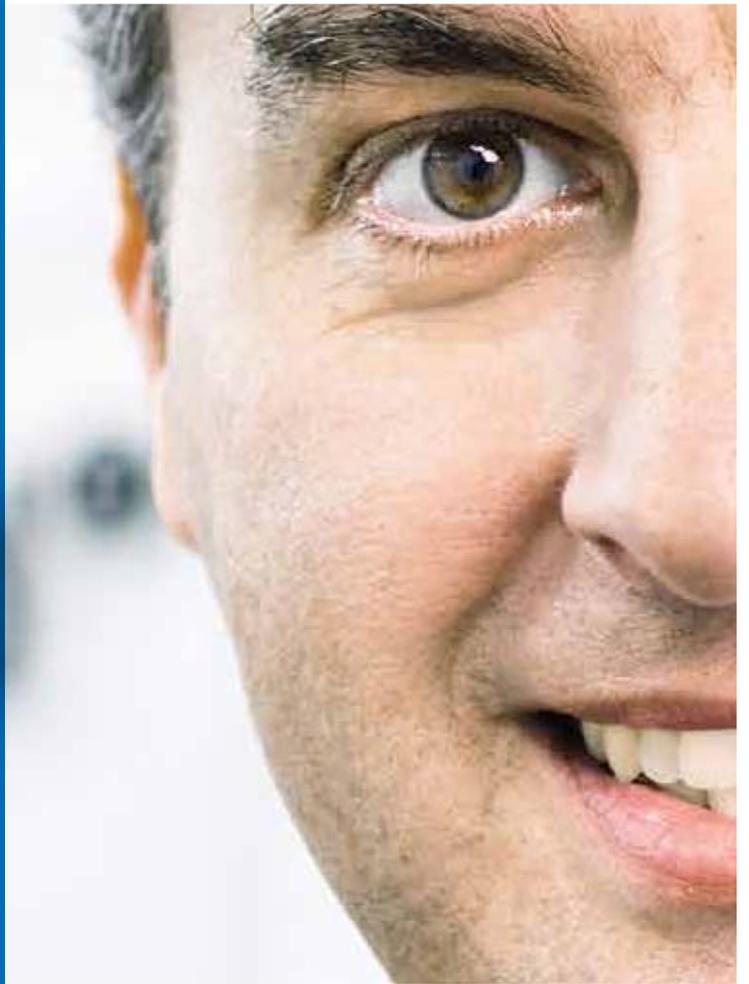


IN TRUST
Corporate Report 2015





TÜV RHEINLAND AG GROUP FIGURES

in € millions	2014	2015
Revenues		
Industrial Services	536	543
Mobility	433	471
Products	404	485
Academy & Life Care	192	205
ICT & Business Solutions	123	133
Systems	136	162
Figures, consolidated (according to IFRS)		
Total Revenues	1,731	1,881
Germany	888	929
Abroad	843	952
Earnings before interest and taxes (EBIT) (in € millions)	110.2	101.4
Profit margin (in %)	6.4	5.4
Net capital expenditure (in € millions)	150.0	90.1
Cash flow from operating activities (in € millions)	103.8	155.0
Equity (in € millions)	295.2	337.9
Equity ratio (in %)	16.8	18.5
Staff (annual average)	19,320	19,630
Germany	7,774	8,043
Abroad	11,546	11,587

TÜV RHEINLAND

PROFILE

Since its founding in 1872, TÜV Rheinland has developed from a regional testing agency into a leading international provider of testing, inspection, and certification services that is trusted by people and companies around the world. With new ideas, expertise, and a global network, we lend a hand in making products, services, systems, and people safer and more competitive. We support, develop, test, and certify. In this way, we help to build a future that does lasting justice to the requirements of humankind and the environment.

For the optimal, future-oriented development of the Group, TÜV Rheinland Berlin Brandenburg Pfalz e.V. has increasingly concentrated on its role as sole shareholder of TÜV Rheinland AG. For this reason, nearly all of TÜV Rheinland Group's operations are united under the umbrella of TÜV Rheinland AG.

Industrial Services

- Pressure Equipment
- Lifting Equipment & Machinery
- Electrical Engineering & Automation
- Industrial Inspection
- Infrastructure & Civil Engineering
- Energy & Environment
- Project Management
- Materials Testing & NDT

Mobility

- Periodical Technical Inspection
- Driver's License
- Car Services & Appraisal
- Engineering & Type Approval
- Rail

Products

- Softlines
- Hardlines
- Electrical
- Commercial
- Medical
- Solar

Academy & Life Care

- Occupational Health & Safety
- Training & HR Development
- Labour Market Services & Private Schools

ICT & Business Solutions

- IT Services & Cyber Security
- Telco Solutions & Consulting

Systems

- Certification of Management Systems
- Customized Services
- Government Services & International Trade

IN TRUST

For more than 140 years now, TÜV Rheinland has stood for expertise, competent solutions, integrity and independence. With those characteristics, we have earned trust throughout the world – the trust of many well-known companies, of consumers, of political and scientific institutions, and of non-governmental organizations, but also the trust of our employees and business partners.

Trust... technically an intangible value without physical substance, but nonetheless very fragile. Just a single moment of inattention, a single omission, a single wrong word can suffice to cause lasting damage to what has taken years or even decades of great dedication to build.

With this in mind, we make enormous efforts to protect trust in the TÜV Rheinland brand:

- Within the framework of audits, we regularly submit ourselves to the critical checks of recognized accreditation bodies.
- With thorough orientation periods and regular advanced training, we provide our employees with the best possible qualifications for their assigned tasks.
- With open communication, we promote transparency – about what we do, but also about what we do not do.
- And with clear values and rules, we create an environment which leaves no room for legal infringements or discrimination – and one in which they are by no means tolerated.

In this way, trust will also form the strong foundation of our business success in the future. Because where trust in TÜV Rheinland grows, we can and will grow too.

8

ACCREDITATION

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TEST MARK
& CERTIPEDIA

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TRAINING AND CONTINUING EDUCATION

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COMPLIANCE



Dear Readers,

»On the face of it, we're investing in an accreditation. But in reality, we're investing in trust.« That statement by a colleague from our glass laboratory in the Netherlands appears in an article in our new Corporate Report. His words express very simply and succinctly what the following pages are all about: What are we doing to earn the trust of our customers and the general public?

Trust starts with understanding. With the articles in our Corporate Report, we would like to establish and broaden your understanding of TÜV Rheinland and our world. One important point for us along the way: to make it clear who gives us the »license to test,« how we test, and what exactly we test – and what we do not.

In recent years, we have found that time and again there are misunderstandings about the scope of our inspection and testing activities. For that reason, we introduced a new, standardized TÜV Rheinland test mark already in 2013. And that's also why, since the start of this year, we now issue only individual test marks which are linked to our Certipedia database. In that database, we present very clearly and comprehensibly exactly what we tested for any given product.

We have established the solid reputation of our TÜV Rheinland brand over the course of more than 140 years – through the great competence of our employees and the high quality of our services. Our prime objective is to sustainably safeguard that reputation and to meet the expectations associated with our brand. And in the future, we will also consistently dispense with business transactions that do not fulfill that claim.

**Executive Board of TÜV Rheinland AG**

Stephan Schmitt

Ralf Scheller

Dr.-Ing. Michael Fübi (Chairman)

Vincent Furnari

Thomas Biedermann

Last year, we clearly achieved our sales targets. But we have yet to achieve the profitability that we are aiming for. That is why we used 2015 to further develop TÜV Rheinland with a whole series of internal measures and a revised corporate strategy. We seek further growth in all six business areas. We want to invest in the coming years, especially in three major areas: Digitalization (the Internet of Things, for example, and IT security), Supply Chain Services (qualification of the supply chain with system certifications, product testing and inspections) as well as Energy & Infrastructure (plant integrity management and railway engineering). Our modified corporate structure now provides clear alignment of responsibilities and enables us to act faster.

Because only when we work to add value in all areas can we permanently fulfill our social contract: to play a role in shaping a sustainable future that satisfies both mankind's and the environment's needs. We continue to express our solid commitment to sustainable action and to the principles of the UN Global Compact.

On behalf of the entire Executive Board, I would like to sincerely thank all of our employees. With their professional competence, their market knowledge and their enthusiasm, they are the key to maintaining your trust also in the future.

*Yours**Michael Fübi*

Dr.-Ing. Michael Fübi
Chairman of the Executive Board of TÜV Rheinland AG



Prof. Dr.-Ing. habil. Bruno O. Braun
Chairman of the Supervisory Board of
TÜV Rheinland AG

Dear Readers,

Despite an economically and socially challenging situation all over the globe – such as the sharp drop in the price of oil, the cooling in growth in China, the difficult economic situation in Brazil, the political situation in Ukraine and the historically low level of interest rates – and a continued increase in competition, 2015 was a successful business year for the TÜV Rheinland AG Group. Revenue was higher again year-over-year, and EBIT continues to hold steady at a satisfactory level.

Around 19,500 employees are working at nearly 500 locations to bring people, technology and the environment into harmony with one another for a safe future that's worth living in. Competent engineers from TÜV Rheinland are rising to the challenges of our time all around the world. They offer solutions for current social developments and technical innovations.

Speed and the capacity to innovate are crucial factors for continued growth in globalized and regional markets alike, as well as when it comes to opening up new markets. TÜV Rheinland's international orientation, local market awareness on the part of our local subsidiaries, and the extensive service portfolio enable us to respond flexibly to market specifics and the needs of our customers. With the expertise and experience of our employees, strategically the company is superbly positioned for international growth in demanding economic environments.

During the 2015 financial year, the Supervisory Board diligently and comprehensively fulfilled the duties incumbent upon it in accordance with the law and the articles of incorporation. We assisted the Executive Board in a consultative capacity and monitored its operating activities. The Executive Board regularly, promptly, and comprehensively kept us apprised of the Group's financial position, of the development of the TÜV Rheinland AG Group Strategy 2020, and of all other major projects of the Executive Board. The Supervisory Board convened for a total of five meetings during the financial year under report. The work performed by the Supervisory Board's committees (Personnel and Audit Committee) made a significant contribution to the work of the Supervisory Board.

Dr.-Ing. Michael Fübi has been in charge of the Executive Board of TÜV Rheinland AG as its Chairman since January 1, 2015. Longtime Executive Board member and occasional Executive Board Spokesman Ulrich Fietz has retired at his own request, effective August 31, 2015, in order to ensure a seamless transition in the position of Chief Financial Officer. Consequently, Vincent Giesue Furnari was appointed to succeed Fietz in this position, and as a member of the Executive Board, effective August 1, 2015. The Supervisory Board extended its thanks and appreciation to Ulrich Fietz for his many years of outstanding service.

The auditing firm PricewaterhouseCoopers audited the annual financial statements dated December 31, 2015, including the management report and accounting, prepared by the Executive Board of TÜV Rheinland AG. The audit of the annual financial statements, the management report, and the proposed appropriation of profits produced no objections. The Supervisory Board has adopted the annual financial statements.

The Supervisory Board would like to thank the Executive Board, the members of management around the world, and all of the Group's employees for their excellent work in an extremely dynamic market environment during the previous year. They see to it that the Group continues to thrive in competition. On behalf of the entire Supervisory Board, I wish TÜV Rheinland AG and all of the Group's companies continued success in overcoming future challenges for the good of society and the company.



Prof. Dr.-Ing. habil. Bruno O. Braun

The greatest honor one can accord a person is trust.

loosely quoted from
Matthias Claudius

Standards and regulations, accreditations, inspections and certifications make our life and businesses simpler and safer in many respects. But the world of those very standards and regulations, accreditations, inspections and certifications is a complex one, and its actors and processes are not always clearly identifiable or comprehensible for the external observer. Circumstances that foster trust?

—6

Practically every company benefits from trust. But our livelihood depends on it. That's why we would like to establish and broaden your understanding of TÜV Rheinland and our world with our Corporate Reports from 2015 to 2017.

Let's remain realistic: Our world will still be complex two years from now as well. But if it has become at least a little more transparent, then we have already accomplished a great deal.

We hope your reading proves enlightening!

IN TRUST

We would like to give you an idea of the major efforts that we are undertaking to protect and strengthen our most important asset: »Trust.«

2015

2016

2017

IN DIALOG

We would like to show you how we play a decisive role in technical and social progress as a think tank, initiator, facilitator and multiplier.

IN ACTION

And we would like to show you how, in many different projects, our customers all over the world benefit from the capabilities and motivation of our employees.

ACCREDITATION

The Netherlands

*Tomorrow's the big day.
Nervous? No, why should I be?
After all, we've got
everything under control.*

Henk van Ginkel – Manager Sales and Marketing





When testers test testers

One certificate and then a life-long career in inspection and testing? Dream on! Our testers are put to the test themselves at extremely regular intervals. Under the critical eye of the accreditation bodies, we have to provide proof that our knowledge and processes satisfy strict national and international requirements.

Scherven brengen geluk. If you believe this Dutch proverb, which means »shards bring good fortune,« then Henk van Ginkel must be a very fortunate man indeed. Because in his area of responsibility, the TÜV Rheinland Global Competence Center Glass Testing in Arnhem, the Netherlands, the objective is none other than to use an extremely wide range of methods to push glass to its limits and beyond.

Weights weighing many pounds, racks, searing heat, bitter cold, hefty doses of UV radiation – day in and day out, van Ginkel's team of experts employs a vast arsenal here to assail supposedly unbreakable window panes, solar modules, beverage bottles or automotive windshields. The result, however, is perfectly predictable: broken glass. Because, with the best interests of their clients in mind, van Ginkel's experts never rest until they hear that ear-splitting crash. Ideally that event occurs beyond the minimum requirements specified for the respective category of glass. But from time to time, the material gives way before that. Bad news for the manufacturer, but a blessing for their customers and the consumers, who are protected in this way against the use of defective products – hazardous use which, in the worst case, could even be life-threatening.

A license to test

On this rainy Tuesday in December, Henk van Ginkel is indeed feeling very fortunate. Just a few days ago, he and his team passed the annual accreditation audit with just two »B« notes – those are indications of points that need only minor improvement. For van Ginkel, who coaches a youth soccer team with great passion in his free time, this audit is always like the final match of the season. It's not about some framed certificate that will serve later on as a promotionally effective decoration in the lobby. In a larger sense, it's about eligibility. No accreditation means: no testing. No accreditation means: no certifications. No accreditation quite simply means: no business.

*58 test methods, 1 objective:
0 risk*



— The coded language of accreditation

A: Does not comply with the accreditation standard, risk of erroneous test results and therefore defective products, acute need to take action, renewed testing is prohibited until the problem has been resolved.

B: Does not comply with the accreditation standard, no documented risk of erroneous test results, but nevertheless must be corrected promptly.

— 12

In this respect, the glass laboratory in Arnhem is emblematic of many other TÜV Rheinland laboratories, testing centers and training centers, where state accreditation and regular audits are a prerequisite for operation. Worldwide, the total number of these »licenses to test« exceeds 700. And behind each and every one of those accreditations is a complex procedure specified in the international standard ISO 17065. Within the framework of that procedure, we must provide unequivocal proof to the responsible accreditation body that the respective testing, inspection and certification activities are performed independently, with technical competence, taking statutory regulations and normative requirements into account, and on an internationally comparable level. No one obtains an accreditation by improvising on the fly.

Luck that has nothing to do with luck

Just two »B« notes. Specialists consider such a result to be outstanding. Upon closer examination, however, van Ginkel's good fortune actually has nothing to do with luck. It owes much more to experience. An electrical engineer by training, he has spent his entire career in the glass industry. While working for the French market leader Saint-Gobain, he learned about the business from the production side – a tremendous advantage in his role today as a service provider. Keyword: customer perspective. Keyword: network.

Very soon, the Netherlands Organisation for Applied Scientific Research (TNO) approached him about working for them, but van Ginkel politely declined: too

little entrepreneurial latitude, too narrow regional horizon. Transposed into audit language, that's two category »A« notes. Fail! When TÜV Rheinland took over the TNO glass laboratory in 2009, the dynamics of the game suddenly changed. Van Ginkel took the bait. The idea of developing a business according to his own vision while operating as an integral part of a strong international network appealed to him.

Today he leads a team whose expertise in glass is hard to match. As simple as some of the tests carried out in Arnhem may seem to the unschooled observer, it takes about ten years of practical training to become an experienced test engineer. Accordingly, a considerable share of van Ginkel's budget is allocated to continuing education. His employees



IN TRUST

— When testers test testers —

— Resistance is futile: Under tons of stress, even the best glass eventually reaches its limits.



spend about one month per year in training courses and at conferences, extending their knowledge, keeping their eyes and ears open to the market and its needs. Several of the test stands used in the laboratory were built by the team itself. »OK, we might not win any design awards with them, but they enable us to offer our customers some tests they can't find anywhere else. And I mean that quite literally: nowhere else in the world.« The boss is clearly proud of the tinkers in the Global Competence Center Glass Testing.

