & Co KG, Herzogenaurach
- 2005 - 2007 Director of Operations at Mubea Inc, Florence, USA
- 1996 - 2004 Various leading positions at Muhr und Bender KG, Attendorn
- 1989 - 1996 Various leading positions at WZL der RWTH Aachen, Aachen

### Studies / professional education

- Master's degree in Mechanical Engineering from RWTH Aachen
- Doctorate in Engineering from RWTH Aachen

## Annette Stieve

**Member of the Management Board,  
CFO of NORMA Group SE  
since October 1, 2020**



### Responsibilities:

Finance & Reporting, Controlling, Treasury & Insurances, Investor Relations, Corporate Responsibility and ESG, Risk Management & Internal Audit

### Professional background

- Since 2020: CFO, NORMA Group
- 2018 – 2020 Management Board, CFO Finance, Indirect Purchasing & General Services at Hoffmann SE, Munich
- 1996 – 2017 Various leading positions (most recently as Managing Director and CFO of the Northern and Eastern Europe region) at Faurecia Group, Stadthagen
- 1991 – 1996 Arthur Andersen & Co GmbH, Audit and Tax Advisory Firm, Hannover

### Studies / professional education

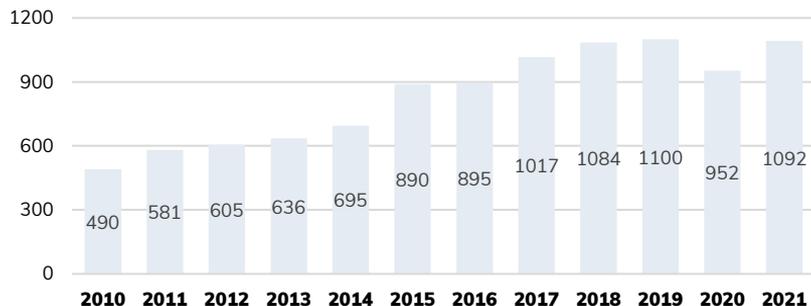
- Global Senior Management Program (Faurecia Programs), INSEAD, Fontainebleau Cedex, France
- Studies of economics at University of Paderborn
- Studies of law at the University of Bielefeld

# FINANCIAL TRACK RECORD



# Long-term P&L Development (I/II)

**Sales** (in EUR million)



**(Adjusted) Material Costs** (in EUR million and % of sales)



**(Adjusted) Gross Profit** (in EUR million and % of sales)



**(Adjusted) Personnel Expenses**

(in EUR million and % of sales)



# Long-term P&L Development (II/II)



**Net Expenses from adj. other oper. Income and Expenses** (in EUR million and % of sales)



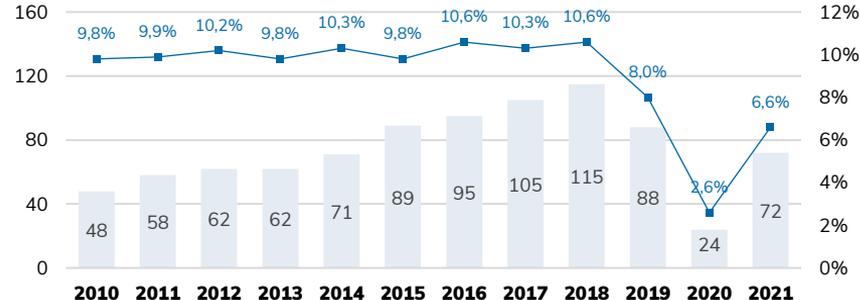
**Adjusted EBITA** (in EUR million and % of sales)