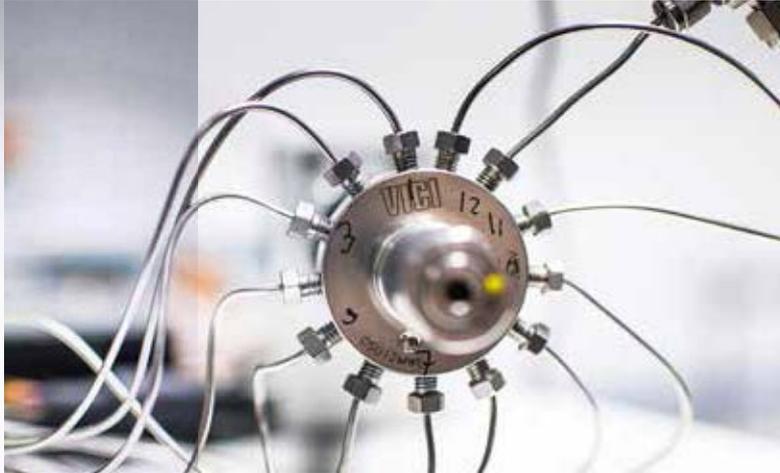
IN TRUST

— When testers test testers —



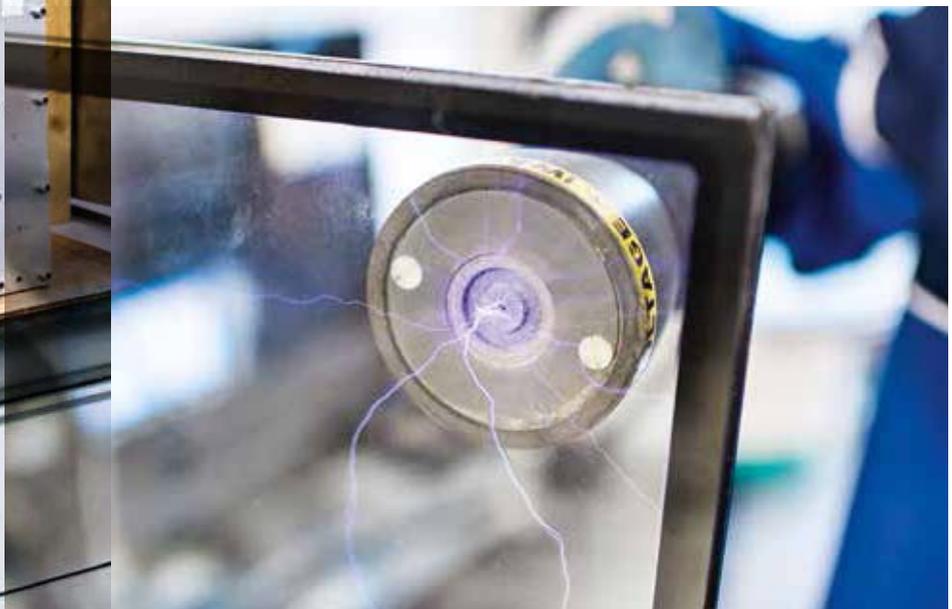
IN TRUST

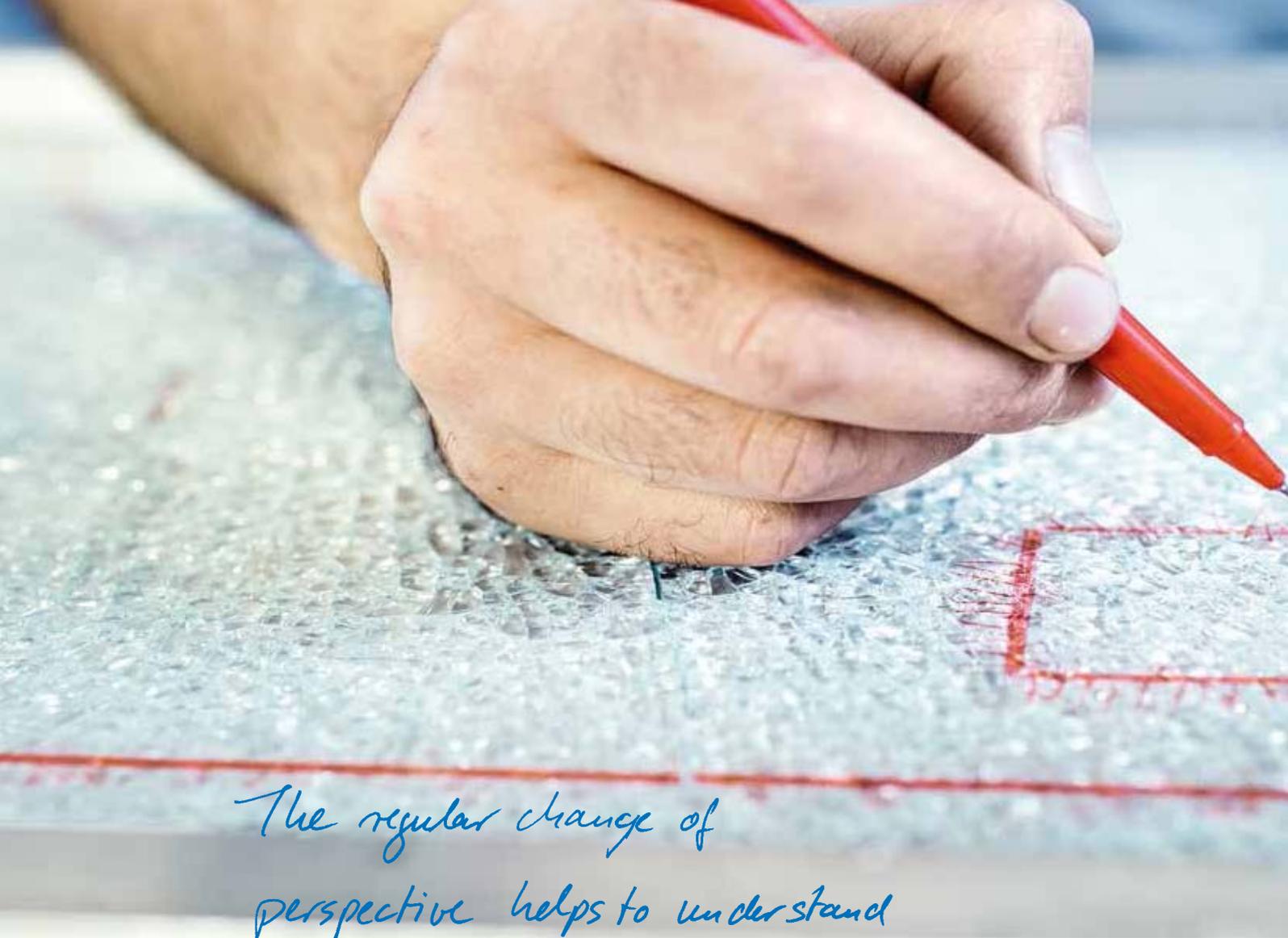
— When testers test testers —



15 —

*Two weeks before the audit —
the stress mounts.*





*The regular change of
perspective helps to understand
customers better.*

After accreditation is before accreditation

Another critically essential element of Henk van Ginkel's good fortune: conscientious preparation. »No matter how good you think you are, or how good you might actually be, never approach an audit like this with arrogance. When you're arrogant, you've already lost.« It is statements like these that reveal glimpses of the soccer coach. And just as in sports, one factor also plays a key role in preparing for the annual accreditation: communication.

Throughout the year, TÜV Rheinland's experts maintain an active dialog with the Dutch approved accreditation body, discussing regulatory changes and the implications they may have for their work. Though many people may love surprises, manager Henk van Ginkel can't stand them – and least of all when they involve accreditations. There are no close personal relationships with the auditors, however, who arrive on »D-Day« in tandem to carefully inspect the

test stands and above all to scrutinize the documentation in extremely fine detail. Van Ginkel characterizes his relationship with the accreditation body as professional. Both sides are quite keen to keep the breeding ground for cronyism and personal favors as absolutely barren as possible. Replacing the responsible auditors on a regular basis also helps in no small measure to achieve that purpose. After five years at most, van Ginkel and his experts encounter new faces.

About two weeks before the audit, which is always scheduled in advance, preparation goes into high gear and healthy stress intensifies. That's when years and years of finely tuned reflexes take over: Highlights and notes from the previous year's audit are recapitulated once again, test equipment is checked for correct calibration, and documentation is reviewed at random for proper form and content. The retention period is a full ten years. With 58 different test methods and a large number of different types of glass,

IN TRUST

— When testers test testers —



— The high art of expert destruction:
Henk van Ginkel and Salah El Bardai test the breakage pattern of a pane of safety glass.

that makes for a lot of pages. And each one of those pages could theoretically turn out to be a stumbling block during the course of the audit.

Bureaucratic red tape, a considerable drain on time, frayed nerves, and on top of it all, high five-figure expenses year after year. Is there anything good to say about accreditation at all? Henk van Ginkel acknowledges this question with a smile. »Would we want to let just any provider do our work without credible proof of competence? Would the consumers want that? On the face of it, we're investing in an accreditation. But in reality, we're investing in trust. No investment yields greater returns.«

Like every true sportsman, Henk van Ginkel lives for the big finals. The next one is scheduled for November 2016. So far, his record is perfect. Reason enough to feel fortunate.



TEST MARK & CERTIPEDIA

Germany

*You can't improve things
unless you question yourself.*

Gabi Kimura – Senior Marketing Manager



*The age of misunderstanding
is officially over.*

The trust pilots

TÜV-tested? Then it must be good! The high level of trust that consumers place in the TÜV Rheinland test mark is of enormous value to us. And that makes it all the more important for us to guide it along the right track at all times. Certipedia helps us do just that. This enlightening database can be accessed by anyone with just a few mouse clicks or taps on the touch screen – anytime, anywhere.

Trust is a coveted commodity, in both personal and professional life. Many say it's the most valuable asset of all, the greatest gift. But trust can also be a double-edged sword – when it's blind, undifferentiated.

Over the course of its long history, TÜV Rheinland too has had some negative experiences with the flip side of trust. »How could this happen!? It's TÜV-tested for Pete's sake! Did they not do their job properly?« Aggravation, anger, disappointment. Today what used to happen quietly in private is now very soon publicly trumpeted on the main stage of (social) media. As a rule, the latter would have long since been removed if, in all fairness, it would have to be reported that the experts from TÜV Rheinland had indeed done their job properly. Emphasis here: their job. A job, the scope of which, in the case of voluntary testing, is also determined by the client.

Quality management, procurement and production processes, product quality, functionality and safety, and data privacy – unfortunately, due to an extremely widespread misunderstanding, many view the TÜV Rheinland test mark as a blanket quality seal encompassing every aspect of a product and its manufacture. However in practice, the

tests – while taking into account certain minimum requirements of the testing services provider – are often limited to specifically defined processes or selected product features. Any serious provider can and will gladly accept responsibility for their assessment in these areas. But naturally only these areas.

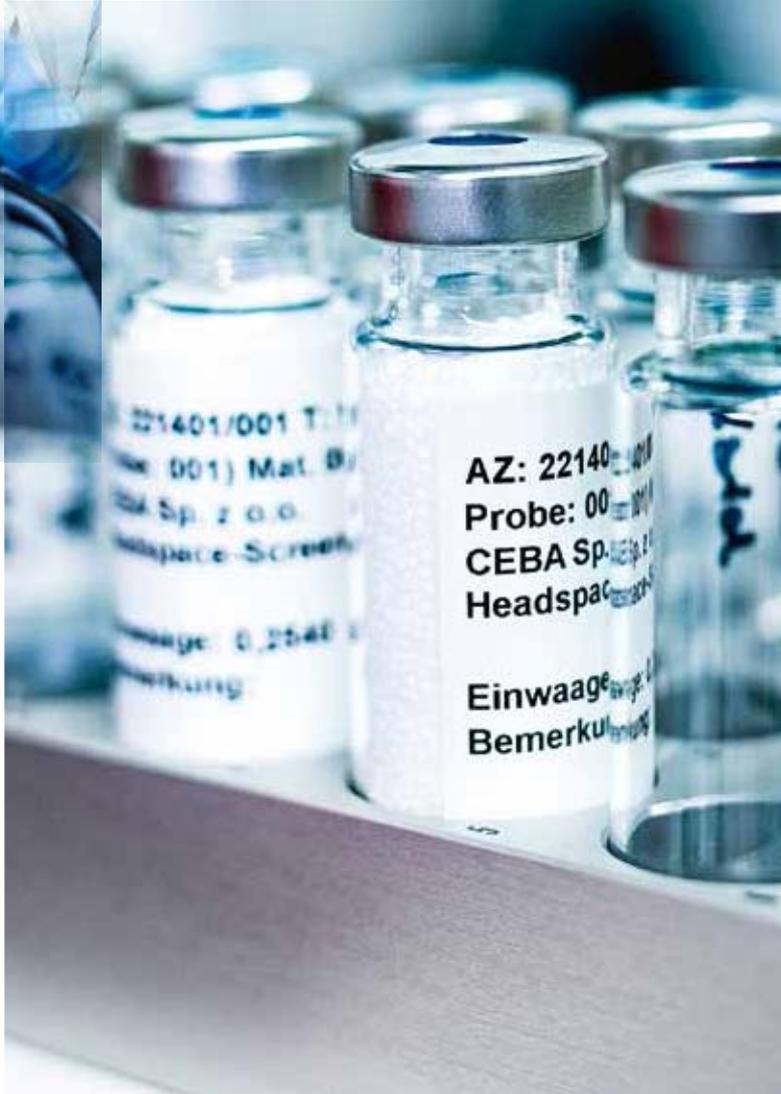
Ten digits, zero misunderstandings

TÜV Rheinland has mobilized all of its forces in the battle against that misunderstanding. One of the key strategists in that battle is Gabi Kimura. As Senior Marketing Manager, she rules over the TÜV Rheinland test mark. In the overgrown jungle of test marks, it has been providing better guidance with its new, standardized form since 2013. »The consumers had become completely confused, and in the past we no doubt contributed to a large share of that confusion ourselves.« The long-time TÜV Rheinland employee Kimura knows: Trust also depends not least on the ability to deal with deficiencies openly and constructively.

The next step in the master plan for greater transparency went into force recently. As of 2016, TÜV Rheinland now grants only individual test mark IDs. The ten inconspicuous digits on the test mark enable a huge leap forward in terms of transparency, customer contact and security against

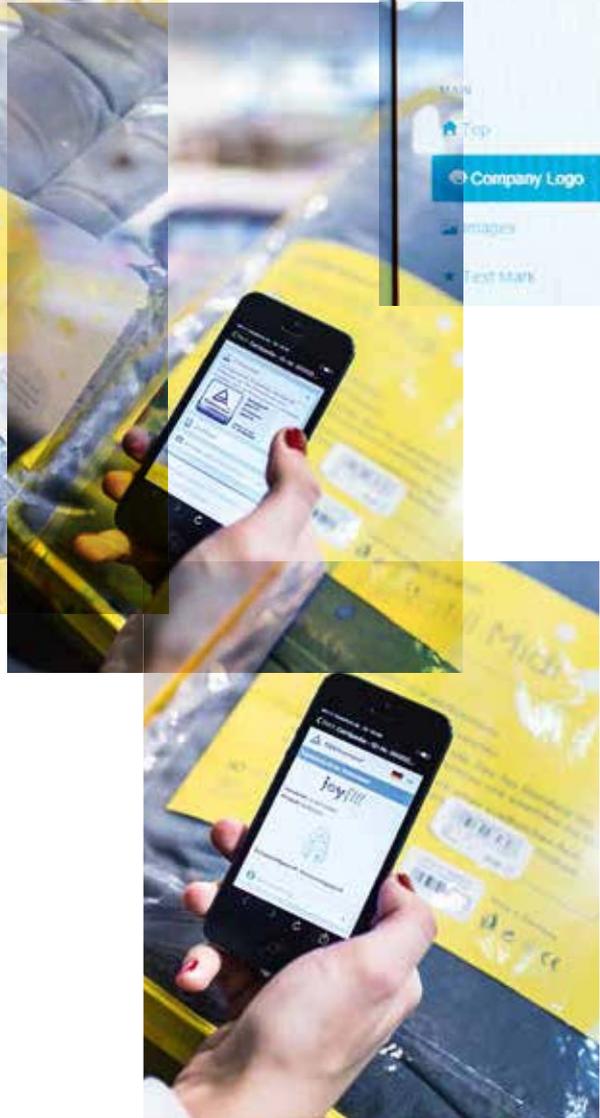


— EPS microbeads – carefully tested for pollutants and undesirable emissions. Thanks to Certipedia, consumers can understand what kind of results were determined in TÜV Rheinland laboratories.



*Trust needs a language
that everyone understands.*





Share of mobile access to Certipedia.

2% 9% 18%

June 2013 October 2014 November 2015

counterfeiting. Because the ten-digit code is the key to a very special information platform: Certipedia.

Your trusted database

It's only a matter of seconds: Code scanned with a smartphone, link confirmed, and you're already there: Nursing pillow. Looks good, let's take a look. Supplier logo, product photo, alongside the prominently placed TÜV Rheinland test mark: Tested for Harmful Substances, Emission Tested. Aha, and what does that mean exactly? The answer follows immediately: »The TÜV Rheinland test mark with the keywords »Tested for Harmful Substances« and »Emission Tested« documents extraordinary care in the manufacturing of the products. Certification of the EPS microbead filler material

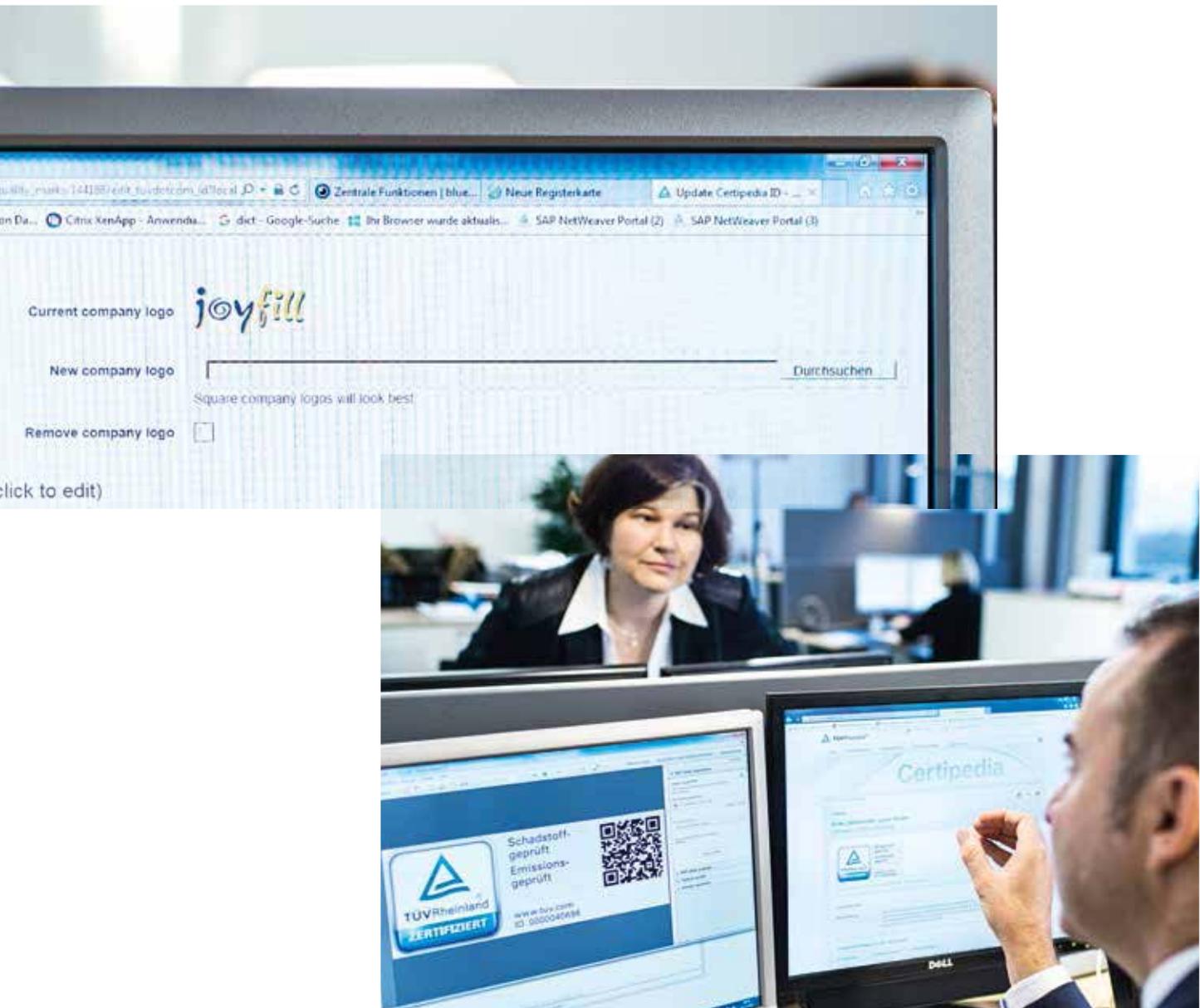
— Certipedia in the limelight and backstage: The database that customers can access with just a few clicks or taps is maintained by some 200 administrators worldwide.



Tested for Harmful Substances
Emission Tested



www.tuv.com
ID 0000040696



with this test mark means: According to the current state of knowledge, there are no health risks to fear.« Great! A purchase with a good feeling.

The dataset of the nursing pillow is one of no less than 880,000 which have been entered within just three years since the start of Certipedia. Products, services, systems – whatever TÜV Rheinland has tested or certified anywhere in the world is available here in clearly understandable form for John Q. Public to access via QR code or browser entry. Worldwide, some 200 administrators are feeding the information-hungry database. Soon the number of new or revised entries is expected to exceed 50,000 per year.

Judging by these figures, it has long since outgrown infancy, but Certipedia will always be his baby: Senior Specialist Certipedia and CRM Markus Klein helped the idea take its first steps – an idea whose origins date back to 2001 under the somewhat cumbersome name »TUVDOTCOM Database.« Good things come to those who wait. »The walking thing basically worked right from the start. The speaking thing – well, that was another matter.« With a wink, Klein addresses the question of the system's only serious childhood disease. »To be perfectly honest, in the past some entries which found their way into the system from time to time could barely be understood without an engineering degree. So now we've sent Certipedia to what you might call an in-house speech therapist.«



The two marketing pros Kimura and Klein reflected on the actual target group – the average consumer – and developed a consumer-friendly text concept that does its job without relying on specialized mumbo-jumbo, even where more complex technical matters are involved. Granted, the imposing mass of existing data cannot be revised overnight. But at least cryptic language has been barred from any new entries. Lesson learned. Trust starts with understanding.

[Ready for the new era](#)

With Certipedia, TÜV Rheinland is not only several steps ahead of its competitors with regard to service, but also optimally prepared for an anticipated turning point relative to the use of test marks for advertising purposes vis-à-vis end consumers. Because the »naked« test marks used for advertising purposes have long been a source of irritation to consumer protection groups. If they have their way, in the future a test mark used for advertising purposes must clearly show where the consumer can find more detailed

— With Markus Klein, the Certipedia system learned to walk. The virtual home of the TÜV Rheinland test mark benefits companies and consumers in equal measure.



information about the testing. In this case, that specifically means clear information about the test criteria and the findings obtained in the course of testing. TÜV Rheinland is offering companies a powerful solution that is practically »ready-made« for precisely this new requirement.

Even Gabi Kimura and Markus Klein themselves never cease to be surprised by the positive response to Certipedia. »Whenever a major discounter publishes a brochure that includes one or more products with our test marks and QR codes, the access figures go through the roof.« Another key finding from the data analysis: More and more consumers are using their mobile end devices to access the data. Klein is particularly pleased about this. »Ultimately that can only mean that the consumer is turning to Certipedia as a direct aid for their purchasing decision, right there in the store.« The same also applies to Kimura and Klein as private individuals, by the way.

A basic data entry in Certipedia, which should essentially meet the requirements imposed by law, will be provided to every client automatically in the future. Extra packages enable the incorporation of additional information of interest to consumers: short profiles and contact data of the supplier, product photos, product-related customer questions. In that area in particular, Klein believes that his baby still has plenty of further growth and development potential. »Where usability and search functions are concerned, certainly there will always be opportunities for improvement. It's automatically a by-product of technical progress.« On the other hand, he can also easily imagine a higher degree of interactivity. After all, trust also relies on communication – and everyone knows that's a two-way street.




TÜVRheinland
Genau. Richtig.

 TÜVRheinland

TRAINING AND CONTINUING EDUCATION

Germany

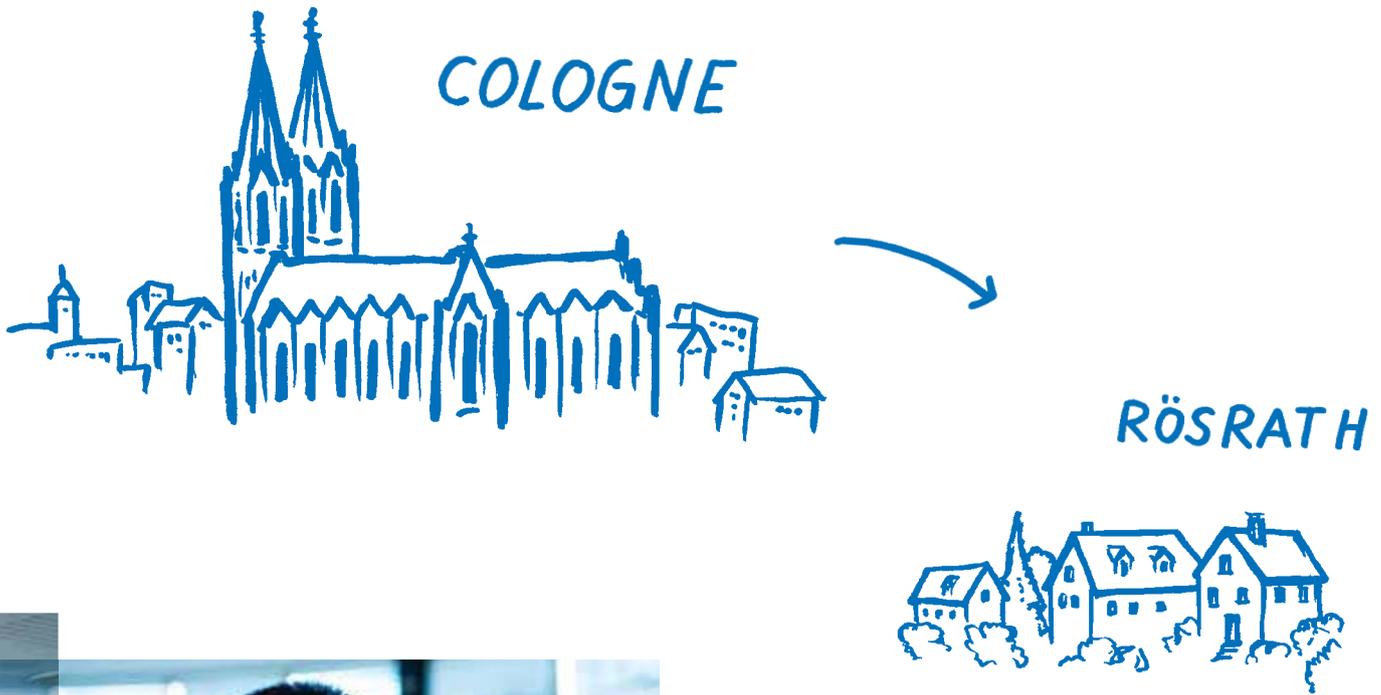
*My goal?
To come home every evening
a little smarter than I was
when I set out in the morning.*

Xiaojie Wu – Qualified Expert, Energy Systems & Automation

Life is an educational journey

A vast, crispy fresh assortment, always available in consistently high quality the world over. Our most important product – expert knowledge – must meet extremely high standards. Our customers demand it, and we demand it of ourselves. Our employees' solid qualifications and continuing education enable us to fulfill that service commitment every day.





Educational travel can also – or maybe even especially – take you to exotic places. To the Bergische Land region of Germany, for example. On a sunny January morning, some 40 employees of Industrial Service gathered at a conference hotel outside of Rösrath for an extremely serious discussion that would be all Greek to the average lay person. At the annual experience exchange of the qualified experts of the Business Field Pressure Equipment & Plant Technology, the topics include austenitic-ferritic steels, root passes, the replacement of DIN EN 473 with DIN EN ISO 9712, and the welding position H-Lo45. At the center of it all: a native of Shanghai who just happens to be perfectly fluent in exactly this particular form of Greek.

Xiaojie Wu is an engineer employed in the Energy Systems & Automation department where he works in design review. Is a pressurized pipe made of material X thick enough for temperature Y and pressure Z? Wu can answer questions like this with the help of sophisticated calculations and makes sure that the potential Achilles' heels of a plant are identified already during the design phase. Without his OK, a plant cannot even be built. It's a function with a lot of responsibility. And one that demands comprehensive technical knowledge.

A textbook career path

Xiaojie Wu's professional trajectory reads like a best-practice example from the handbook of modern personnel development. He graduated from the Shanghai Institute of Technology with a bachelor's in engineering science specializing in »CNC machinery design.« Then in 2005 he took the plunge and moved abroad – Wu started on his master's in general energy technology at the Aachen University of Applied Sciences. A professor there recognized his potential and gave TÜV Rheinland the decisive wink. In cooperation with the company, Wu wrote his master's thesis: »Safety aspects of high temperature reactors in hydrogen production.« Upon completion of his studies, both sides knew full well that the relationship between Xiaojie Wu and TÜV Rheinland had only just begun.

Stories like this one are music to the ears of Stephan Frense, head of Industrial Services in Germany: »One of the key elements of our recruiting strategy is to raise talented students' awareness of TÜV Rheinland already in the course of their academic studies and to draw their attention to our broad range of career development prospects. We have very good experience with colleagues who acquired our TÜV Rheinland »DNA« early through internships, master's theses or work-study jobs.«

All good things come in threes

One of the first documents that TÜV Rheinland employees receive when they take up a position in a new domain is the individual development plan for that job assignment. Reaching straight for the lower drawer of his file cabinet, Xiaojie Wu pulls out his plan in the blink of an eye. Several pages stapled together, dog-eared here and there already, handwritten notes. At first glance it's clear that this is no document destined to mark time more or less undisturbed in some personnel file. The development plan is a genuine work tool.



— Active sharing – at the international experience exchange, participants not only gain knowledge but also broaden their network.



— Always a welcome sight at TÜV Rheinland: cross-generational and cross-cultural knowledge transfer.



Stephan Frense also agrees: »We want our people to fill a new position as well as possible as soon as possible. First it's the job of the company and of the respective manager, of course, to provide a clear picture of the requirements associated with that position. And then we have to use suitable instruments to enable people to meet those requirements. But that's really only logical, isn't it? So I'm all the more surprised sometimes by the things we hear from other companies, where so much with regard to training and continuing education seems to be left to chance.«

As the saying goes, all good things come in threes – and the instruments Frense mentioned can also be divided into three basic categories: 1. Training courses and seminars. 2. Self-study. 3. Practical experience. Xiaojie Wu spends up to two weeks per year in advanced training courses and forums for experience exchange like the one in Rösraht. On the other hand, it's hard for him to estimate how much time he devotes to self-study. The somewhat intimidating thickness of various regulations and technical books arranged on the shelf behind his desk, however, suggest that it might be many hours.





— The fastest way to earn official authorization to inspect, test, and certify: practice, practice, practice.



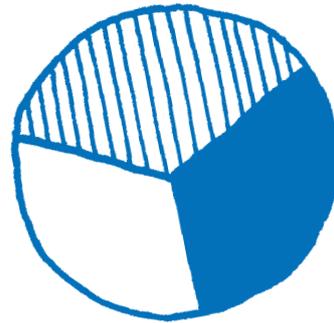
*The ideal engineer —
a clever mind with
a steady hand.*



The part he most enjoys? That's easy: the practical application! And Wu's development plan provides clear guidelines for that too. He has to carry out an impressive 80 design reviews together with an experienced colleague under the dual control principle before he becomes authorized as a qualified expert to deliver review findings on his own. But Wu doesn't consider this regulation as any sort of handicap whatsoever: »Through close collaboration on the audits, I can benefit tremendously from the knowledge of my experienced colleagues. I think it's great that everyone here is really ready to share their experience with me. And of course I'm always looking for opportunities to pass my own knowledge along to others, too.«

Another appealing aspect of practical experience: It gets you out from behind your desk in Cologne's »Seehaus« now and again. On-site visits to customers such as the industrial equipment manufacturer Hatec always add highlights to what Wu describes as an already satisfying and richly varied

— Ready for major assignments: Before they are authorized to issue their own audit findings, every TÜV Rheinland qualified expert has to complete comprehensive training.



-  Seminars and training courses
-  Self-study
-  Practical experience

daily work schedule. »In my job, most of my work is rather abstract – on a computer with CAD drawings or construction plans. So it's always nice to have the actual components right there in front of you too from time to time – the ones being reviewed or already released – so you can feel the materials and get a real sense of the dimensions. On my computer screen, pipes always appear to be about the same size – pretty small, really. And then I come here and suddenly I can actually fit inside them. Moments like that always reinforce my awareness of the huge responsibility connected with my work. Just imagine what would happen if a one-meter-high pipe failed to withstand the pressure inside.«

Prospects beyond the horizon

In terms of his own development, Xiaojie Wu doesn't put himself under any pressure: »Oh, there's still so much for me to learn in the area of design audit, so I'm sure the next few years won't be boring.« Nevertheless, he's already given some thought to his long-term prospects. Someday returning home to Shanghai and leading the design audit group for TÜV Rheinland there – this is an idea that makes Wu's eyes light up for an instant. Or perhaps a management track after all? An equally plausible alternative. »How do they say it here in Cologne? Et kütt wie et kütt: What will be, will be. The good thing is, no matter what I eventually decide I'd like to do, I know that my company will give me the best possible support.«

So odds are very good that Xiaojie Wu's educational journey will continue on TÜV Rheinland terrain for quite some time to come. After all, there's no shortage of exotic places out there still waiting to be discovered – places where it's all Greek to everyone except TÜV Rheinland experts like Wu.

COMPLIANCE

Brazil

*My work in three words:
responsibility, awareness, commitment*

Jairo Tcherniakovsky – Regional Compliance Officer





Visiting the Ambassador of Culture

There is hardly any business model where compliance plays a more important role than it does for a provider of testing, inspection and certification services with global operations. It is always the focal point of our services, forges our very identity, and constitutes the basis for the trust placed in us. Seventy-one compliance officers around the world act as guardians of this special treasure.

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As a general rule, things always look good on paper: various committees dedicated to the topic, clearly defined responsibilities and reporting channels, countless training courses and information meetings, permanently staffed hotlines, securely anchored integration in the risk management system, etc. In recent years – and not least in response to merciless external pressure – the compliance organizations of many companies have developed into truly high-end systems. Notwithstanding this, major scandals shook the trust of the public once again in 2015. The lesson learned is that compliance is obviously not primarily an organizational challenge, but rather a cultural one.

In view of this, Ambassador of Culture would be the most fitting description for Jairo Tcherniakovsky's function. Lawyer by training and avowed fan of pop music from the 80s and 90s, Tcherniakovsky's official title at TÜV Rheinland is Regional Compliance Officer. Operating from his official residence in São Paulo, Brazil, he has had the fate of the entire South American compliance organization in his hands since June 2014. He was appointed through the personal initiative of the head of the region, Martin Klaus Kunze, in order to expand the presence of the topic in everyday business operations. Along with Brazil, Tcherniakovsky's »turf« also encompasses Argentina, Chile, Colombia and Peru. If you give any credence to the »Corruption Perceptions Index« published annually by Transparency International, that means he has his work cut out for him. With the exception of Chile, none of »his« countries exceeded 40 points on a scale of 100 in 2015.



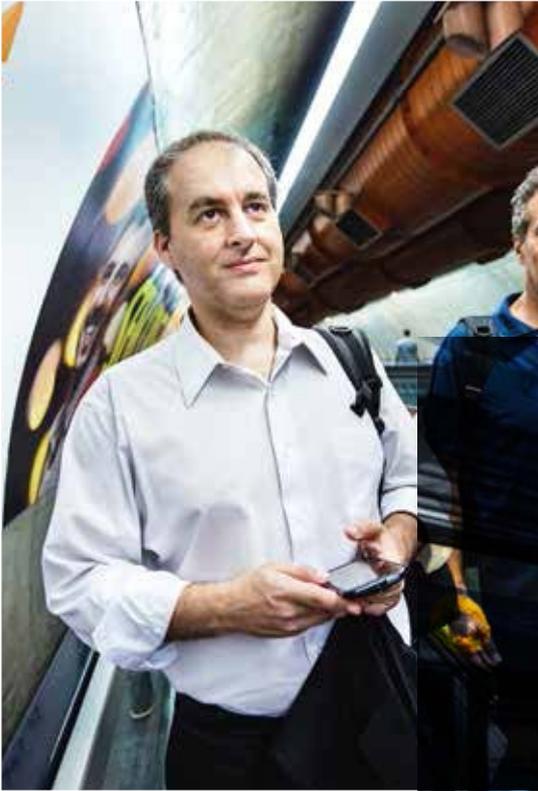




Change starts with the culture

IN TRUST

— Visiting the Ambassador of Culture —



*That people don't take compliance
so seriously in South America
is just plain folk.*



A topic for the main stage

Jairo Tcherniakovsky takes a rather dim view of such surveys. »Such rankings, but also the way our media here handle the topic, promote the image that people don't always take compliance so seriously in South American business transactions. That image is just plain false. To a certain extent, however, this creates a sort of collective guilt or guilt by association, from which it can be very difficult to extricate oneself, even for a company that places extremely high value on compliance.«

So it's all just media hype, without any foundation whatsoever? No, it's not quite that simple, either. »If you take a look at compliance from a global perspective, the challenges are essentially the same all over the world. The incentives for compliance malfeasance are very similar throughout the world as well. There is a fundamental difference, however, in the way exposed infractions are handled. In Europe, the USA or also Japan, the convicted individuals feel the full force of the law. Unfortunately, here in South America such incidents are not always handled so rigorously. This is undoubtedly a question of mentality, and that is undoubtedly a problem. An offence that no one prosecutes and appropriately punishes is tacitly legitimized. Repeat offences are virtually guaranteed. If we want to change something, then we have to start with the culture.«

Well-orchestrated cooperation

In the narrower sense, »we« here means a network directed by Tcherniakovsky comprising eight Local Compliance Officers in all – three in Chile, two in Brazil and one each in Argentina, Colombia and Peru – each of whom holds that position in addition to their actual function at TÜV Rheinland. At least once per year, the Ambassador of Culture goes on tour, visits his colleagues on site, reports,

teaches, listens. But his sphere of action and communication extends well beyond South America. One fixed date on the calendar is the annual Compliance Officers' Meeting in Cologne, Germany, which serves to promote global exchange among those responsible for compliance at TÜV Rheinland. In general, Tcherniakovsky maintains a very close relationship with Corporate Compliance at the headquarters in Cologne. Transparency is important to him – also in relation to his own work.

Another contact sits on the other side of the globe: Ada Wang, Tcherniakovsky's counterpart for the Greater China Region. »We find that China and Brazil exhibit many commonalities relative to the business environment. This is also reflected in similar issues concerning compliance. Against this background, a productive exchange has evolved.« He intends to visit his colleague in 2016. He plans to leave extra room in his luggage – for valuable intercultural findings.

— On the road: The Ambassador of Culture's operating range extends well beyond South America.



— Sometimes official, sometimes informal: Jairo Tcherniakovsky has set the stage for effectively addressing the important topic of compliance in South America.





Striking just the right tone

Jairo Tcherniakovsky developed an extremely rich source of valuable findings right after taking office – personal compliance training courses, which had not existed at TÜV Rheinland in South America before. The core message of the two-hour events: The work of TÜV Rheinland – and therefore also that of every single employee – is nothing other than practiced compliance. Some 40 appearances and more than 500 participants later, the main finding can be summed up by an old adage from Cologne: No two fools are alike, meaning everybody is different and nobody is perfect.

»People have very individual perceptions of right and wrong, risks, proportionalities. Even presumably clear regulations can, when viewed from the individual perspective, still be interpreted very differently. That’s why communication is so tremendously important in my job. I cannot, figuratively speaking, sing the same song wherever I go, but rather I must strike just the right tone for each audience.« That tone starts already with the language itself. In this regard, Tcherniakovsky considers the establishment of five country-specific Ethic Channels as a further essential milestone of his work so far. »There was a general hotline, but it hadn’t taken a single report or question for quite some time – that made me wonder. Now that we’ve eliminated the language barriers, the Ethic Channel has established itself as an important communication channel.«

Despite all the progress and success, of course, his work is not entirely without dissonance. Discussions with the sales organization and with the local top management flare up time and again about whether a certain order or even a complete customer should be rejected for compliance reasons. At those moments, the Ambassador of Culture transforms into the Minister of Defense. »In my opinion, no business transaction in the world can be so lucrative that it’s worth risking the first-class reputation of our company and the



brand.« And although he occasionally has to play the killjoy because of the office he holds, Tcherniakovsky’s opinion is heard and valued even at the highest levels of corporate management. Because trust also grows out of loyalty to principles.

The unfinished

What do you like about your work? And what aspect of it do you find the hardest to tolerate? Jairo Tcherniakovsky answers both questions with one and the same sentence: »There are always new challenges to face.« New regulations, new colleagues, new customers, new projects – compliance work is by its very nature always unfinished. For that reason, Tcherniakovsky works with very concrete objectives against the threat of frustration. By the end of 2016, he wants to raise the participation rate in the compliance e-learning program in his area of responsibility to 100%. And then by 2018, an internal controlling system for compliance issues should be in place. Hopefully he’ll also have some time left over to attend the theater or a concert now and then. After all, an Ambassador of Culture also needs a little inspiration from time to time.



CORPORATE SOCIAL RESPONSIBILITY

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- 50 CSR Management**
- 55 Compliance**
- 58 Employees**
- 66 Environment**
- 72 Society**

CSR MANAGEMENT

TAKING ON RESPONSIBILITY, STRENGTHENING TRUST

As a globally active service provider in the areas of testing, inspection, certification, consulting, and training, we support the value creation process throughout the world in many different ways. On the one hand, this role opens up numerous possibilities for us to participate in terms of shaping sustainable development, for example in the implementation of the global energy transition, the protection of consumer interests or the development of future-proof mobility concepts. At the same time, it also naturally imposes serious responsibility – responsibility which our nearly 20,000 employees have to shoulder day in and day out with integrity, competence, and dedication.

In our view, the reputation of the company and of the TÜV Rheinland brand is one of our most valuable corporate assets and serve as the foundation of our business success. Credible, sustainable action makes an inestimably vital contribution to maintaining and further increasing trust in the TÜV Rheinland brand. Sustainable action also means, in no small measure, transparent action. Whether through our widely varied media offerings or through personal dialog – our declared objective is always to give all of our stakeholders a clear picture of who we are, how we work, what we test and inspect, and who monitors our work.



The framework of our values essentially reflects the ten principles of the UN Global Compact (UNGC), adherence to which we publicly acknowledged once again in 2015. They promote sustainable action, and therefore serve as a guide for each and every one of our employees. This applies in equal measure to the reg-

ulations and declarations on human rights and labor standards, the preservation and sustainable protection of the environment, and combating corruption. Our ability to exert influence varies among the areas named here, of course. We are nevertheless firmly convinced that even small contributions can add up over time to effect significant change.

In order to make the UN Global Compact principles even more present in our day-to-day business activities, we are actively involved in the German Global Compact Network (DGCN), which, with some 300 participating companies, is the world's second largest network of this type. And we are also playing an active role in promoting the UNGC at our locations in other countries. During the year under review, for example, we supported the translation of the UNGP Reporting Framework, including all implementation guidelines, into Polish. It is the first foreign language translation of the framework, which offers comprehensive human rights reporting guidance for the first time to companies worldwide.

In our mission statement, we have formulated the ambitious goal of being the world's best sustainable and independent service provider for testing, inspection, certification, consulting, and training. Our sustainability strategy will help us get closer to that goal step by step each day by consistently directing our focus toward topics of special relevance, both to us from our internal perspective and to our stakeholder groups.

G4-24, G4-25, G4-26 Generally speaking, we consider stakeholder groups to be all persons, companies and institutions with whom we enter into a direct relationship in the course of providing services as well as those indirectly affected by our business activities. Specifically, these are the stakeholder groups listed in the figure opposite. For the purposes of communicating with our stakeholders, we use a broad spectrum of tools and channels. That dialog is the crucial element which enables us to evaluate and prioritize both the stakeholder groups themselves and their respective concerns with regard to their significance for TÜV Rheinland.