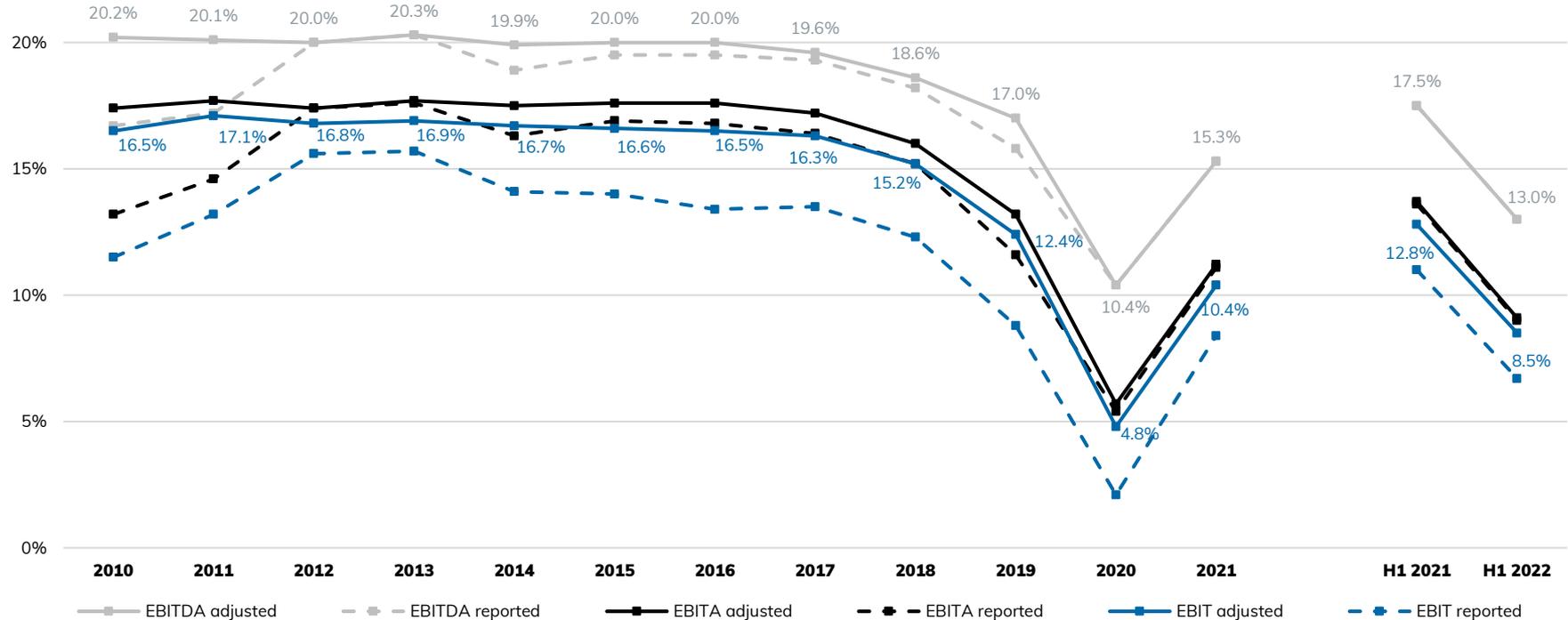
**Adjusted EBIT** (in EUR million and % of sales)



**(Adjusted) Net Profit** (in EUR million)



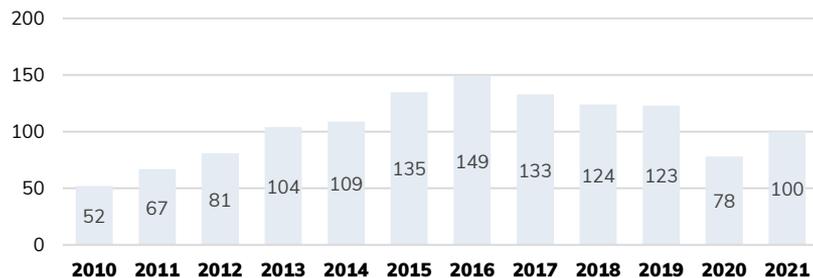
# Long-term Margin Development (adjusted and reported)



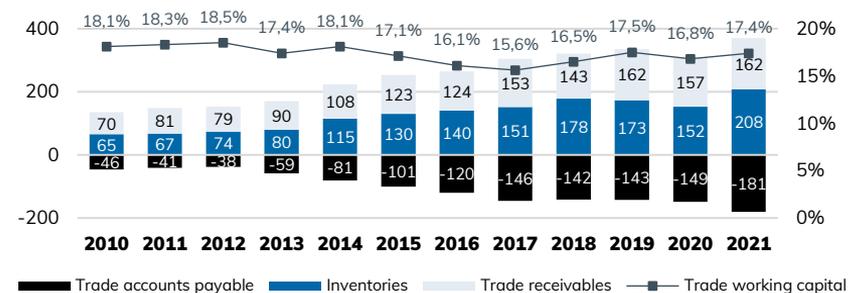
# Long-term Cash, Working Capital and CAPEX Development