KEY STAKEHOLDER GROUPS AND THEIR EXPECTATIONS OF TÜV RHEINLAND

G4-24, G4-27

Employees

- Safe work environment
- Development opportunities
- Reasonable working hours and appropriate remuneration
- Work-life balance
- Integrity/compliance

Non-governmental organizations/networks

- Support of and participation in initiatives
- Transparency
- Neutrality
- Fulfillment of societal expectations and compliance with ethical standards

Customers

- Service quality
- Service delivery
- Fulfillment of contractual requirements
- Increasingly demanding CSR and compliance requirements in tenders

Business partners/suppliers

- Clear specifications and contracts
- Fast and fair payment
- Good reputation

Media representatives

- Transparency
- Reliability
- Adherence to the safety and quality claim

State-owned companies/governments

- Implementation and compliance with statutory regulations

Science/research

- Exchange of knowledge and experience

STRATEGICALLY KEEPING PACE WITH THE TIMES

G4-18 The environment in which we are operating is more dynamic than ever: Our markets are changing, our service portfolio is changing, our stakeholders' expectations are changing. Our sustainability strategy must also be able to adapt accordingly.

As a result of personnel changes among the highest ranks of management and following a general reflection on the corporate strategy, we carefully reviewed our sustainability strategy during the year under review. At the core of that process was a systematic materiality analysis. As a basis for the external perspective, we applied the findings from our most recent, broad-based stakeholder survey from 2013. Along with that, however, we also took into account current trends and requirements which have been communicated to us within the framework of our multifaceted stakeholder dialog over the course of the past two years.

To map out the internal perspective, we involved the entire top management for the first time, presenting a broad spectrum of potentially relevant topics within the context of sustainability to our highest management ranks for their assessment. And as with our previous external surveys,

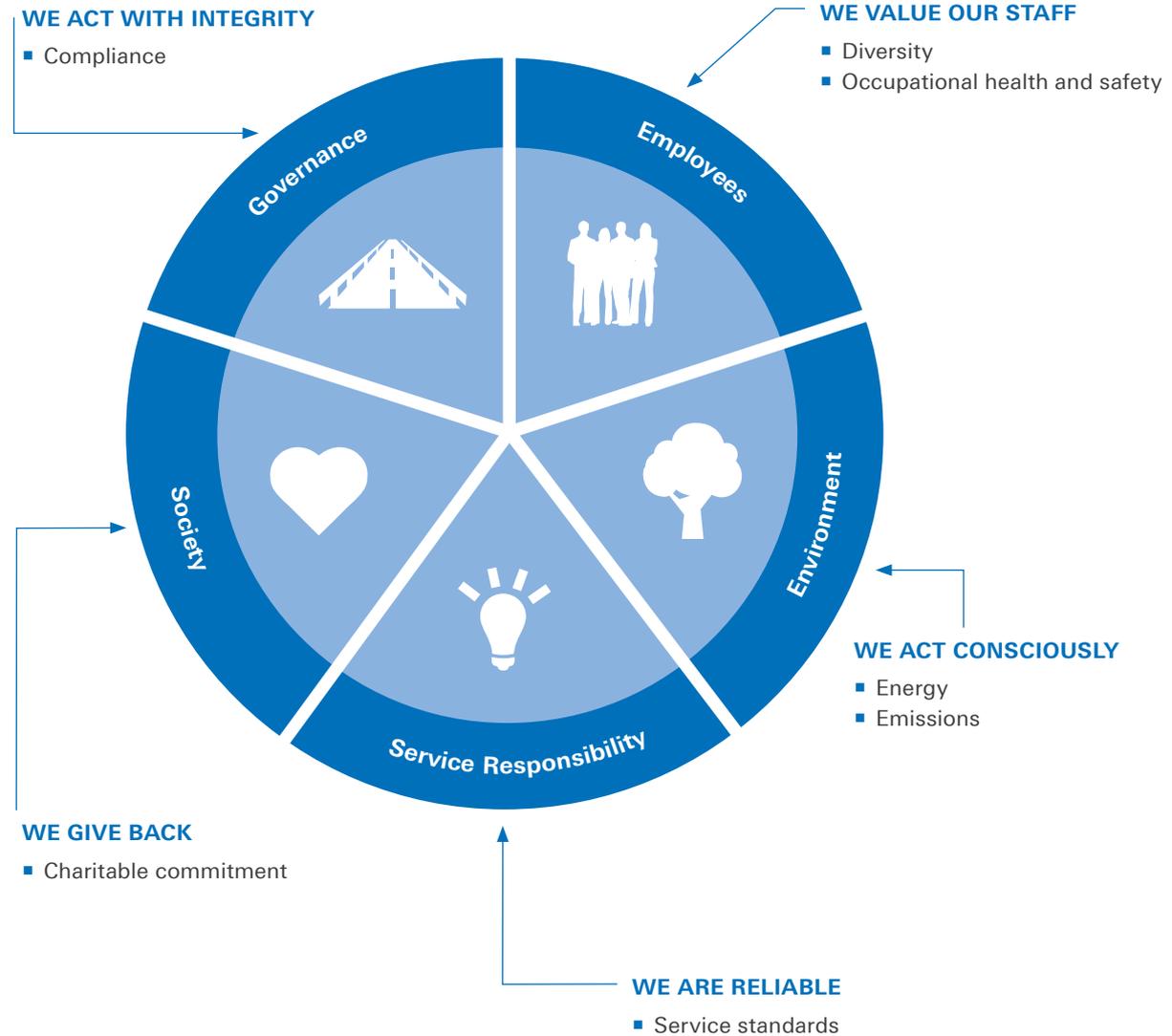
we were guided by a large number of internal and external standards and value systems (Company Policy on Values and Responsibility, UNGC, Diversity Charter, etc.), adherence to which we acknowledge or have committed ourselves.

The result revealed a high correlation between internal and external perceptions relative to which topics concern TÜV Rheinland the most. Both sides similarly agreed that only very few thematic areas are of truly negligible importance to our Group in the context of sustainability.

Based on the findings from the materiality analysis, the sustainability strategy was revised and then, after thorough discussion, approved by the Executive Board, and finally presented to the Supervisory Board for approval. That means all important bodies are united behind the sustainable path of TÜV Rheinland and share the same ambitions.

G4-27 In the future, we will continue to act in the five dimensions of governance, employees, environment, society, and service responsibility. At the level of the fields of activity, however, we have made some changes. In the areas of employees and the environment, for example, we are focusing even more on topics where we, and also our

THE SUSTAINABILITY STRATEGY'S KEY AREAS OF ACTIVITY

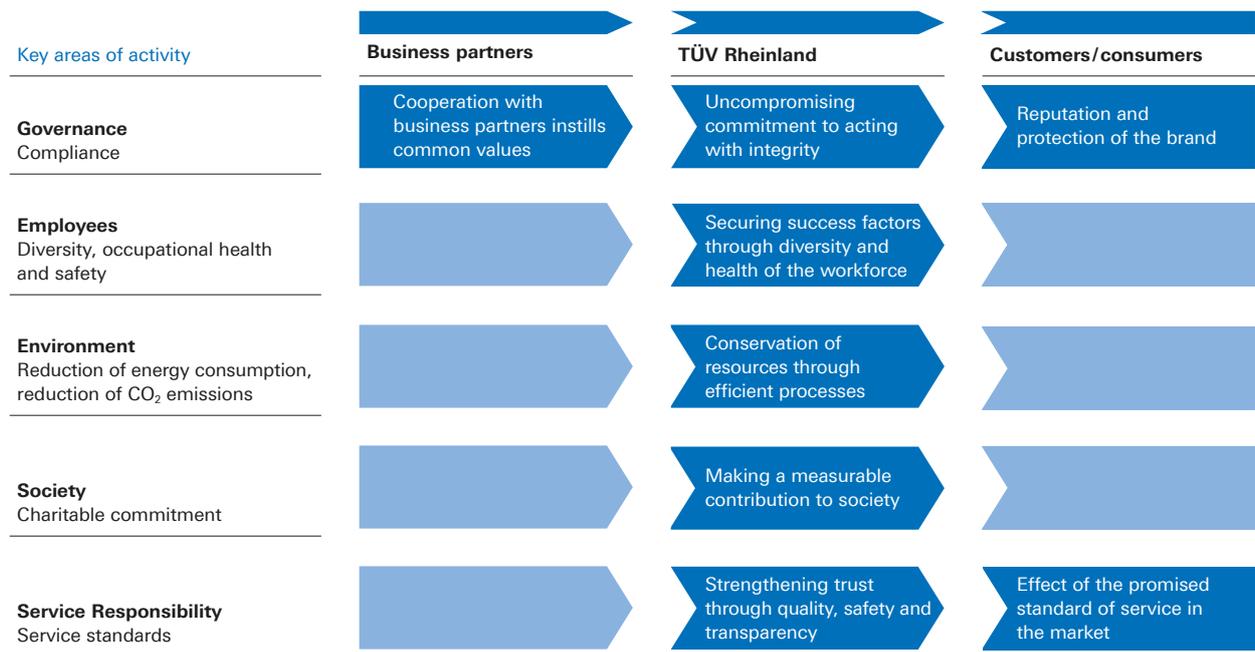


stakeholders, see the greatest need for action – but which thereby also offer the greatest optimization potentials. In the area of service responsibility, the materiality analysis showed that the topic of trust has clearly become even more relevant recently.

Another important characteristic of our revised sustainability strategy: Quantitative objectives have been defined, by which we want to, and will, be measured in coming years. We will present each of the specific goals and actions to you in the following sections of this Corporate Report.

CONNECTIONS BETWEEN KEY AREAS OF ACTIVITY AND THE BUSINESS MODEL

G4-19, G4-20, G4-21



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FIRST BUSINESS PARTNER ANALYSIS CARRIED OUT

G4-27 It has been an increasingly insistent clarion call formulated by numerous stakeholders: In a globalized world where corporations have unimaginably vast networks, responsibility and transparency should not stop at the gates of a company's own plants or offices. What about our supply chain? What possibly unknown or underestimated risks lie hidden in the part of the upstream value chain? What influence can we exert on our suppliers? Can we have any influence at all? These are justifiable questions with which we at TÜV Rheinland are also confronted more and more frequently.

Our special business model is the reason why, as compared with many other companies, we need only very few upstream services and products to perform our services. This also explains why the topic of supplier management

has not been assigned a high priority in our sustainability strategy. But beware of rash conclusions! Because »not assigned a high priority« certainly doesn't mean »ignored.« In our first so-called business partner analysis, we took an important step in the year under review toward sustainable supplier management. In general, our business partners along the value chain can be classified as follows:

Third parties who do not participate directly in the process of providing services:

- Suppliers (e.g. suppliers of office materials)

Parties who participate directly in the process of providing services:

- Intermediaries (e.g. brokers and agents)
- Partners (e.g. in the context of joint projects)
- Subcontractors (e.g. external auditors and service providers)

Our analysis showed that the subcontractors represent the most relevant group for us by far. We also found that this group has broad overlaps regarding the key areas of activity from a sustainability perspective. Since subcontractors directly support the performance of services, they must be just as committed to the values of integrity and safety/health of the employees as we ourselves are. And because birds of a feather famously flock together, we are currently examining options for opening our internal processes also to subcontractors in the future.

ORGANIZATION AND MANAGEMENT OF OUR CSR ACTIVITIES

At TÜV Rheinland, the topics CSR and sustainability are managed by Corporate CSR and Compliance. The Global Head of CSR & Sustainability reports directly to the Chief Executive Officer. As a central control center, the CSR and Compliance department formulates, communicates and monitors our sustainability strategy from the headquarters in Cologne, Germany. All corporate CSR-related projects – comprising both internal and external activities – are initiated and managed from here. One good example of this is the German Sustainability Activity Days, during which we conduct an awareness campaign throughout the corporation every year on a selected sustainability topic.

A network comprising regional and local CSR officers along with the individual Business Streams' CSR officers ultimately integrates the company's guidelines into the respective culture and provides feedback about local and department-specific activities. We believe that it is very important that all officers exchange experience on a regular basis in order to share relevant information and best practices at all times.

Another task consists of reporting vis-à-vis the UN Global Compact, which TÜV Rheinland carries out within the framework of the annual publication of its Corporate Report. In keeping with the principle of high credibility and transparency, we decided already several years ago to have an external auditing firm validate the statements and data relating to sustainability published in our Corporate Report.

MEMBERSHIPS AND NETWORKS

Along with our commitment to the UN Global Compact and our active role in the German Global Compact Network (DGCN), there are many other important initiatives in which we work together with other companies and political or societal actors to achieve common objectives and solutions.

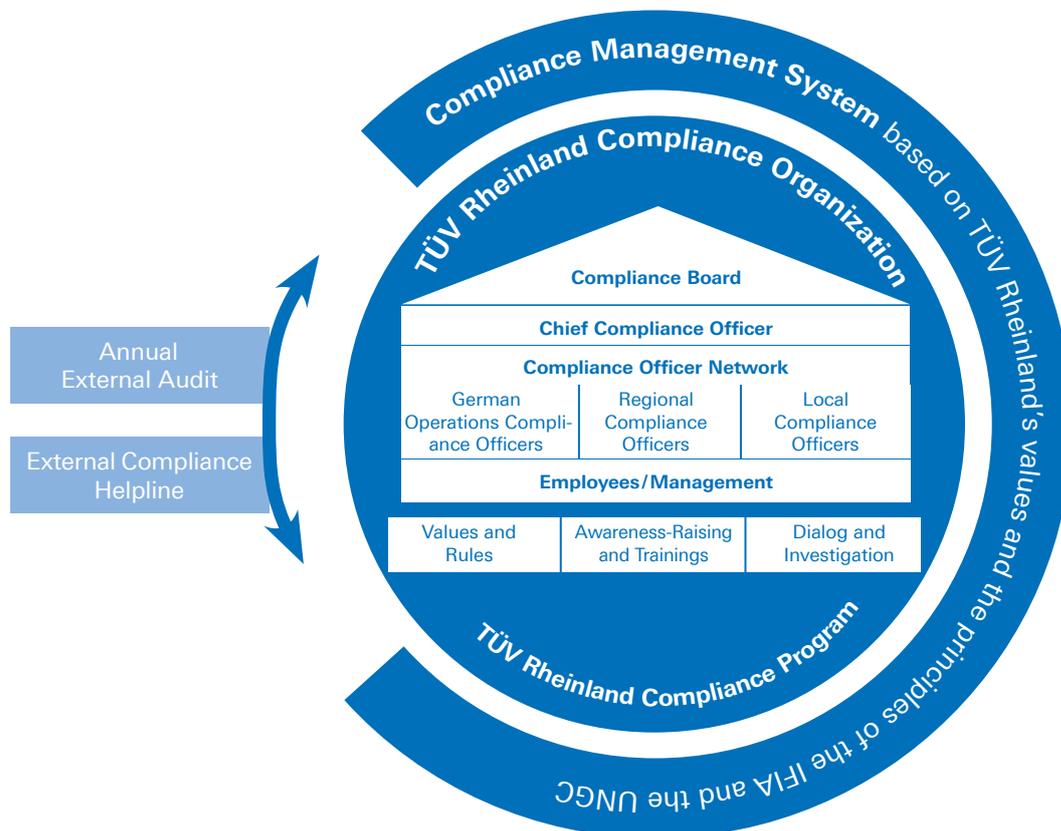
- The International Federation of Inspection Agencies (IFIA) sets worldwide standards for the entire sector as the umbrella organization of global testing service providers. Our membership enables us to maintain strong industry-specific links to ethical and compliance-related topics and forms the framework of our compliance management system. As one of the five largest members, we are represented on the Executive Board and in almost all expert groups.
- The most important European association for our industry is the CEOC (International Confederation of Inspection and Certification Organisations). It represents the interests of its members vis-à-vis the European Union as well as all European and international associations and organizations that deal with standards, norms, and accreditation. We are represented on the Executive Board of the CEOC by Stephan Schmitt, a member of our Executive Board. Other employees of TÜV Rheinland take an active part in various expert committees of the organization. In 2015, we hosted the CEOC annual conference, at which nearly 30 member companies met to exchange information.
- The German TÜV inspection and certification organizations have, in turn, joined together to form the TÜV Association (VdTÜV), which ensures that their interests are represented at the national level. TÜV Rheinland is represented in the Executive Committee by Chairman of the Executive Board of Management Dr. Michael Fübi.
- Furthermore, TÜV Rheinland is a member of the TÜV Markenverbund e.V. association, an alliance of technical inspection associations, which has set for itself the primary objective of protecting and maintaining the value and the reputation of the »TÜV« brand.

COMPLIANCE

As a globally active testing and inspection service provider, our livelihood depends on the trust placed in us and our public image – this is basically the foundation on which our business activity is built. For TÜV Rheinland, compliance means that corporate management and the workforce always act in accordance with statutory regulations, in-house requirements, and voluntary commitments. Once per year, the general managers of all of our subsidiaries worldwide must explicitly confirm that they have operated in accordance with our compliance program and reported any violations found to the responsible compliance officer.

Our daily compliance work upholds the values anchored in our principles: competence, reliability, incorruptibility, independence and openness. We use our corporate compliance management system to help achieve that overarching vision.

COMPLIANCE MANAGEMENT SYSTEM



TÜV Rheinland compliance organization

The Chief Compliance Officer heads our compliance organization from the Corporate CSR and Compliance department. He reports directly to the Chairman of the Board of Management of TÜV Rheinland AG but acts independently. The highest decision-making body for compliance issues within the Group is the Compliance Board. In regular meetings, it makes decisions concerning the further development of the system. We have established an active worldwide network of compliance officers currently comprising 71 employees with responsibility for compliance. Regional, local and Business Stream compliance officers are available to all employees as competent contacts and advisors. In order to ensure continuous exchange within the network, we have established a virtual monthly meeting in which current topics and issues are discussed.

In 2015, we organized once again as in past years a Global CSR and Compliance Officer Meeting in Cologne, Germany, at which participants from all eight TÜV Rheinland regions were represented. Highlights of the meeting included intensive discussions about the further development of the compliance management system as well as other communication measures. In addition, the compliance officers from four foreign subsidiaries (India, Brazil, Argentina and the United Arab Emirates) presented the compliance programs established there and spoke about specific local conditions.

Another important part of our compliance organization is the risk management function, which is managed from corporate headquarters. The Chief Compliance Officer is a member of the corporate risk management unit, in which the areas of Controlling, Internal Audit, and Finance are represented along with the Legal department. The Corporate Compliance Office also works very closely with Internal Audit. Compliance issues form an integral part of Internal Audit's current list of audit items. This helps to ensure that compliance requirements which apply throughout the Group are also implemented on a local basis.

TÜV Rheinland compliance program

Our compliance program comprises, among other things, several guidelines which apply throughout the Group. All of the most important binding compliance documents are available in English and German. Some are also available in other languages:

- Code of Conduct of TÜV Rheinland
- Compliance Guideline
- Guideline for the Prevention of Conflicts of Interest and Corruption
- Company Policy on Values and Responsibility

All of the documents listed here are available for our employees to view on the company's intranet. Whenever new employees join the company in Germany, we immediately inform them about the relevant compliance documents. For interested business partners and third parties, we have also published the Code of Conduct and the Company Policy on Values and Responsibility on the Internet.

In order to raise all employees' awareness of compliance issues, we make use of a suitable mandatory e-learning program throughout the Group. Of the employees and managers active in our workforce today, more than 14,000 have successfully completed the e-learning course. After joining the company, new employees are continuously instructed to participate in the e-learning program. The crucial importance of compliance for our company and the associated organization are also, together with the Group-wide CSR management function, the subjects of the two-day orientation seminar entitled »New at TÜV Rheinland,« which all newly hired employees in Germany can attend.

Along with the electronic compliance training program, the Corporate Compliance Office conducted a number of different ad hoc classroom training courses in 2015. Those courses included ones in which, among other things, new general managers and duly authorized representatives (national and international) learned about their rights and responsibilities. In their daily work, they make a key contribution to anchoring compliance in the minds of our employees worldwide.

Before entering into business relationships with TÜV Rheinland, suppliers must acknowledge our general purchasing terms and conditions. In so doing, suppliers agree to adhere to applicable laws and ordinances and to the principles of the UN Global Compact in the areas of human rights, labor standards, environmental protection, and anti-corruption measures. In addition, there is a »Blacklist of Countries« at the corporate level, which serves as a guideline for all business activities of TÜV Rheinland by classifying countries according to certain risk groups.

Those guidelines prohibit collaboration with certain countries or companies without explicit authorization from the corresponding management level. Business activities in countries with unpredictable risks are generally prohibited. The purpose of this classification is to protect our employees and to reduce risks. The blacklist is updated on a regular basis in order to account for current political and economic developments in our business activity.