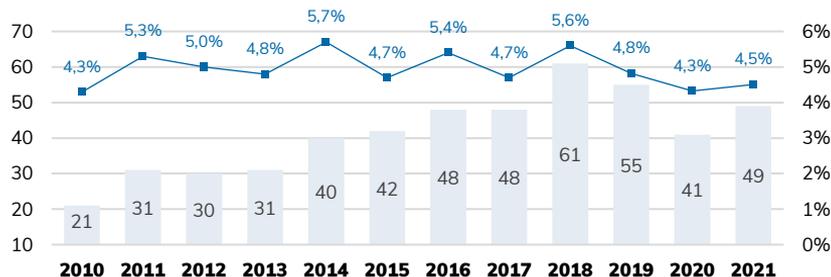
### Net Operating Cash Flow (in EUR million)



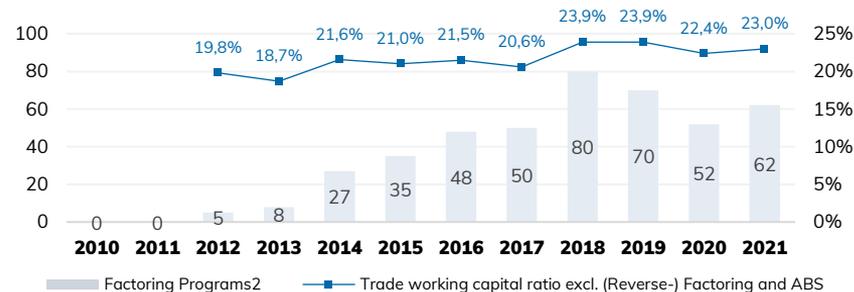
### Trade Working Capital (in EUR million and % of sales)



### CAPEX (in EUR million and % of sales)



### Factoring Programs (in EUR million and % of sales)



# Long-term Operational Adjustments on EBITA & EBIT level



in EUR million	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Reported EBITA	64.9	84.7	105.2	112.1	113.3	150.5	150.4	166.8	164.8	127.9	51.1	121.0
+ Acquisition & Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4	0	0
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5	3.5	1.5
Total Adjustments	20.5	18.0	0.3	0.5	8.2	5.8	7.1	7.7	8.4	16.9	3.5	1.5
Adjusted EBITA	85.4	102.7	105.4	112.6	121.5	156.3	157.5	174.5	173.2	144.8	54.6	122.5
Reported EBIT	56.3	76.6	94.4	99.5	97.8	124.8	120.0	137.8	133.5	96.7	20.1	92.1
+ Acquisition & Rightsizing Costs*	17.5	16.8	0	0	6.9	3.6	4.8	3.5	4.4	13.4	0	0
+ PPA Depreciation	3.0	1.2	0.3	0.5	1.3	2.2	2.3	4.2	4.0	3.5	3.5	1.5
+ PPA Amortization	4.0	5.1	7.2	7.7	10.1	17.3	20.6	20.5	22.6	22.5	21.7	20.2
Total Adjustments	24.5	23.1	7.5	8.2	18.3	23.1	27.7	28.2	31.0	39.4	25.1	21.7
Adjusted EBIT	80.9	99.7	101.9	107.7	116.2	147.9	147.7	166.0	164.5	136.1	45.3	113.8

\* 2010-2011: mostly IPO related costs

# CORPORATE RESPONSIBILITY



# NORMA Group's Corporate Responsibility Commitment



## NORMA Group is committed to several initiatives, charters and guidelines...

### Membership with UN Global Compact

- Ten principles in the areas of human rights, labor, the environment and anti-corruption

### Human and Labor Rights

- "NORMA Group categorically rejects and does not accept any form of violation of human rights."

### Signatory of Diversity Charter

- "We deeply respect all colleagues irrespective of gender, nationality, ethnic background, religion or worldview, disability, age, and sexual preference and identity."

### Global Reporting Initiative (GRI)

- Transparent reporting in annual CR-Report according to GRI Standards

## ... and its CR actions contribute to 6 of the UN Sustainable Development Goals

- Key contribution to UN Sustainable Development Goals

**4** QUALITY EDUCATION



**6** CLEAN WATER AND SANITATION



**8** DECENT WORK AND ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



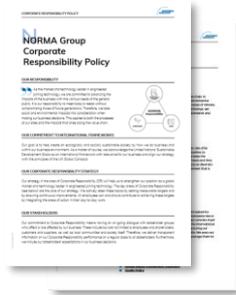
**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