Despite all preventive measures, of course, we cannot completely exclude the possibility that TÜV Rheinland might violate compliance or at least come under suspicion of such a violation. In the event of any compliance violations, we react with the requisite consistency and resolve. The procedure here follows a standardized process which is likewise transparently specified in a guideline that applies throughout the Group. Within the scope of that guideline, we reserve the right to take legal action – under both criminal and labor law – in case of employee misconduct. No fines or government sanctions were levied against any companies of the TÜV Rheinland Group for non-compliance with laws and regulations in 2015.

In the year under review, the worldwide compliance officer network processed a total of 326 compliance issues. The Corporate CSR and Compliance department handled 106 of those issues.

The queries submitted to us involved the following topics in particular:

- Acceptance of invitations and gifts
- Establishment of business relations abroad
- Declaration of Commitment to Compliance
- Personnel issues

The cases of suspected misconduct involving criminal law subject to review by the corporate department could be classified mainly into the following subject areas:

- Corruption/bribery
- Fraud
- Forgery of documents

The majority of compliance cases are reported to the responsible compliance office by the employees directly. In addition, there is a compliance helpline available to all employees, to which they can turn when they would like to notify the company of misconduct. The helpline is staffed by a law firm which has offices all over the world and is obliged to maintain confidentiality.

Compliance is also an important element in the acquisition and integration of companies into the TÜV Rheinland AG Group. We supported four M&A projects from a compliance perspective, for example, and conducted compliance due diligence prior to the acquisition of companies for TÜV Rheinland. It goes without saying that we expect the integrated companies to implement the compliance program of TÜV Rheinland and to explain the binding compliance program to their employees.

Annual external compliance audit

Since 2009, our compliance management system has been audited annually at several locations by an external auditor. Along with two companies of the TÜV Rheinland AG Group in Germany, in 2015 we had the compliance management system of our foreign subsidiary in Brazil audited. The requirements of that audit follow IFIA guidelines (so-called Agreed Upon Procedures), and the results are also reported to the IFIA. We apply the recommendations of the auditor in order to continuously adapt and improve our compliance management system.

Compliance objectives

We intend to further develop our compliance management system again in 2016, of course. Our main focus in this respect will concern communication.

EMPLOYEES

IMPROVING TOGETHER

Knowing what matters

As a globally active provider of testing and inspection services, we do not sell material goods, but rather above all expert knowledge. This makes our employees – their expertise, their integrity, their dedication – our most important success factor. In a highly competitive market, TÜV Rheinland can achieve its business objectives only if each and every individual lives the company's shared values, understands the strategies that the company is pursuing, and is also willing to implement the necessary changes.

Our human resources activities are designed to promote growth and innovation, while giving them the necessary structure – and thereby, stability – at the same time. We achieve structure and stability above all by focusing on the essential aspects and creating clear consensus. With that goal in mind, and in keeping with our sustainability strategy as revised in 2015, we consolidated our four original areas of activity in human resources into two areas of activity:

- Diversity
- Occupational health and safety

The strategic human resource requirements of our business manifest the greatest need for action in this respect, but in so doing they also represent the greatest opportunities to develop TÜV Rheinland into an even more successful, even more future-proof company. Given its strong substantive links with the two previously mentioned areas of activity, we no longer treat »demographic change« as a separate thematic mainstay, but we continue to pay close attention to it of course. We will accompany all of our actions with suitable training and continuing education programs to a reasonable and meaningful extent.

Measuring with the same yardstick

One essential prerequisite for effective personnel management in an internationally oriented group is a standardized worldwide understanding of how jobs are evaluated and global career paths are managed. In order to foster that shared understanding, in 2014 we implemented the »Global Grading System,« a job evaluation system already established in many leading companies. By the end of 2015,

a global grade had been assigned to 84% of the jobs in the Group. This standardized information base will now make it possible, for example, for us to seamlessly track progress toward achievement of our targets in the area of diversity in management positions worldwide.

A waste of breath? Not here!

Our employees are a key stakeholder group: It is essential for the success of the company that their perspectives and expectations are understood and taken into account in our strategic analyses. We have a commensurate stake in systematically promoting the feedback culture at TÜV Rheinland. We interact with one another in a manner that seeks to strengthen the ability to give and take criticism and expects everyone to be prepared to engage in constructive dialog. In this context, giving and receiving feedback is both a right and duty of all – regardless of their hierarchical position.

One of our most important feedback instruments is the global employee questionnaire »together« which we have conducted at two-year intervals and anonymously since 2011. We use it to examine topics concerning the entire Group, such as work processes, leadership culture or customer focus. Along with these more classical topics, however, we also regularly consider new aspects of our work and business world. In the third round of »together« which started in November 2015, for example, we added questions concerning physical stress in the workplace for the first time.

DIVERSITY

Just a lot is not enough for us

No longer abstract theory, it has long since been empirically proven many times over: Companies that rely on diversity are more successful in business and more attractive to potential employees – and in the worldwide »war for talents« that also puts them in a better position to win over an adequate supply of well-qualified young talent, specialists and managers.

With people from more than 80 nations who work on behalf of TÜV Rheinland on every continent around the globe, obviously we are already an extraordinarily diverse

company today. We already live an open and appreciative corporate culture, to which we have made a public commitment, not least with the signature of the »Diversity Charter« in Germany, France, Italy and Spain. And nonetheless we are convinced that the full potential arising from a diverse global team is still far from exhausted. This applies especially with regard to the staffing of management positions.

That's why diversity is extremely important within the framework of our sustainability strategy. Specifically, by 2020 we aim

- to staff 20% of our top management positions with a broad range of nationalities,
- to raise the share of women to 15% and
- to achieve an above-average score in the RACER benchmark in the area of equality in our employee survey »together.«

THE CAREER PATH FINDER

Three questions for Thomas Biedermann, Chief Human Resources Officer and Director of Industrial Relations

What exactly does TÜV Rheinland understand by »global career path«?

Our new Global Grading System serves as the basis for global career paths, because it not only enables us to achieve transparency but also gives us the ability to compare positions on a worldwide basis. In other words: In order to pursue a career at TÜV Rheinland, the same requirements are now imposed worldwide. The global career paths – and that means for specialist and managerial careers – are based on precisely those requirements. Ultimately, it amounts to a global presentation of similar positions within a job family, the performance of which represents further development along a career path. Consequently, in the future we will be able to look for global development opportunities for each individual employee and thereby promote strengths in a specifically targeted way. And in so doing, we establish clarity and transparency for the employees.

How many different career paths can your employees take then?

Given the wide range that the fields of activity span and in view of the global orientation of TÜV Rheinland, it is almost impossible to give a precise answer to that question. From a somewhat general perspective, however, one can say that we handle management and expert career paths more precisely and with greater awareness. That differentiation makes it very clear that a specialist is not necessarily obliged to assume a management role in order to pursue a career. As a result, a career path can be systematically planned and is structured and transparent for the first time.



If you were a young professional just starting out today, which career path at TÜV Rheinland would you choose?

Tough question. Both the expert career path and the management role clearly have appeal, each in its own way. The good thing about the global career paths is that they are not one-way streets. Since the ranks are comparable, there is always the option to switch paths in the course of a career. I'll take advantage of that flexibility here and give you my spontaneous answer: Fortunately, I don't have to make a final decision. No matter what you decide, the important thing is to do your job with passion. And ultimately you shouldn't neglect the importance of enjoyment either – enjoyment of the work itself, but also in the satisfaction that comes from doing something meaningful together with great colleagues.

THE LIGHTHOUSE IS SHOWING THE WAY

The signal: clear. The action: consistent. The result: pioneering. In response to the unsatisfactory assessment of the leadership culture within the framework of our employee survey »together,« in 2014 we had initiated a project which is unique in this regard. We call it Lighthouse. Our managers all over the world were encouraged not only to intensively consider leadership issues in general, but also to critically question their own very personal understanding of leadership and their leadership skills. You might say that the jointly developed leadership principles which we officially adopted in 2015 represent the DNA of our global understanding of leadership. We see them as a decisive factor in our effort to leverage the diverse skills of our employees even better in the future.

Take responsibility and be decisive in our actions.

We take responsibility for the achievement of the company's short-term and long-term goals. To do so, we carefully consider how to integrate the interests of the customers, company and employees to achieve a positive outcome for all. We give our employees the freedom necessary to judge how to act and respond, while also sharing the responsibility for the outcomes and follow-up. We manage the consequences of our decisions to ensure the lasting success of our company.

Inspire and encourage.

We inspire a solution-centered way of thinking and approach to work through our actions and behavior. We encourage our employees to make the best use of their capabilities and help them to understand how their contributions are valuable to both the company and to society as a whole. We also give our employees active assistance and encouragement in achieving their personal development goals.

Communicate openly and clearly.

We promote an open-door policy so as to maintain a constant flow of communication with others. In both spoken and written form, we express our ideas, viewpoints and expectations in a clear, logical and respectful manner. We ask and answer questions to



support two-way communication and to deepen the level of understanding. In our interactions, we also take cues from others' non-verbal behavior so as to further grasp what they would like to say.

Be honest and trustworthy.

We strive to keep the promises that we make to our employees. If circumstances change, we provide an honest and open explanation on the current situation. We also admit our mistakes and demonstrate a positive attitude towards learning from them.

Be respectful and fair.

We give our employees honest and fair feedback while also expecting the same from them. We recognize successes both great and small; we acknowledge both the results and the effort that was made. As managers, we do not look down on or exclude others – we demonstrate compassion and approachability in our interactions.

Promote teamwork and networking.

We embrace diversity as a key ingredient to a team's success. We build teams of employees with varying perspectives and complementary skill-sets so that we can more effectively solve complex problems and develop more innovative approaches to our work. We promote a positive team spirit and culture based on »one for all and all for one« both within and between teams throughout our company.

Both the strategic development and the operative implementation of actions and instruments are in the hands of our Diversity & Inclusion Excellence Center, which was newly formed in 2014 and reports directly to the Chief Human Resources Officer. As interface in the human resources area and central contact point for all questions and concerns, it has very quickly succeeded in raising awareness for diversity in our entire organization.

We also purposefully seek exchange beyond the boundaries of our company. For example, we continued the dialog initiated in the previous year with the 15 largest business enterprises from Germany's Rhine-Ruhr region by participating in an event attended by many prominent personalities on the occasion of the 3rd German Diversity Day. The focal point of the event was the topic of interculturality. Here, too, the conclusion was that cultural diversity is a major advantage in international competition, because employees of other cultures and nations can act much closer to their respective home market.

A network of strong characters

A key role in the targeted promotion of women at TÜV Rheinland – and therefore also in the achievement of our objective for women in management positions – is played by the Women's Network. Through a wide range of projects, activities and workshops, this network promotes dialog among women at TÜV Rheinland and provides them with multifaceted support in their professional development as specialists and managers. Events such as the quarterly business meeting and the monthly Ladies' Lunch have become regular appointments in the calendars of many female employees at several locations in Germany. And this also not least because such events always afford the opportunity for informal exchange with a high-ranking guest – a member of the Executive Board, for example, or a member of the Group Executive Council.

Moreover, our own in-house mentoring program »TAFF« for future female specialists and managers and the collaboration with the European Women's Management Development (EWMD) international network have also become established fixtures. As a consequence, 21 tandems embarked on the second edition of TAFF in the year under review. Ambitious female employees and experienced managers of both sexes met regularly for open discussions, constructive advice, and an inspiring change of perspective. Within the framework of our cooperation with the EWMD in 2015, not only did we participate in the so-called Power Teams, in which six to eight women from different companies help each other to achieve their professional and personal goals, but we also offered our female employees for

AWARDS IN 2015



Our multi faceted commitment to support women in the company was recognized by the German CSR Forum with the German CSR Award 2015 in the category of »**Gender Diversity.**« TÜV Rheinland thereby joins the ranks of companies, foundations and municipalities which sustainably practice social responsibility and achieve it through special means.

For the eighth consecutive year, we were recognized by **Top Employers Institute** as one of the leading employers in Germany, offering good working conditions and career opportunities for young graduates in particular.

The high value that TÜV Rheinland places on equal opportunity and the acceptance of different cultures and

religions was honored by the City of Cologne with an award within the framework of the competition »**Vielfalt gewinnt**« (Diversity Wins).

In China, we made it into the Top 10 of the online portal 51JOB's prestigious »**Best HRM Companies**« ranking in the category »**Best Employee Care Plan,**« which assesses, among other things, the protection of workers' rights and the promotion of a generally pleasant work environment.

To determine the »**Best companies to work for,**« the Labor Affairs Bureau of Kaohsiung in Taiwan initiated a survey in which more than 10,000 people participated. Here, too, we made it into the Top 10. Among other things, the survey evaluated working hours, remuneration and social benefits as well as equality between men and women.



the first time ten free-of-charge memberships in this internationally active network. The participants benefited from numerous networking opportunities spanning different companies and different industries, an extensive transfer of knowledge pertaining to career-related topics, and new impulses for career planning and management.

As planned, we also continued the targeted development of the Women's Network International in 2015. For example, the network is currently expanding its own intranet presence in India and South Africa. With various initiatives, we also want to satisfy the needs of our female employees in China, especially those of mothers, to the best of our ability. Those initiatives include, among other things, the establishment of suitable flex time regulations and the creation of breastfeeding rooms in our offices.

The right concept for every living situation

In the modern work world, the clearly structured model of life which has predominated for many decades – education, profession, retirement – now seems to be becoming increasingly obsolete. Today employees want to harmonize parental leave and voluntary extended timeouts, volunteer work, and the care of dependent relatives with their everyday professional lives. So under these new real-life conditions, diversity also means giving our employees the greatest possible flexibility to realize their professional and private duties and/or interests in harmony with business needs.

For women in particular, inflexible or altogether nonexistent childcare options in many countries still represent a huge career barrier and an impediment to reconciling family and profession in general. That's why we make an effort not only to expand limited childcare capacities (see inset), but also to arrange for childcare opportunities in daycare centers and provide an emergency care service throughout Germany.

We are also actively involved in the sensitive topic of »caring for family members« and with the requisite foresight, because we have to expect that over the long term, a significantly higher number of our employees – especially in Germany – will exercise their legal right to take leave to care for loved ones. For quite some time, we have been offering through »pme Familienservice« the opportunity to participate in workshops and attend presentations throughout Germany in order to learn about reconciling work and family. In order to improve our in-house information offering, we developed the concept of »care pilots« in the year under review. In a few larger German locations, specially trained employees will serve as the first point of contact for questions concerning all aspects of care in the future.

For many long-time employees, the second half of their career also poses questions and uncertainties. Our seminar »Determination of status quo for experienced employees« addresses precisely these questions. Within the framework of that seminar, for example, we discuss together with older employees how they might share their extensive expertise even better and more effectively in support of the change processes in our company. The clear message: Even seasoned employees still have new, wide-ranging career prospects at TÜV Rheinland. In this way, we organize the systematic use of mentoring to preserve for our organization the comprehensive expertise of our experienced employees and to enable as many employees as possible – and younger ones in particular – to become proven experts and knowledge communicators in their area of expertise.

In addition, we continue to address demographic change with high-quality operational training for younger people. And in that context, we place particular emphasis on production-oriented professions, because those are where the greatest shortages of specialists are expected in the future. Of course we have also paid close attention to the

THE STAGE IS SET FOR FEMALE STEM EXPERTS

It's show time! At the Women's STEM Slam part of our annual Technology Night, four of our female employees proved that the presentation of even complex technical subjects can be both extremely clear as well as entertaining. Each of the presenters had ten minutes to generate enthusiasm among the members of the young audience for special topics, but also even more so for STEM topics in general. And the winner of the evening had essentially been decided in advance: It was the »Komm, mach MINT« initiative, which has been pursuing, already since 2008, the objective of attracting more young women to university level courses of study in natural sciences and technology.

SEEHAUS WELCOMES TÜV-MINDED KIDS



Since May 4, 2015, the happy laughter of children has been part of the background noise in the Seehaus, our headquarters in Cologne. Because that's where »TÜVtel Kids,« our first company childcare service, set up shop as a home for well-being and discovery. A seven-person team from the Arbeiterwohlfahrt Köln (Workers' Welfare Cologne) takes care of up to 40 children, half of whom are under three years old. The hours of operation are arranged with the parents' needs in mind – the little guests are provided with loving care from 7:30 a.m. to 5:00 p.m. in the Seehaus. And with TÜV Rheinland, it should come as no surprise that along with lots of movement and healthy nutrition, the pedagogical concept also includes a natural sciences curriculum.

situation of the refugees, who poured into Germany in ever increasing numbers over the course of 2015. In order to open up long-term future prospects for at least a small number of them, we decided to provide, from the start of the 2016 academic year, additional training opportunities and internships, which are also open to young immigrants who envision the possibility of staying in Germany.

In view of the rather bleak prognoses for statutory old-age pensions, one of the factors bolstering our attractiveness as an employer in Germany that should not be underestimated is the range of corporate offerings intended to supplement pension plans. Thanks to a Group works agreement signed together with the Group Works Council during the year under review, effective immediately, even more employees can now take advantage of this successful concept. As a result, the entry age was lowered for younger employees and raised for older new hires. Employees with a temporary employment contract also benefit from the new regulation, according to which each person who is eligible to participate receives at least 1% of their remuneration as a pension contribution, which is paid into an insurance policy. Depending on the economic situation of the respective company, that share can increase to as much as 2%.

OCCUPATIONAL HEALTH AND SAFETY

Safety is a top priority

Creating the conditions under which our employees can perform their tasks safely is a responsibility we accept and take seriously. Every work-related accident is one too many! We are perfectly aware that a target of »zero accidents« in a Group with nearly 20,000 employees is extraordinarily difficult to achieve. Nevertheless, it reflects our ambition of significantly lowering the accident rate in the coming years.

Clearly, the old management principle also applies for the accident rate: What you cannot measure, you cannot control. That's why we are currently establishing, with considerable progress, a Group-wide reporting system, which will enable us to monitor our two key performance indicators in the area of occupational safety on a global basis: the accident rate and the number of lost workdays per accident. A software solution has also been rolled out successively throughout the world which helps us to analyze the recorded accidents in detail according to their type and cause and to develop specifically targeted countermeasures. In the year under review, we have already undertaken corresponding analyses for our Business Streams Industrial Services, Mobility and Products.

ACHIEVING SAFETY BY THE MOST DIRECT ROUTE

When it comes to preventing accidents in the workplace, fundamentally different approaches have been used for as long as anyone can remember. Some swear by iron-willed discipline, others tout the effectiveness of creative measures to raise awareness. The way we see it, everyone has a legitimate point. Because occupational health and safety profit from a healthy mix of many different measures.

We are firmly convinced of the correlation between well-organized and safe workplaces. Having successfully implemented a pilot project in the Greater China Region, we have started equipping our laboratory workplaces throughout the Asia-Pacific region according to the so-called 5S principle. The basic idea underlying this approach, which originates from Japan, is to design workplaces in a way that the activities exercised there proceed smoothly. The intelligent arrangement of resources and materials eliminates the need to look for things while also circumventing long transport routes and waiting times. Moreover, it makes it possible to work without waste. Our in-house name for the initiative is »5S+1«: It expresses the idea that a disciplined implementation of this concept ultimately also benefits occupational health and safety.

Our American subsidiary TÜV Rheinland Industrial Solutions, on the other hand, employed creative means to raise safety awareness in 2015. Within the framework of a contest, all employees were challenged to come up with a catchy slogan for the planned occupational health and safety campaign. And so our colleagues in the land of opportunity now adhere to the motto »Working hard will get you far, working safe will get you home.«

We are also using continuously evolving technological possibilities to improve occupational health and safety. In the year under review, for example, we introduced a related e-learning system in Hungary. Sustainable side-effects: less training-related travel and reduced costs.

The improved reporting system forms the basis of our new occupational health and safety concept, which we adopted in 2015 and will implement in 2016. Another key aspect: Occupational health and safety is becoming an even higher priority for the top management at TÜV Rheinland. We have redefined the chain of communication for reportable accidents – it now includes the Executive Board. Moreover, the current trend of the above-mentioned key performance indicators is also a regular agenda item at Executive Board meetings.

OCCUPATIONAL SAFETY GERMANY

in terms of reportable accidents*

	2014	2015
Number of employees covered in %	100	100
Reportable accidents	156	135
Reportable accidents per 1,000 employees	19.2	14.6
Lost workdays per 1,000 employees	386	315.8

*Absence of more than 3 calendar days, including commuting accidents.

On the move

But accidents are not the only thing that represents a health risk for our employees. Lack of a balanced diet, lack of physical activity, or too much stress can negatively impact their performance – and as a general rule, such negative impacts last longer than a sprained ankle or a cut.