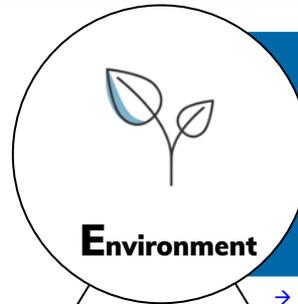
**13** CLIMATE ACTION



# What is Corporate Responsibility at NORMA Group?



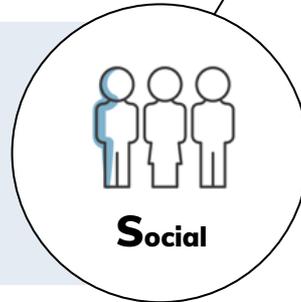
Find all details in  
NORMA Group's  
[CR Policy](#)



- Sustainable products
- Management systems
- Climate protection
- Water
- Efficient production and waste management

[→ Find out more about NORMA Group's environmental performance](#)

**NORMA  
Responsibility**



- Employee satisfaction
- Occupational safety and health
- Learning & development
- Diversity & equal opportunities
- Social commitment

[→ Find out more about NORMA Group's social performance](#)



- Compliance & Corporate Governance
- Human Rights
- Product Quality & safety
- Sustainability in purchasing

[→ Find out more about NORMA Group's governance performance](#)

# NORMA Groups Corporate Responsibility Focus Areas



E	<b>Climate</b>	Climate (scope 1 and 2) target in line with recommendations of science-based targets initiative
	<b>Sustainable products</b>	Integration of environmental aspects into product design process
	<b>Green Financing</b>	Sustainability linked loan connects financing conditions to achievement of sustainability rating
S	<b>Health &amp; Safety</b>	Decrease of reportable accidents by more than 30% since 2014
	<b>Learning</b>	High numbers of training hours per employee
G	<b>Compliance</b>	System-based Compliance management covers all regions and entities
	<b>Purchasing</b>	Integration of sustainability aspects into standard purchasing processes

# EU Taxonomy Reporting – FY 2021

- First time adoption of the EU Taxonomy for the FY 2021 as required by the EU Commission
- As a preliminary step towards a comparable reporting on sustainable economic activities the EU Taxonomy reporting for FY 2021 covers the „eligibility“ reporting
- From 2022 onwards the EU Commission further requires that eligible economic activities need to fulfill technical screening criteria in order to be classified as „aligned“
- Aligned economic activities = sustainable economic activities according to the EU Taxonomy
- The EU Taxonomy reporting focuses on three performance indicators: Revenue, CapEx and OpEx

## NORMA Group's eligible economic activities according to the EU Taxonomy

Water Management



Economic Activity 5.1.:  
„Construction, extension and operation of water collection, treatment and supply systems“

Pure E-Mobility products



Economic Activity 3.6.:  
„Manufacture of other low carbon technologies“

## NORMA Group's eligible Revenue, CapEx and OpEx according to the EU Taxonomy

Revenue:

**24%\***



CapEx:

**5%\***



Opex:

**7%\***



\* In percent of total Revenue, CapEx, Opex

# Corporate Responsibility Targets for 2022



## Environment

CO<sub>2</sub> emissions

**10,000 tons**

Indicator: Scope 1 and 2, tons

Water consumption

**1% improvement**

Baseline: 2021  
Indicator: liter / TEUR sales

Waste

**1% improvement**

Baseline: 2021  
Indicator: kg / TEUR sales

## Social

Incident rate

**< 4.5**

Indicator: accidents / 1,000 employees

Training hours

**> 30**

Indicator: training hours / employee

Voluntary attrition rate

**Local targets**

Indicator: % of sites that achieved local target

## Governance

Defective parts

**< 5.5**

Indicator: parts per million

Customer complaints

**< 5.5**

Indicator: average per month per entity

# Ratings confirm NORMA Group's approach to CR



Rating		Assessment 2021
<b>MSCI ESG</b>	<p>MSCI ESG RATINGS A</p> <p>CCC B BB BBB A AA AAA</p>	<ul style="list-style-type: none"> <li>- A (on a scale from CCC to AAA)</li> <li>- Top 45 % within the industrials benchmark</li> </ul>
<b>EcoVadis</b>	<p>2021 ecoVadis Sustainability Rating PLATINUM</p>	<ul style="list-style-type: none"> <li>- Top 1% of rating universe (&gt;35,000 companies)</li> <li>- Platinum standard</li> </ul>
<b>ISS-ESG</b>	<p>Corporate ESG Performance RATED BY ISS ESG Prime</p>	<ul style="list-style-type: none"> <li>- Score: C+</li> <li>- Prime Status</li> </ul>
<b>CDP</b>	<p>CDP DISCLOSURE INSIGHT ACTION</p>	<ul style="list-style-type: none"> <li>- B- (on a scale of D- to A)</li> <li>- Management level</li> </ul>
<b>Sustainalytics</b>	<p>SUSTAINALYTICS 14.6 -2.1 Low Risk</p> <p>Updated Oct 5, 2021 Momentum</p>	<ul style="list-style-type: none"> <li>- Risk Score: 14.6</li> <li>- Low risk (on a scale from 0 (best) to 100 (worst))</li> </ul>