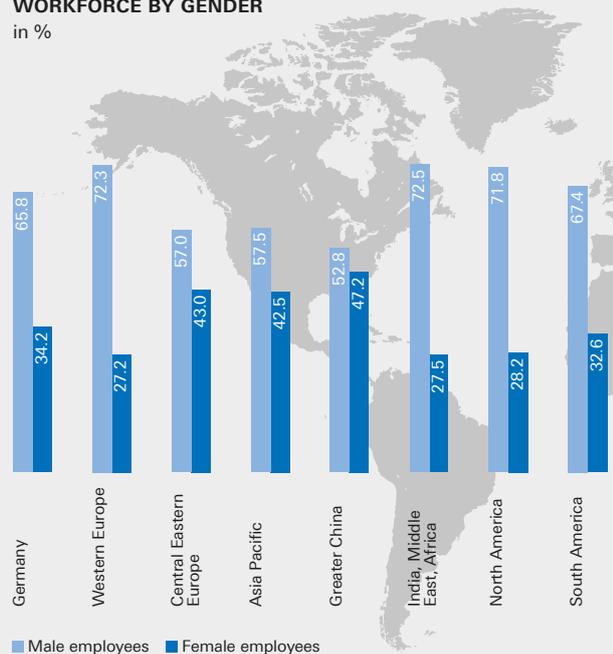
That's why we use our occupational health management program to continuously generate new impulses and thought-provoking ideas for a healthier lifestyle in every respect. Our three-part program combines information and precautionary measures with movement and fitness offerings as well as suggestions for healthy nutrition. Following a successful start at our pilot location in Cologne, we expanded the program to other German subsidiaries in 2015. Working hours and the proximity of the offerings to the workplace emerged as particularly important success factors. In connection with our entry-level program »StartFit,« for example, numerous conference rooms found a second purpose as a yoga center or a back school in the evenings.

A new format within the framework of our occupational health management program debuted at the Cologne location in the year under review: the »Pit Stop for Your Health.« An information session was dedicated to relaxation techniques. In addition, information sessions about nutrition according to traditional Chinese medicine are planned. Within the framework of our cooperation with the »Techniker Krankenkasse« health insurance fund, we also gained initial experience with seminars to help people quit smoking.

KEY EMPLOYEE DATA*

WORKFORCE BY GENDER

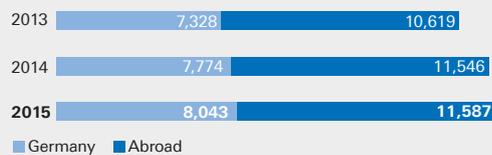
in %



Male employees Female employees

The majority of our workforce is male, 36% of the Group's employees are female. The share of full-time employees is over 91%. Throughout the Group, we employ people from at least 84 countries. 14% of our management positions are internationally-staffed**.

EMPLOYEES IN GERMANY AND ABROAD



Germany Abroad

Over the course of 2015, we employed an average of 19,630 people (previous year: 19,320). The number of our employees therefore remained largely constant, whereby the workforce in Germany increased slightly by 3.5%.

EMPLOYEE TURNOVER (GROUP)***

in % / per capita



EMPLOYEE TURNOVER (GERMANY)

in % / per capita



The employee turnover rate across the Group is 10.7%. In Germany, it is even lower, at 5.8%. With regard to departures from throughout the Group, 62% of those who left were men and 38% were women.

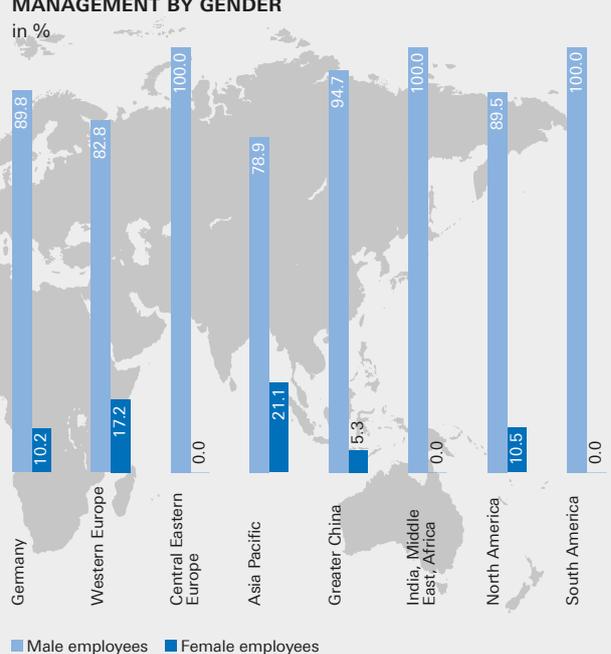
DOCUMENTED TRAINING AND FURTHER EDUCATION DAYS IN GERMANY

	2014	2015
Trained employees	4,867	4,534
Training days for new experts	6,983	7,719
Seminar days for new employees	1,186	1,290
Advanced training days	15,674	14,334
Total training and further education days	23,843	23,343

The chart shows data reported for 2015 which was registered within the Group by February 22, 2016. The training and further education days do not include e-learning programs.

MANAGEMENT BY GENDER

in %



Male employees Female employees

Across the Group, 9.6% of all management-level positions were held by women. This corresponds to a 9.8% share of women in management positions according to headcounts. Due to the standardization of management definitions and personnel systems (Global Grading), comparisons with the previous year are only possible to a limited extent. In the future, however, the standardized information base will enable us to track progress toward the worldwide harmonized achievement of our targets in the area of diversity in management positions.

AGE DISTRIBUTION OF TOTAL WORKFORCE

per capita



Most of the employees (nearly 60%) are between 30 and 50 years of age, with that age bracket constituting 55% of the workforce in Germany and 62% of the workforce outside of Germany.

AGE DISTRIBUTION OF MANAGEMENT

per capita



The age breakdown of the workforce is mirrored at the management level. Most of the managers are also between 30 and 50 years old.

* All employee data are based on full-time equivalent cutoff date figures (12/31/2015). Deviations from this practice are stated in the text. The data collected covers over 90% of the total. Any deviation from 100% results from differences due to rounding off.

** »International« here means »non-German.«

*** Two companies in the Group region South America, which are essentially involved in project business, were omitted from the calculation of the Group turnover rate. The unadjusted turnover rate is 13.6%.

ENVIRONMENT

WE ACT CONSCIOUSLY

When compared with classical industrial companies, the operation of our offices and testing facilities and the business trips we take have a relatively minor direct effect on the environment. Nevertheless, environmental protection and resource efficiency play a major role in the context of our sustainability strategy – and they actually do so in two respects.

Inside the company, we very consciously study ways to minimize the negative environmental impact of our operations throughout the Group and to maximize the efficiency of our associated management processes. Outside the company – and with disproportionately greater »leverage« – we apply our extensive technological knowledge in a close dialog with partners all over the world from the domains of science, politics, civil society, and industry to help develop solutions that minimize environmental problems or, in the best case, even banish them from the world once and for all.

In the year under review, we continued to consistently pursue the worldwide standardization of the Quality and Health, Safety and Environment management system. In so doing, we are creating a uniform understanding throughout the Group for many tasks and challenges, boosting cross-border collaboration, and ultimately establishing the necessary conditions for significantly greater process efficiency.

Our efforts toward harmonization are reflected not least in our Group-wide certification according to the international standards ISO 9001 (quality management), ISO 14001 (environmental management) and OHSAS 18001 (occupational health and safety). That certification covers most TÜV Rheinland companies with more than 50 employees

in our five Business Streams which are eligible for certification. As a company that itself issues certifications, the Systems Business Stream is prohibited from being certified by an external company. In 2015, the following four companies joined the Group-wide certification: Luxcontrol S.A. (Luxembourg), TÜV Rheinland Egypt Ltd. (Egypt) as well as TÜV Rheinland Inspection Services (Pty.) Ltd. and TÜV Rheinland Quality Control (Pty.) Ltd. (South Africa). In addition, TÜV Rheinland Kuwait WLL had its quality management system certified according to ISO 9001.

In the year under review, in the context of analyzing our sustainability strategy, we modified one of our two key objectives in the environmental area:

- The energy consumption per employee will now be reduced by 20% below the 2010 level by 2020 throughout the Group, and not only in Germany as the previous target had called for.
- Unchanged, on the other hand, is our objective to reduce CO₂ emissions per employee across the Group by 25% relative to 2010.

In order to achieve these goals, we have initiated a wide range of measures and projects – sometimes on a Group level, but often also in regional local contexts. In particular, we have focused on

- using more efficient energy technology to run our buildings,
- reducing the number of business trips through increased use of video conference technology,
- reducing fuel consumption and emissions through the use of more fuel-efficient company cars, and
- using state-of-the-art technologies to operate our data centers, test labs, and facilities.

PROGRESS IN TARGET ACHIEVEMENT

		2010	2013	2014	2015	Delta*	Target 2020*
CO ₂ emissions per employee (Group)	t	6.4	5.98	5.42	5.39	-16%	-25%
Energy consumption per employee (Group)	MWh	26.6	23.86	22.68	22.01	-17%	-20%

* Base year 2010.



Completed in March of 2015, the Seehaus in the TÜV Rheinland Business Park has been certified with »platinum« by the German Sustainable Building Council (DGNB). And with the energy-oriented modernization of the high-rise, we have already undertaken another major project to improve the environmental performance of our Cologne site.



Especially at the site of our headquarters in Cologne, the TÜV Rheinland Business Park, we have considerably improved the energy efficiency of our buildings with several major projects in recent years. Our new, efficient power station has been supplying electricity, cooling and heating to the completed Seehaus office building, the low-lying portion of the high-rise, and four other buildings since April 2015. In the medium term, all ten buildings of the business park will be connected to the power station. About half of the required heat energy will be covered by the combined heat and power unit and pellet-fired boilers. The waste heat from the power plant will be used, in turn, to generate absorption cooling. We expect our power station to reduce the consumption of primary energy and emissions at the site by around one third. In 2015, we also started to renovate the more than 40-year-old high-rise which is the iconic symbol of our Group. By 2017, we will replace not only the entire facade, but also the building technology and the lighting. We are also installing a state-of-the-art fire protection system.

FRESH LOOK FOR GREEN INTERIORS



The TÜV Rheinland »Green Product« mark is a true distinction: After all, only products which have been certified according to our comprehensive Green Product certification criteria can carry it. Prior to certification, our experts closely examine a whole series of important sustainability and environmental aspects – ranging from energy efficiency and climate footprint to ingredients and recyclability. And because distinctions also have to evolve with the times, we gave the mark a new design in 2015: visually appealing and applicable worldwide.

Including further measures at our other German locations, the investment budget for resource-efficient new construction and energy-oriented modernization projects in Germany was around €20 million in the year under review.

Outside of Germany, many Group companies likewise committed to further improving their environmental performance with initiatives of their own. A continuous improvement program was launched in 2013 by our employees in Greater China, for example. Covering seven key areas in all – including energy consumption, water consumption, and air travel – it has since reported considerable success. Energy consumption was reduced by nearly 10% within a year, water consumption was cut by more than 4%, and paper consumption was actually slashed by an impressive 32%. A very welcome side effect: Along with the resource savings cited here, costs were also reduced by more than €200,000.

ENERGY

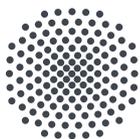
Direct sources of energy we use include fuels, natural gas, heating oil and – on the grounds of our headquarters in Cologne – since 2015 also wood pellets. In contrast, electricity is considered an indirect source of energy. We use

electricity to operate computers, lighting, and our technical systems. We buy district heating from local utility companies. In view of our global presence, TÜV Rheinland's electricity mix should not differ from the respective country's local electricity mix. In order to take national and local energy mixes into account when calculating our environmental performance, we use the respected »GaBi« database.

For the locations in Germany under consideration, total power consumption in 2015 – including power used for heating – was estimated to be around 38,507 megawatt hours (MWh) (previous year: approx. 40,300 MWh). For all of the Group's properties, total power consumption was estimated to be around 83,168 MWh (previous year: 83,200 MWh).

The enormous potential of the energy-oriented modernization of company buildings – intelligently combined with modern production plants for electricity, heating and cooling – is most clearly evidenced with a glance at the heating oil consumption of the TÜV Rheinland Business Park in Cologne: Within just two years, its consumption fell by more than one-third – from 215,715 liters in 2013 to just 141,875 liters now.

AND HOW ABOUT THE REST OF YOU?



University of Stuttgart
Institute for Energy Efficiency
in Production EEP

How well does my company actually rate in terms of energy efficiency compared with others? And what can we learn from the best? Created by the University of Stuttgart's Institute for Energy Efficiency in Production and supported by TÜV Rheinland with a professional marketing concept, the Energy Efficiency Index (EEI) has been providing answers to those questions since 2013. More than 630 production companies participated in the latest survey in the winter of 2015 and received full access to the results in exchange. But the EEI delivers important semiannual findings not only for the companies themselves, but also for policy makers and researchers. In so doing, it is becoming an increasingly relevant instrument promoting production methods that conserve natural resources to the greatest possible extent.



MOBILITY

In light of the fact that our sales activities are heavily based on personal dialog, and due to the large number of jobs carried out on-site at our clients' premises and the increasingly international structure of our Group, business travel is often an unavoidable necessity. We strive to reduce the amount of travel and the resulting environmental pollution whenever possible, however, or at least to utilize the most environment-friendly modes of transportation available. Particularly where long-distance flights would have been required in the past, we now use telephone and video conferences more and more frequently. The completion of our new building in Cologne has also clearly enhanced the technical infrastructure for this modern form of cross-border exchange.

We estimate that our employees in Germany logged about 67 million kilometers of business travel by car (company car, rental car, private car) in 2015 (previous year: 64 million kilometers). As in previous years, this estimate is based on the assumption that the employees who have access to one of our leased vehicles use their company car for business purposes about 70% of the time. Our roughly 1,646 leased vehicles (previous year: 1,440 vehicles) in Germany accounted for an estimated 39.3 million kilometers of the aforementioned total (previous year: 34.6 million kilometers). On their business trips, our employees used an estimated 2.55 million liters of fuel (previous year: 2.27 million liters of fuel).

ALREADY AUDITED?

Together with the German Energy Services Act, or EDL-G for short, the German federal government has set the ambitious goal of saving about 116 petajoules of energy throughout the country by 2020. That corresponds to about one half of the energy consumed by the city of Berlin each year. And because saving programs work much better when you first have a clear idea of just how much you consume or possibly even waste, the enactment of the EDL-G required some 100,000 companies to undergo an energy audit according to DIN 16247 by the end of 2015. The law extended the deadline to December 31, 2016, for all companies that roll up their sleeves and immediately implement an energy management system according to ISO 50001 or an environmental management system according to EMAS.

As specialists in the implementation of these internationally recognized standards, we bundled an attractive performance package covering all aspects of energy efficiency for the companies concerned. It also considers the fact that the real work actually starts once the audit has been completed. After all, it is then that the optimization potentials that have been identified must be realized as quickly and cost-effectively as possible. We can provide competent support here – in energy data management, for example, or through expert opinions and plant simulations or in quality assurance.

Using the »Speedfleet« fleet management database, we have been precisely tracking the specific fuel consumption of our fleet of company cars in Germany since 2011. In 2015, consumption averaged 6.48 liters per 100 kilometers (equal to 170.1 grams of CO₂ per kilometer). That means – as compared with a value that had increased to 6.6 liters per 100 kilometers in the previous year – we were able to achieve another reduction in the average consumption. In order to provide a stronger incentive for using fuel-efficient and therefore also low-emission vehicles, in the year under review we revised our company car policy. As a result, now every employee who opts for a vehicle with a CO₂ emission level below the guideline value receives a bonus. That bonus can be used to obtain an expanded package of optional equipment, for example.

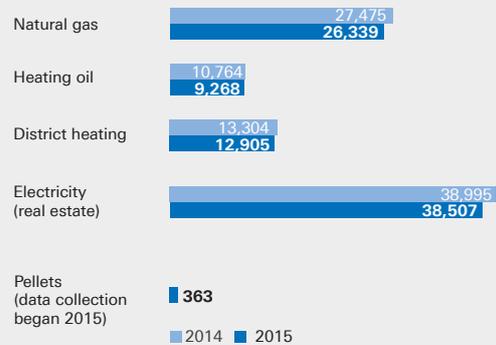
During the year under review, our German employees traveled approximately 30 million kilometers by air (previous year: 29 million kilometers). This figure includes both domestic and international flights. Taking our international companies into account, we recorded a total of 107 million kilometers traveled by air (previous year: 92 million kilometers). Airlines' estimates of their jet fuel consumption per kilometer flown continue to vary widely. So for comparison purposes, we have assumed 0.05 liters of jet fuel per person per kilometer flown as a realistic average consumption figure since 2012. On that basis, our 2015 jet fuel consumption on business flights totaled around 5.3 million liters for the entire Group (previous year: 4.5 million liters of jet fuel).

Our employees traveled approximately 6.4 million kilometers with the Deutsche Bahn rail service (previous year: 6.8 million kilometers). In doing so, they consumed 390 MWh of electrical energy (previous year: 410 MWh).

KEY ENVIRONMENTAL DATA

ENERGY CONSUMPTION (GERMANY)

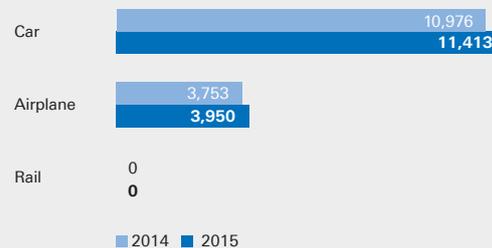
in MWh



Our lower energy consumption is essentially attributable to the ongoing energy-oriented modernization of the TÜV Rheinland Business Park in Cologne, Germany.

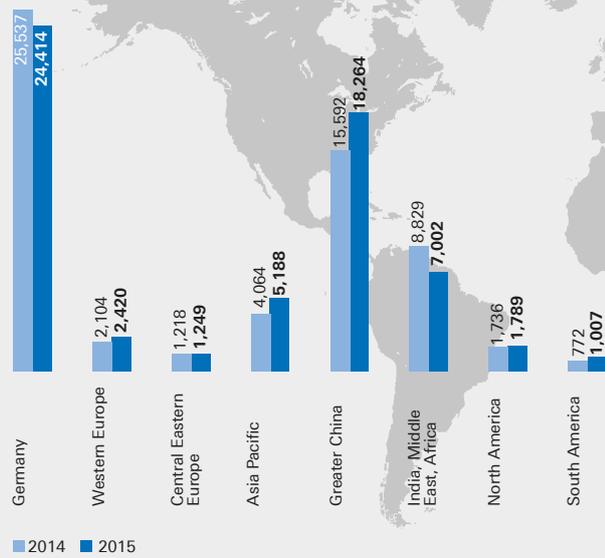
CO₂ EMISSIONS FROM BUSINESS TRAVEL (GERMANY)

in metric tons

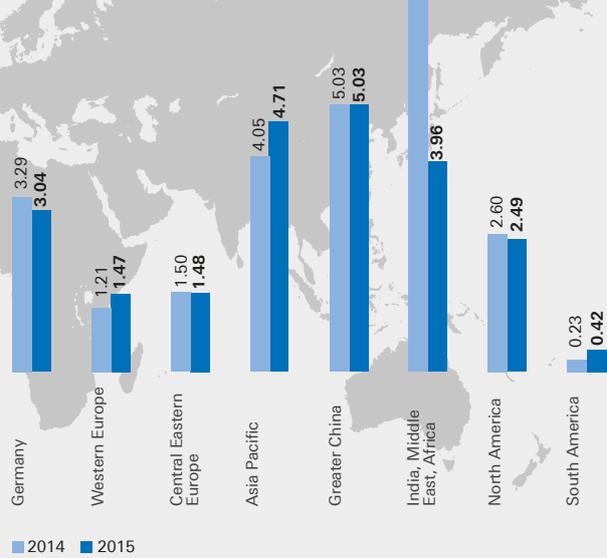


Since 2012, all business travel by train with Deutsche Bahn is carbon neutral.

**CO₂ EMISSIONS FROM REAL ESTATE
ELECTRICITY CONSUMPTION**
in metric tons



**CO₂ EMISSIONS FROM REAL ESTATE
ELECTRICITY CONSUMPTION**
metric tons per employee



The increase in electricity consumption in Greater China is attributable to a 17% increase in the workforce.

Adjustments in the electricity mix in countries of the Group region India, Middle East, Africa resulted in lower CO₂ emissions values.