## Awards

- **2021:** “German Award for Sustainability Projects 2021” for NORMA Clean Water in the “Equal Opportunities” category
- **2020:** FOX Finance Award (Silver) for CR report
- **2017:** Awarded “Building Public Trust Award” (best non-financial report MDAX) by PwC

# Megatrends drive NORMA Group's business



Responsible use of resources

Resource  
Scarcity



Energy efficiency

Climate  
Change



Environmental protection

## Climate

- eM Twist Quick Connector, designed for e-mobility
- Less weight: More than 25% lighter than before
- Reduced CO<sub>2</sub> emissions: Estimated 32% saved in the production process



## Water

- Drip irrigation saves up to 60% in comparison to regular sprinkler irrigation
- More than 50% of resins are from recycled plastics at NORMA Group's water management subsidiary NDS



# NORMA Groups' Social Commitment\*



## NORMA Clean Water

- **Partner:** child aid organization Plan International
- **Focus:** Projects with focus on water management solutions
- 2014 – 2018: **NORMA Clean Water India**
  - Renovation of sanitary facilities at 25 schools
- 2017 – today: **NORMA Clean Water Brazil**
  - Target: Access to clean water for families in rural areas



## NORMA Help Day & Sponsoring

- Help Day
  - Global volunteering day
  - Seven local Help Days despite ongoing Corona pandemic
- Sponsoring and donations in FY 2021 amounting to TEUR 302



\* All pictures have been taken prior to the COVID-19 pandemic



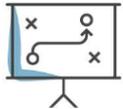
## Supplier Code of Conduct

- Basic understanding of sustainability management in purchasing, signature is a condition to be graded “preferred” supplier



## Supplier-Scoring

- Environmental and health and safety certificates as well as sustainability self-assessment are criteria in the annual supplier scoring



## Commodity Strategies

- Contain sustainability fact sheets, which quantify impacts on climate and water and identify improvement potentials



## Trainings

- Standard training of all Purchasing employees on sustainability tools in purchasing

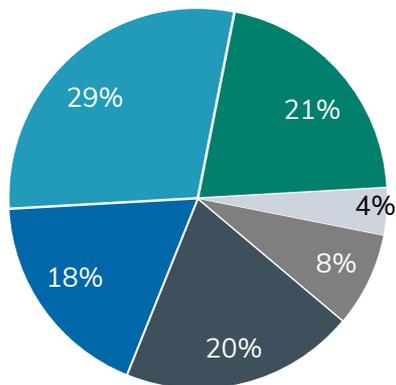
# SHARE INFORMATION & OTHERS



# Current Shareholder Structure



## Identified Institutional Shareholders\*



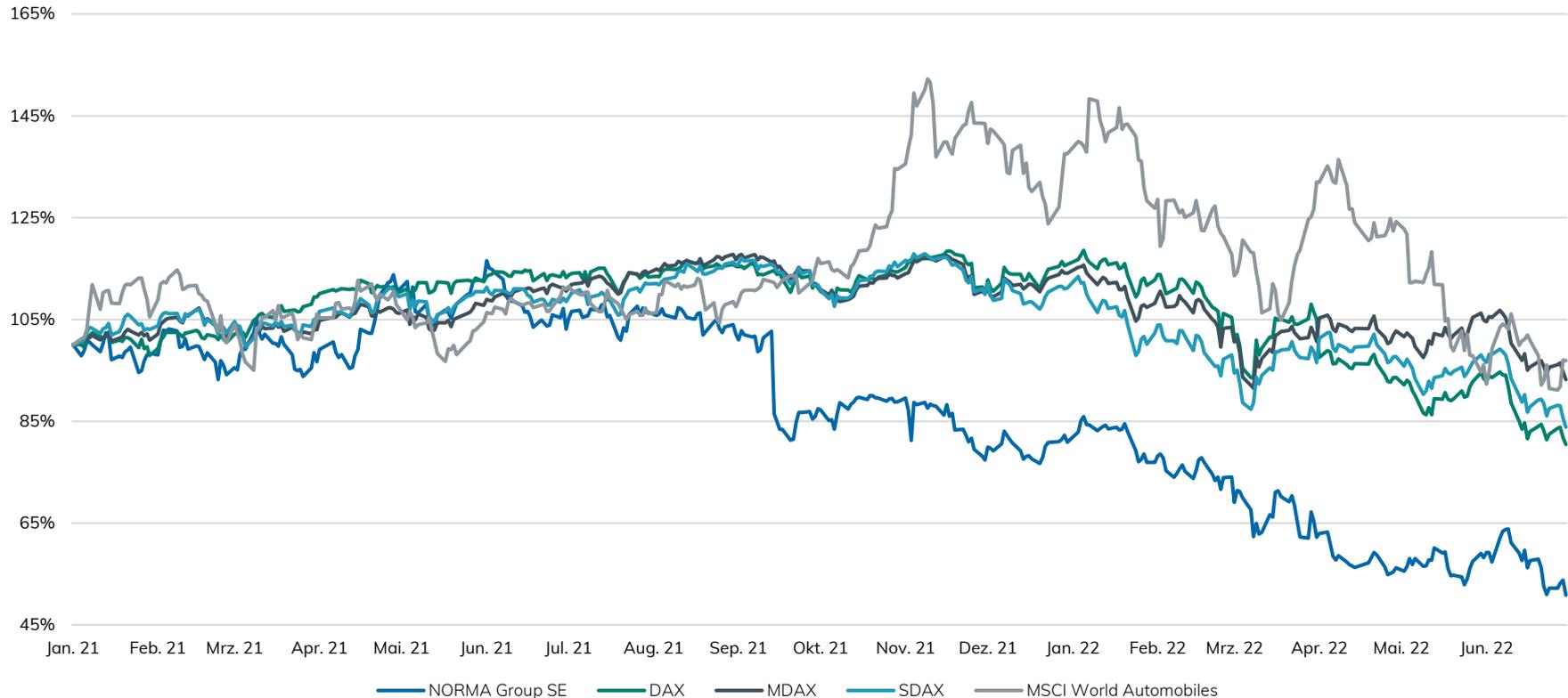
## Free Float as of July 29, 2022 includes\*\*

Allianz Global Investors GmbH, Frankfurt am Main, Germany	9.93%
Tweedy, Browne Company LLC, Wilmington, USA	5.06%
Impax Asset Management Group Plc, London, United Kingdom	5.03%
T. Rowe Price Group, Inc., Baltimore, USA	4.84%
Ameriprise Financial, Inc., Wilmington, USA	4.81%
AVGP Limited, St. Helier, Jersey	3.29%
Norges Bank, Oslo, Norway	3.19%
FMR LLC, Wilmington, USA	3.02%
Union Investment Privatfonds GmbH, Frankfurt am Main, Germany	3.02%

\* As of July 31, 2022.

\*\* According to voting rights notifications. All voting rights notifications are published on the Company's Website (<https://www.normagroup.com/corp/en/investors/publications-events/financial-releases/>).

# Index-based Share Price Performance compared with SDAX, MDAX, DAX and MSCI World Automobiles



# Contact & Event Calendar



Event	Date
Publication Interim Results Q3 2022	November 2, 2022
Publication Preliminary Results FY 2022	February 14, 2023
Publication FY 2022 Results	March 28, 2023
Publication Interim Results Q1 2023	May 9, 2023
Annual General Meeting 2023	May 11, 2023
Publication Interim Results Q2 2023	August 8, 2023
Publication Interim Results Q3 2023	November 7, 2023

## Contact

Andreas Troesch

Vice President Investor Relations, Communications & Corporate Responsibility

Phone: +49 6181 6102-741

E-mail: [Andreas.Troesch@normagroup.com](mailto:Andreas.Troesch@normagroup.com)

Internet: <https://investors.normagroup.com/>

# Disclaimer

This presentation contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as 'believe,' 'estimate,' 'assume,' 'expect,' 'forecast,' 'intend,' 'could' or 'should' or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the company's current assumptions, which may not in the future take place or be fulfilled as expected.

The company points out that such future-oriented statements provide no guarantee for the future and that actual events including the financial position and profitability of NORMA Group SE and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements.

Even if the actual results for NORMA Group SE, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this presentation, no guarantee can be given that this will continue to be the case in the future.

Non audited data is based on management information systems and/or publicly available information. Both sources of data are for illustrative purposes only.