CO₂ EMISSIONS FROM ENERGY CONSUMPTION (GERMANY)

in metric tons	2014	2015
from natural gas	5,495	5,268
from heating oil	2,404	2,445
from district heating	3,579	3,471
from electricity (real estate)	25,537	24,414

Energy production using wood pellets is considered carbon neutral.

CO₂ EMISSIONS (DIRECT AND INDIRECT)

in 1,000 t CO ₂	2014	2015
Total/Group	108.6	105.9
of which, direct	42.1	42.5
of which, indirect	66.5	63.4
Germany	51.9	51.0
of which, direct	22.6	23.1
of which, indirect	29.3	27.9

TÜV RHEINLAND ENVIRONMENTAL PERFORMANCE PER EMPLOYEE*

		Germany			Group		
		2013	2014	2015	2013	2014	2015
CO ₂ **	t	7.09	6.66	6.34	5.98	5.42	5.39
Energy**	MWh	31.15	29.06	27.60	23.86	22.68	22.01
Business travel	km	12,845	12,808	12,935	12,060	11,880	11,706

* Full-time equivalent.

** CO₂ emissions per employee are the result of all energy sources and business travel. This calculation does not include district heating, natural gas, and heating oil used by our foreign subsidiaries.

SOCIETY

WE GIVE BACK

We recognize that our business success depends in no small measure on social services and circumstances: Schools and universities train qualified and talented young professionals, policymakers and the judicial system maintain reliable conditions for the sustainable development of our business, and in many places we make use of well-developed public infrastructure.

So it is only natural that we also consider, within the context of our sustainability strategy, the question of how we can give something back to society. In so doing, we have focused on areas where, for many different reasons, adequate support from other sources is not forthcoming. In order to purposefully select suitable areas, we developed clear criteria: projects must always embody the values we represent, and they must also be either closely linked to our business activities or established in the vicinity of our locations or markets.

Our substantive focus remains on projects and activities which

- advance education and science,
- protect people and the environment, or
- support the principles of the UN Global Compact.

In 2015, in the course of revising our sustainability strategy, we also defined the financial framework for our social commitment for the first time: From now on, we intend to put 0.1% of net operating profit toward charitable causes.

Especially when it comes to major projects, we generally do not act alone: Rather, depending on the subject, we generally collaborate with one or more specialists familiar with the topic. These can be charitable organizations or NGOs, but could just as easily be government-sponsored institutions or other companies from the private sector.

ONE FOUNDATION, MANY BENEFICIARIES



TÜV Rheinland Foundation

The non-profit TÜV Rheinland Foundation sponsors projects primarily in the areas of safety technology, energy technology and transportation, environmental protection, development work, primary education, adult education and vocational training, as well as international relations. At three-year intervals, it also presents the International TÜV Rheinland Global Compact Award, which honors outstanding individuals who work with dedication to support the goals of the world's largest and most important initiative for responsible business management.

Since 2015, the foundation has been supporting an exciting project with RWTH Aachen University: the »Engineers Without Borders Challenge.« Students participating in the competition develop concepts to help design a child-friendly model school in Burundi. The broad spectrum of design questions ranges from the fabrication of construction materials to the optimization of acoustics and furnishings in the classrooms to the monitoring of the hygiene situation in the school. In addition, three STEM students at RWTH benefit from the financial support of the foundation within the framework of the German scholarship program.

PROMOTING TALENT SHENZHEN STYLE

Germany's dual education system for vocational training has earned an outstanding worldwide reputation as an abundant source of qualified young employees. And the potential of that system also has not escaped the attention of the local government of the City of Shenzhen, China, which, as a special economic zone, is one of the fastest-growing cities in the world. In the future, a new training center for quality management will help to develop top talents desperately needed by industry in the areas of quality management and technology. In so doing, it will bring life to the labels »Shenzhen Quality« and »Shenzhen Standard.«



And whenever quality and standards are involved, TÜV Rheinland is always ready to be of service. In collaboration with Third Vocational and Technical School of Shenzhen, we took over responsibility for developing the training center. The latter is working closely with TÜV Rheinland Akademie in Shenzhen in the area of initial vocational training. While our partner is taking primary responsibility for the administrative tasks, we are carrying out the actual knowledge transfer and issuing the corresponding certificates.



We maintain a particularly longstanding and intensive partnership with the organization Engineers Without Borders. It not only plans its own technical aid projects and carries them out locally, but it also provides expert advice on engineering-related questions to other aid organizations and those in need. Moreover, it conducts valuable research and explanatory work in the field of collaborative development of sustainable technology, for which we also regularly provide financial support. In keeping with tradition, our annual Christmas donation also benefits one of Engineers Without Borders' projects.

The volunteer spirit of our employees reflects a similarly longstanding tradition, which TÜV Rheinland supports worldwide not only in principle, but also in the form of time off from work. During the year under review, we launched the »Global Volunteer Days« – a concept that provides a global organizational framework for a wide range of activities which had previously been organized for the most part in the individual countries or at individual locations. We associate this with the goal of providing even better support for our employees to make a contribution to

society, thereby also extending the horizons of their individual knowledge and experience. That same philosophy has long been the underlying basis for the volunteer platform in our corporate portal »blueye«, where volunteers who are already actively involved can exchange project experiences and present new initiatives. Potential volunteers, in turn, find inspiration and resources to help them get involved in a good cause of their own.

With their active service in the context of providing aid to refugees in 2015, our employees demonstrated impressive proof of their tremendous willingness to help. At several German locations, they left their job for up to three days to work in reception centers and emergency shelters, helped newly arriving refugees get their bearings, distributed meals, sorted clothing donations, or played with children. Our collection campaign for material donations also met with enthusiastic response. In addition, we quickly organized language courses offered free-of-charge by TÜV Rheinland Akademie. Each eight-week course provided the participants with basic language skills designed to help them manage everyday situations such as shopping or going to the doctor, but also when communicating with government agencies.

TÜV RHEINLAND – WORLDWIDE COMMITMENT



USA

● Support for bookworms

In Connecticut, our employees packed and sorted 100,000 books for Booth Library’s annual book sale. The sale is one of the library’s most important sources of revenue.

● Salesman for a day

For one day, our employees donned the role of shop owner and supported a ReStore of the organization Habitat for Humanity, where donated goods are sold to finance charitable construction projects.

● Second career for household goods

We also lent a strong helping hand to Household Goods, Inc., a partner of the world’s largest charity, United Way. Donated furniture and household goods are reconditioned there for reuse and then provided to the needy.

POLAND

■ Help for orphans

Profits from the sale of homemade treats – supplemented by a donation from our Polish subsidiary – were provided to the aid organization Orphanage in Zabrze. In addition, we collected material donations for needy children. Another donation benefited a sponsor of orphanages in Silesia.

HUNGARY

■ Christmas for people in need

In the context of our Christmas aid campaign, we supported Pál Children’s Hospital with a donation and helped provide many children with a merrier Yuletide celebration by participating in the »1,000 Children’s Christmas« donation program.

BRAZIL

■ Donations for the Mariana Islands

In order to assist the victims of the environmental catastrophe in the Mariana Islands, our employees donated money and drinking water.

■ Clothing collection

A large number of employees followed the call to collect winter clothing, shoes and accessories for the needy.

- Volunteer work
- ▲ Charitable projects
- Donations

GERMANY

● **Having fun and experiencing nature**

Over the course of three volunteer days, we gave an elementary school playground a whole new luster and brought the grounds of a raptor rehabilitation center up to standard.

▲ **Girls' day**

In 2015, we participated already for the fourth time in the biggest career orientation project for female secondary school students throughout Germany, opening the doors of our offices in Cologne, Nuremberg and Berlin to girls who are interested in technology.

■ **Cologne book exchange**

We diligently collected books – more than 50 boxes full of them – and gave them to the organizers of the book exchange. Revenues from the sale will be used to support education projects such as the construction of schools in Malawi.

■ ● **Helping out food banks**

In 2015, we continued our traditional commitment to preparing food packages for a number of food banks in Germany, thereby helping needy people enjoy a delicious Christmas dinner.

▲ **Door opener day featuring Germany's most famous mouse**

On October 3, we once again opened the doors of our toy testing laboratory in Nuremberg – the world's largest – and gave fans both young and old of the Mouse, a beloved children's TV character, the opportunity to see the conscientious testing which even small stuffed animal friends have to undergo.

CHINA

▲ **The Safety Hero ensures safety**

Within the framework of the »TÜV Rheinland Safety Hero« program, we visit preschools to clarify the risks associated with handling toys and with participating in sports, thereby helping to prevent injuries.

▲ **Safety training**

In Ningbo, 46 school children visited our safety laboratory and completed a safety training course.

TAIWAN

■ **Charity fitness walking**

In March, a large number of employees and their families participated in a charity fitness walking event.

HONG KONG

● **Country parks hiking and planting day**

Young and old pitched in together: Some 40 employees and their families sowed seeds, planted trees, and hiked in Ngong Ping nature park, in order to raise awareness for the protection of nature.



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GROUP MANAGEMENT REPORT

TÜV RHEINLAND AKTIENGESELLSCHAFT FOR 2015

THE RESULTS FOR 2015 AT A GLANCE

- The TÜV Rheinland AG Group has successfully concluded the 2015 financial year – despite a difficult industry environment overall – with revenues (including inventory changes) of €1,881 million (+8.7% over the previous year), continuing along the course for growth of recent years. At constant exchange rates, the Group generated total revenues of €1,824 million, which corresponds to a growth of 5.4%.
- The results for 2015 are as follows:
 - Revenues (incl. inventory changes) grow from €1,731 million to €1,881 million.
 - Earnings before interest, taxes, depreciation, and amortization (EBITDA) total to €170.4 million (previous year: €172.5 million).
 - Earnings before interest and taxes (EBIT) total €101.4 million (previous year: €110.2 million).
 - Earnings before tax (EBT) total €83.8 million (previous year: €88.9 million).
 - The profit margin before tax is 4.5% (previous year: 5.1%).
 - International sales account for 50.6% of revenues in 2015; employees abroad for nearly 60% of the Group's workforce.
- Effective January 1, 2015, Dr.-Ing. Michael Fübi took over as Chairman of the Executive Board of TÜV Rheinland AG. Prior to this post, he served as CEO in power plant construction for the energy company RWE. Mr. Vincent Furnari became a new member of the Executive Board of TÜV Rheinland AG effective August 1, 2015. Following a joint transitional period, effective September 1, 2015, Mr. Furnari took over as Chief Financial Officer, replacing his predecessor in this capacity, Executive Board member Ulrich Fietz. Mr. Furnari was previously Managing Director of SGS Group Germany.
- Effective January 1, 2015, TÜV Rheinland adapted its organizational structure to the current market requirements and is now divided into six Business Streams: Industrial Services, Mobility, Products, Academy & Life Care, ICT & Business Solutions, and Systems. The previous Training and Consulting as well as the Life Care Business Streams are now combining their activities in the Academy & Life Care Business Stream. With the combination, TÜV Rheinland shows that the human element is coming into sharper focus within the triad of people, environment and technology. Academy & Life Care offers people prospects and opportunities throughout their entire careers, beginning with school education. The Business Fields of IT Security and Consulting, which previously were part of the Training and Consulting Business Stream, have been transferred to the independent ICT & Business Solutions Business Stream. By bundling these activities in a new, separate Business Stream, TÜV Rheinland plans to participate even more in the above-average dynamics that characterize the IT and telecommunications sector.
- TÜV Rheinland is continuing to expand its market position internationally with strategic acquisitions and investments in the 2015 financial year:
 - Within the TÜV Rheinland AG Group, 100% of the shares in Arquitectura Ingeniera INTEGRA Proyectos Ltda. (INTEGRA) were acquired in March 2015. Headquartered in Santiago de Chile (Chile), the architectural and engineering firm has its main area of specialty in the field of project management, in the technical monitoring of large architectural projects. The consolidated financial statements took INTEGRA revenues totaling €2.1 million into account in 2015.
 - In January 2015, TÜV Rheinland acquired the laboratory park LABEN Laboratório de Ensaios Ltda. (LABEN) in Joinville, Brazil. The company does business in the Products Business Stream and inspects gas-powered equipment, feed pumps and electrical household appliances. LABEN had revenues totaling €0.3 million in 2015.
 - In August 2015, TÜV Rheinland purchased additional shares in Isits AG International School of IT Security (Isits AG), headquartered in Bochum, Germany. The company offers continuing-education services in information, communication and system security. Because acquisition of the shares increased both the capital shares and the voting rights to 50.17%, a full consolidation took place for the first time in 2015. Isits AG International School of IT Security generated a €0.5 million share of Group revenues in 2015.
 - In April 2015, LUXCONTROL S.A., a TÜV Rheinland subsidiary, joined with an experienced technology

service provider to create an innovative offering for continuing education by establishing LC ACADEMIE S.A. in Esch-sur-Alzette, Luxembourg. The interactive online platform offers numerous features and benefits with access to diverse educational programs. Among other things, the offerings include the areas of personal development, human resources management, environmental questions, food hygiene, standards and regulations as well as occupational safety.

- TÜV Rheinland Kazakhstan LLP was founded in April 2015 in Astana, Kazakhstan. In addition to the traditional system certification, the company will focus on the Industrial Services Business Stream.
- At TÜV Rheinland, responsible corporate governance means taking social and ecological aspects into consideration:
 - The »Green Product« test mark by TÜV Rheinland indicates that a product has been tested and found to be sustainable and environmentally friendly. The new design of the test mark was developed in collaboration with customers who place increasing importance on environmentally friendly products. The voluntary certification mark for consumer goods is oriented around sustainability and environmental aspects such as energy efficiency, carbon footprint, chemical components and even the product's recyclability.
 - TÜV Rheinland won the German Corporate Social Responsibility (CSR) Award for 2015 for its commitment in the field of gender diversity for the promotion of women in the company. TÜV Rheinland was honored in light of numerous activities concerning the issue of women and careers, which were designed to improve career prospects and promote women within the company around the world. The German CSR Award is awarded annually by the German CSR Forum (International Forum for Sustainability and Futureability).
 - TÜV Rheinland North America has joined the Sustainable Purchasing Leadership Council (SPLC) in the United States as a supplier and will be represented in various working groups for the establishment of standards for products (including clothing, IT hardware and IT services) to be given preference from an environmental point of view.
- Successful human resources management at TÜV Rheinland:
 - For the eighth consecutive year, TÜV Rheinland has been recognized as a top employer in Germany, offering good working conditions and career opportunities for young graduates in particular. In the recent study of

top employers in Germany by Top Employers Institute, an international research company headquartered in the Netherlands, TÜV Rheinland was awarded for its modern human resources management.

- The principles of sound employee management were redefined within the framework of the »Lighthouse« project, in which all of the managers at TÜV Rheinland were involved. The goal of the project was to create a common understanding of leadership and cooperation within the Group. Worldwide, all of the managers work according to the six principles, which are inseparably linked to form the values and the mission of TÜV Rheinland: take responsibility and be decisive in your action, communicate openly and clearly, be respectful and fair, inspire and encourage employees, be honest and trustworthy, and promote teamwork and a culture of networking. The principles serve as a point of reference and a guideline for action for all managers and employees, so that management behavior throughout the Group can be measured against these standards in the future.

GENERAL CONDITIONS

General Economic and Market-Specific Conditions in 2015

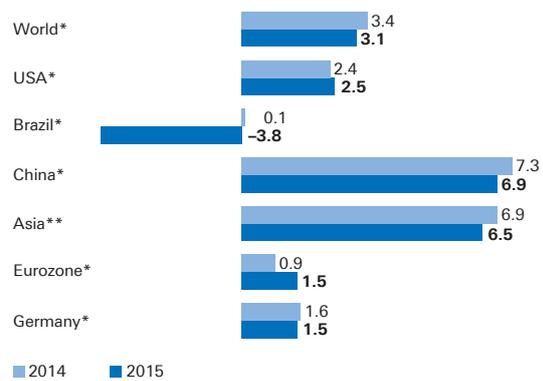
General Economic Conditions

The moderate pace of expansion in the global economy continued again in 2015. Globally, gross domestic product rose at an average of 3.1% on the year (previous year: 3.4%). Among a variety of influencing factors, the structural decline in the price of oil should be mentioned in particular. This development affects the trend in the economies of the world in different ways. While net importers of oil – such as the developed economies – benefit from lower prices, the economic situation of the emerging economies that depend on exports of commodities, such as Brazil, continued to deteriorate, in some cases dramatically. Overall, the global economy continues to benefit from a very expansionary monetary policy, particularly the policy of the European Central Bank (ECB), even though the initially favorably received reversal in interest in the United States also involves risks that the economies could drift apart. A more robust global economic expansion was impeded by political risks such as the increased risk of terrorist attacks and the uncertainty of a looming »Grexit« or »Brexit.« Also unclear is China’s further economic development in light of the most recent drastic price falls on the Chinese markets.

The influencing factors mentioned above further amplified already heterogeneous trends in the individual countries in 2015. The US and British economies remain on the upswing, and the recovery in the Eurozone – sustained by a robust economic environment in Germany – continues at a moderate pace. The high growth seen in the BRICS countries, on the other hand, has ebbed – in some cases significantly.

ECONOMIC GROWTH IN KEY MARKETS

of TÜV Rheinland AG Group
in %



* Source: IMF World Economic Outlook Update January 2016.

** Source: IfW Kiel, Weltkonjunktur im Winter 2015.

An overall brightening of economic prospects is emerging. In the face of ongoing deleveraging processes, the long-term low price of oil and expansionary fiscal policies are falling on increasingly fertile ground. Nevertheless, there are risks for future development due to geopolitical tensions and the vulnerability of financial markets.

USA: The solid course for growth in the United States continued again in 2015. In the US economy, gross domestic product grew by an average of 2.5% (previous year: 2.4%). Sustained by a robust situation in the jobs market, the trend in private consumption was a positive one. High levels of capacity utilization and still-favorable financing conditions foster business investment. On this solid foundation, the positive economic outlook is unlikely to cloud over even in the face of a turnaround in interest-rate policy on the part of the Fed (Federal Reserve Bank).

BRICS countries: The economic development of the BRICS countries is particularly important to the TÜV Rheinland AG Group due to its presence in these countries, particularly in Brazil and China. The characteristically high rate of growth was not observed for all BRICS countries in 2015. In fact, Brazil and Russia are currently in a period of recession.

China: With an increase of 6.9% in gross domestic product (previous year: 7.3%), the Chinese economy still grew at a significantly stronger rate than that of the industrialized nations, although with an increasingly negative trend. China is also increasingly in focus following losses on the Chinese stock exchange at the end of 2015. There is concern

of a lasting slowing in China's growth, which could also slow down export-oriented countries. Policy measures to bolster the economy there have already been initiated to counteract the slowdown in growth.

Brazil: With a decrease of 3.8% in economic output (previous year: +0.1%), Brazil is now in the deepest recession it has experienced in more than a century. The main reason for this is the fall in prices on the commodities market, particularly for crude oil and iron ore. The biggest corruption scandal in the country's history, around the state-run energy company Petrobras, has shaken confidence in the economy as well. The country is also struggling with rampant inflation, which rose in 2015 to more than 10% (previous year: 6.4%). As a result, the country's monetary policy is restrictive in an effort to curb inflation. Against this backdrop, it appears unlikely that Brazil will free itself from the recession in the near term.

Eurozone: In an environment of fallen energy costs, low interest rates and a weak euro, the trend for the European economy has remained moderate. Gross domestic product increased by 1.5% for the year on the whole (previous year: 0.9%). The expansion was significantly driven by high levels of demand in private consumption. Real household disposable income benefited from lower energy costs and an overall decline in unemployment. The expansive »whatever it takes« monetary policy of Mario Draghi also showed effects. Stronger growth was prevented, however, by existing risks. The terrorist attack in Paris illustrated the real threat of geopolitical conflict for Europe, and the consequences of flows of migration into the EU are still unforeseeable. The risks to the currency union with respect to a »Grexit« or even »Brexit« have also had an inhibiting effect.

At the level of individual countries, the economic picture that emerges is predominantly an upward-trending one. Over the course of the year, France emerged from stagnation in spite of persistently high unemployment. Economies in the countries formerly hit by the crisis expanded in the past year, although absolute indicators such as gross domestic product remain low.

Germany: Given the favorable environment seen at the European level – consisting of extremely low interest rates, a weak euro and lower commodity prices – the German economy is also on a path of moderate growth. It failed to accelerate over the previous year, however. Overall growth

in 2015 stood at 1.5% (previous year: 1.6%). A major support in this regard was private consumption. The noticeable expansion of employment, together with rising real wages, stimulated private household consumption behavior. In the wake of further currency depreciation, German foreign trade is also on an expansion course. However, the slowing economy in China, compounded by general weakness in the emerging economies, prevented more dynamic growth in exports. The very high Ifo business climate index for the month of December points to a continued brightening in the economic outlook. This might be dampened, however, in the wake of the »VW exhaust affair« or the unforeseeable economic consequences of flows of migration.

Market-Specific Development

TÜV Rheinland offers its testing, inspection and certification services through companies on all five continents throughout the global TIC (Testing, Inspection, Certification) market. This gives the Group the ability to serve clients' often worldwide value chains. Demand for the testing, inspection, certification as well as consulting and academy services of TÜV Rheinland is particularly high among clients in economically strong, industrialized countries. At the same time, in some cases new sales potential is developing in emerging markets such as the BRICS countries. The global TIC market, and hence the business of TÜV Rheinland, will be influenced by the following market factors and trends:

Globalization: Issues such as energy supply, infrastructure and mobilization are continuing to gain importance for our globalized society. For the TIC market, globalization entails opportunities and risks at the same time. Increasing liberalization efforts in markets strengthen global trade and open up opportunities to enter new markets. Worldwide supply chains render high-quality and globally uniform testing standards and certification services indispensable. Even today, with its global orientation, TÜV Rheinland is superbly positioned for increasing internationalization. Due to the elimination of barriers to entry, however, there is also the risk of increasing competitive and margin pressure.

Technologization and Digitization: The rise of new information technologies is changing society as well as the global markets and products. Against the backdrop of this digital transformation, TÜV Rheinland ensures the quality,

safety, and ease of use of the technologies involved. The following market trends are of particular importance here:

- **Internet of Things:** Through the networking of technologies of everyday life with the Internet, in the area of smart home solutions, for instance, the physical and online worlds are converging. This presents sweeping new opportunities but also challenges for providers and consumers alike.
- **Big Data:** Rapidly increasing use of the Internet means that data providers are generating large volumes of data. The challenge is to make these quantities of data manageable while at the same time providing protection for at times sensitive data.
- **IT Security:** Round-the-clock availability and transmission of data – with mobile payments, for instance, or data storage in the cloud or in industrial plants – provide a textbook case of the growing importance of IT security.
- **Intelligent Transport Systems:** Autonomous driving will increasingly be a focal point for vehicles of the future; these new vehicles offer extensive safety and comfort systems while permitting remote diagnostics at the same time. Mastering this communications infrastructure and ensuring transportation safety are central challenges for the mobility market.

Industry 4.0: The economy is on the verge of the next industrial revolution. In the future, industrial production will be characterized by strong customization of products under conditions of highly flexible (high-volume) production. Under this form of hybrid production, complex data networks will link customers and suppliers with production over the entire value chain. The experience TÜV Rheinland has in supply chain services and asset integrity management will result in market potential in the Business Streams of Industrial Services and Products.

Demographic Change: TÜV Rheinland also views the demographic trend toward an aging population structure – particularly in Europe – as an opportunity. In certain markets, such as health care and nursing care, an increase in demand for services in this portfolio can already be seen.

Increasing M&A Activities / Consolidation in the Market:

In the market for technical services and particularly in the TIC market, a further trend toward consolidation can still be seen as a result of major acquisitions and takeovers. This results in both opportunities and risks for companies based on their positioning in the changing TIC market.

The TÜV Rheinland AG Group provides its services in the area of TIC for a variety of markets and industries all over the world. While global economic trends are important to TÜV Rheinland, they are not in themselves decisive, given the Group's diversification across industries and regional markets. In addition, the company is largely unaffected by specific developments in individual industries, particularly when it comes to mandatory inspections.

At the same time, the following general economic and market-specific conditions in 2015 had an effect on TÜV Rheinland's business:

Overall economic conditions were slightly upbeat in 2015. Because in some cases the economy developed quite differently in the individual regional markets, the effects on the business of TÜV Rheinland must be analyzed by country and region.

The European business of TÜV Rheinland profited slightly from the generally positive economic climate. Business in Great Britain, however, is focused on energy and oil. As a result, the negative impact of falling commodity prices more than offset the effects of the generally satisfactory situation of the British economy.

The recovery in the US economy that had already begun the previous year continued in 2015 as well. TÜV Rheinland's North America business was able to benefit somewhat, in contrast to the previous year, from increased investment and awards of public contracts. Significant impetus in this regard came from the Rail Business Field, particularly in Mexico.

Against the backdrop of positive overall economic conditions in the regions of Greater China and Asia Pacific, the business for TÜV Rheinland there emerged as a mainstay of growth for the Group. Business there also seems to be resistant to the recent turbulence on the Chinese markets. Total sales growth for the region is relatively

homogeneously distributed across the individual countries, with TÜV Rheinland achieving particularly strong rates of growth in Indonesia, Korea, the Philippines and Taiwan.

The most dynamic growth in 2015 was seen for TÜV Rheinland in the IMEA region (India, Middle East and Africa). The India business was able to continue on the strong previous year and benefited from that country's economic dynamics, which remained high. Business in the Gulf States still proved resistant to the decrease in the price of oil and registered significant gains once again. With expansion by the companies in Qatar and Oman, TÜV Rheinland will continue to expand in the fast-growing Gulf region.

The intensification of the political and economic crisis in Brazil led to a slump in demand for services in the energy and infrastructure areas. Furthermore, the sustained decline in the prices of important commodities, such as iron ore or petroleum, has a negative effect on key Brazilian customers of TÜV Rheinland. As a result, overall sales in South America fell significantly short of their prior-year level.

The crisis in Russia resulting from the decline in the price of oil and sustained geopolitical tensions had a negative overall impact on TÜV Rheinland's business. Business activity in Ukraine was terminated in light of this.

As a globalized service company, the goal of TÜV Rheinland is to systematically strengthen its operations worldwide. The focus at TÜV Rheinland in this regard is particularly on expanding its operations in the markets in which the company can make ideal use of its competitiveness and tap new markets as a result.

To continue to strengthen the international position through organic and inorganic growth, a strategic move was made in 2015, consisting of consolidation and reorientation of individual Business Streams. The previous Training and Consulting and Life Care Business Streams are now combining their activities in the Academy & Life Care Business Stream. The Business Fields of IT Security and Consulting, which previously were part of the Training and Consulting Business Stream, have been transferred to the ICT & Business Solutions Business Stream. By bundling these activities in a new, separate Business Stream,

TÜV Rheinland plans to participate even more in the above-average dynamics that characterize the IT and telecommunications sector. In this connection, the strategic decision was made not to pursue the Food Business Field any further. Given the focus on consolidation of Business Streams, in 2015 TÜV Rheinland limited its M&A activities to selective acquisitions on a smaller scale.

Overall, the TÜV Rheinland AG Group views itself as extremely well positioned compared to the international competition, and is confident that it will succeed in further improving its position in the global TIC market. The increasing liberalization of the markets and expanding international trade are both to be viewed as opportunities.

The use of new information technologies along the global value chains is increasingly becoming a decisive influencing factor for the Business Fields of TÜV Rheinland. For the digital transformation under the keywords of »Industry 4.0,« »Internet of Things« and »smart home« to happen at all will require powerful networks. The EU aims to achieve across-the-board broadband coverage by 2020. As a cooperation partner of the German Federal Ministry of Transport and Digital Infrastructure, TÜV Rheinland supports the operation of the broadband atlas, a regional overview of broadband coverage. Carriers and enterprises are also advised on project initiation and network planning and extending through to the development and operation of telecommunications infrastructure.

The Internet has also created a more informed public. Consumers' value awareness has also changed in the process. Customers increasingly insist upon information about the conditions of production or environmental responsibility. If this information is not forthcoming, public perceptions of a company can quickly be affected, inflicting lasting damage on the brand. Consumers' information requirements can be satisfied particularly if there is complete and credible transparency. In this connection, independent testing companies such as TÜV Rheinland play a crucial role, as they generate security and trust through certification and testing. To make the approach to testing easier to understand, TÜV Rheinland certification marks are equipped with a QR code with which users can directly access the certificate database known as »Certipedia.« Details such as testing criteria or methods can be accessed here.

Further advances in digitalization increase the risks of hacker attacks and cyber crime. In this regard, not only major companies and government institutions, but also mid-sized companies are increasingly becoming the targets of »digital burglars,« as specialized expertise is, at least usually, not protected effectively enough. The IT security experts at TÜV Rheinland provide support for SMEs with the new »APT Defense Service,« which, for instance, contains a sensor-based review of network traffic. This places an effective and, at the same time, demand-based and budget-friendly defense mechanism at the disposal of SMEs. The Cyber-Security Division of TÜV Rheinland develops solutions for the main security questions involved in networked production, smart home systems or the increasing use of data storage in the cloud.

In addition to the growth potential that presents itself through advances in digitalization, other positive effects are also expected for the original core business of TÜV Rheinland. Particularly the increased demands on the mobility market caused by intelligent transport systems present opportunities for expanding TÜV Rheinland's business. Increasing demand is also expected in the area of testing industrial systems and pressure vessels as a result of realignment of Asian industrial facilities and of the partly outdated infrastructure in industrialized countries.

CORPORATE MANAGEMENT – GROWTH AND LONG-TERM VALUE ENHANCEMENT

The business strategy of TÜV Rheinland defines the company's focus and goals for the coming years. The main pillars of the strategy are profitable growth, further internationalization, and a systematic focus on the Group's clients.

The area of corporate management relies on a Group-wide management information and controlling system that creates cost and income transparency in all areas, thus contributing to a profitable earnings performance. Reporting is standardized worldwide and is based on IFRS, the International Financial Accounting Standards.

The focus continues to be on the following financial target and management figures: revenues, earnings before interest and taxes (EBIT) as well as requirements for optimized working capital management. The Group's value-oriented management is further strengthened by making these performance and management figures a fixed component of the executive-level compensation structure.

In 2015, the Executive Board drew up the »Strategy 2020« and submitted it to the Supervisory Board. The Strategy 2020 takes into account essential, sustainable changes that stem from the digital revolution and ongoing globalization. The aim is to ensure that TÜV Rheinland remains sustainable and successful in a TIC market characterized by continued consolidation.

The aim is to continue to achieve profitable growth in all Business Streams into the future. Above-average growth is expected in the ICT & Business Solutions, Products and Industrial Services Business Streams.

The focus areas are clearly defined: The reputation of the TÜV Rheinland brand continues to enjoy top priority. The quality of the services and innovations in the TÜV Rheinland AG Group also represent elements of sustained success. In addition, an increase in return has been set as a target in order to ensure the Group's investment capability.

With this in mind, particular focus in investments is placed on the work areas of digitalization (such as IT Security, Industry 4.0 or Intelligent Transport Systems), Supply Chain Services (qualification of the supply chain through system certifications, product testing and inspection) as well as Energy and Infrastructure (e.g. railway technology, asset integrity management). Thus TÜV Rheinland is concentrating on work areas that already belong to the core business or give rise to expectations of significant market growth.

Within the scope of the Business Strategy 2020, both organically and through acquisitions, sales for the TÜV Rheinland AG Group will grow by 6.9% annually, going from €1.8 billion in 2015 to €2.5 billion by 2020; during the same period, the EBIT margin is expected to improve markedly, going from 5.4% to 9%.

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

The TÜV Rheinland AG Group's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS).

Development of Revenues Including Inventory Changes

The Group's worldwide revenues, including inventory changes, are broken down in the following tables; due to the significance of exchange rate fluctuations in 2015, the tables also contain the figures adjusted for exchange rates:

REVENUES BY BUSINESS STREAM

in € millions	2014	2015	2015*
Industrial Services	536	543	545
Mobility	433	471	463
Products	404	485	441
Academy & Life Care	192	205	203
ICT & Business Solutions	123	133	128
Systems	136	162	153
Other**	-93	-118	-109
Total	1,731	1,881	1,824

* Revenues at constant exchange rates.

** Intra-group revenues and central functions.

REVENUES BY REGION

in € millions	2014	2015	2015*
Germany**	943	989	989
Europe (excluding Germany)	203	217	215
Asia (including IMEA***)	348	461	410
America	237	214	210
Total	1,731	1,881	1,824

* Revenues at constant exchange rates.

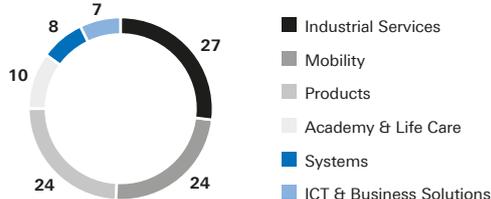
** Contains €60.2 million in exports (previous year: €55.4 million).

*** IMEA: India, Middle East, Africa.

The following graph shows the percentage of revenues generated by each Business Stream:

REVENUES BY BUSINESS STREAM

in %

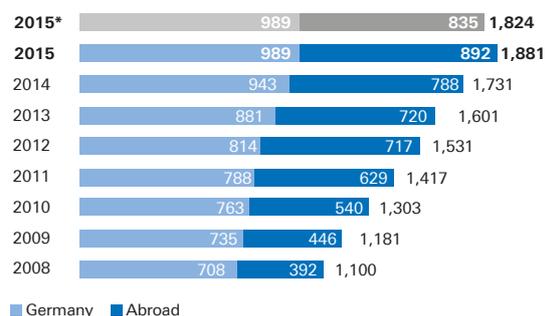


TÜV Rheinland AG Group revenues (including inventory changes) totaled €1,881.3 million in 2015. That amounted to a revenue increase of €150.0 million or relative revenue growth of 8.7% year-over-year.

DEVELOPMENT OF REVENUES

(including inventory changes)

in € millions



* Revenues at constant exchange rates.

In 2015, changes in exchange rates, particularly with regard to the Chinese yuan, the US dollar and the currencies of the Gulf States, led to an increase in revenues; the devaluation of the Brazilian real, on the other hand, led to a decrease in revenues. Holding exchange rates constant, revenues were down by €57 million, resulting in currency-adjusted revenues totaling €1,824 million. This corresponds to revenue growth of 5.4%. Added revenue in the amount of €79.8 million was obtained from the existing range of services; the extension of the scope of consolidation had a positive impact of €13.2 million on the increase in revenue.

Domestic revenue growth was essentially organically based; worthy of particular note in this connection are the Products, Mobility and Industrial Services Business Streams, each of which grew at an annual rate of 7%. Revenue growth abroad is mainly organic as well; revenues were markedly higher there, particularly in the IMEA, Greater China and North America regions. The revenue trend in the region of South America was – also as a result of currency effects – slowed mainly by Brazil.

Once again, the greatest contribution to revenue came from the Industrial Services Business Stream. Revenue was €7 million or 1.3% higher on the year; holding exchange rates constant, growth is only slightly higher, at €9 million or 1.7%. This is mainly a function of the Project Management Business Field in Brazil, which developed in a significantly negative direction during the financial year under report; revenue for this Business Field is 38.9% lower year-over-year, a development amplified by the unfavorable trend in exchange rates. In contrast to this, particularly

the Business Fields of Energy and Environment, Electrical Engineering and Building Technology, and Elevator, Conveyor and Machine Technology were in a position to increase their revenues, compensating overall for the decline in revenues in the Business Field of Project Management. The significant increase in the Business Field of Energy and Environmental Technology owes to the acquisition of the Risktec Group in Great Britain in March 2014, which was incorporated into the consolidated financial statements on a pro rata basis for 2014 and for the entire financial year in 2015. Risktec draws up risk and safety analyses and offers technical training for possible risk scenarios. Internationally, the Business Stream experienced growth particularly in the regions of IMEA and Western Europe.

The Mobility Business Stream increased its revenues by €38 million or 8.8%. This increase was primarily based on growth in the classic Periodical Technical Inspection, Rail and Car Services and Appraisal Business Fields. In the Periodical Technical Inspection Business Field, there were positive effects due to acquisitions of smaller engineering companies.

Impetus for growth beyond Germany issues particularly from the Rail Business Field in the regions of IMEA and North America, particularly in the US and in Mexico.

Revenues in the Products Business Stream increased significantly, by €81 million or 20.0%. Holding exchange rates constant, there was growth here of €37 million or 9.2%. In 2015, the Business Stream generated strong positive impetus for growth, particularly in the Business Fields of Electrical (safety and quality testing of electronic products), Softlines (including testing of household products, cosmetics and textiles), Medical (certification of medical devices) and Hardlines (furniture and toy testing and inspection of mechanical products); the Solar Business Field registered revenue growth as well. Growth in the Products Business Stream was seen primarily in the Greater China and IMEA regions.

In 2015, the Academy & Life Care Business Stream recorded an increase in revenues of 6.8% overall, mainly based on the favorable trend in the Professional Training Business Field in India, on the one hand, and in the Occupational Health and Safety Business Field in Germany on the other. For this Business Stream, which is traditionally active in Germany, foreign markets – such as the markets in IMEA (in this case specifically India) and Greater China – are constantly gaining in significance.

Once again, there was significant growth in revenues for the ICT & Business Solutions Business Stream in 2015, which increased by €10 million or 8.1%. Worthy of particular note in this connection are the Business Fields of Information Security as well as Telco Solutions, Business & Engineering Services. The acquisitions of Secaron and OpenSky in 2013 and 2014 contributed to this increase in the Information Security Business Field. With these acquisitions, TÜV Rheinland underscores the importance of this strategic Business Field while consistently expanding its market position. OpenSky and Secaron deal with network and computer-system security and serve both large and medium-sized companies in numerous sectors, such as financial services, industry, logistics, automotive, aviation and aerospace as well as telecommunications. In 2015, the ICT & Business Solutions Business Stream outside of Germany was particularly active in the United States.

The Systems Business Stream reported considerable revenue growth of €26 million or 19.1%. Adjusted for currency translation effects, in the Systems Business Stream, revenues in the Certification of Management Systems and, particularly, the Customized Services Business Fields, grew by €17 million and thus 12.5%. Growth was once again primarily driven by the Customized Services Business Field, in which the Group offers services related, among other things, to sustainability, compliance, service quality, and data privacy. Moreover, the core business of Certification of Management Systems exhibited solid rates of growth of 15.0%. Internationally, revenues were particularly higher in the Greater China and Asia Pacific regions.

In Germany, the German Business Streams achieved 4.9% growth overall. Every Business Stream generated higher revenues in 2015 than in the previous year. Products, Mobility and Industrial Services registered the strongest growth.

With a total of €892 million in revenue, the Group's international subsidiaries achieved a considerable increase compared to the previous year. Adjusted for exchange rates, this figure actually stands at €835 million, equal to growth of 6.0%. As such, adjusted for exchange rates, 49.2% of the Group's revenues were earned either internationally or with international customers. The main drivers for growth were the IMEA, Greater China, North America and Asia Pacific regions.

In Western Europe, revenue grew at a rate of 8.2% after consideration of consolidation and currency effects; acquired in 2014 and consolidated on a pro rata basis in that year, Risktec Group is contained in its entirety in 2015. There

were also positive currency effects with regard to the British pound. Slight decreases in revenue in Spain were offset, however, through organic growth in Italy and Luxembourg.

In Central and Eastern Europe, revenue rose slightly, with a change of 2.9%; encouraging growth in Poland, but also in Latvia, Bulgaria and Romania, was able to offset revenue declines in Russia and Hungary. Due to the political and economic situation in Ukraine, business activities in that country were discontinued.

The Asia Pacific region reported an increase in revenues in the amount of 16.3% (adjusted for exchange rates: 10.1%). All of the countries in the region shared responsibility for this revenue growth, with Indonesia, the Philippines and Korea worthy of particular note in this regard. In addition, with most of the currencies in the Asia Pacific region having appreciated against the euro, positive exchange rates were recorded here as well.

With a revenue increase of 32.7% in 2015 (12.1% after adjusting for currency rates), a considerable overall acceleration of growth momentum could be seen in the Greater China region. In Taiwan as well, following a weakening in revenues in 2014, there was significant revenue growth recorded, attributable particularly to continued recovery of the Electrical Business Field. Revenue growth in China stands at around 35.9%; accordingly, growth for TÜV Rheinland in China is significantly stronger than the economic output of the country itself, which increased around 6.9% in 2015.

With a rate of increase of 62.8% (46.3% after adjusting for currency rates), the IMEA region once again displayed the most dynamic growth in the TÜV Rheinland AG Group. Particularly the strong revenue trend in the Gulf States, in India, South Africa and Turkey was decisive here; TÜV Rheinland continues to systematically improve its market position in this region through the expansion of further companies in the fast-growing Gulf States of Qatar and Oman.

In the North America region, revenues rose significantly by 27.2% (10.2% after adjusting for currency rates); significant sales growth in the Business Fields of IT Services & Cyber Security and Rail were reported alongside revenue declines in the Industrial Services business. In Mexico, once again encouraging developments in nearly all Business Fields, particularly in Rail as well as Materials Testing and Non-Destructive Testing, contributed to the increase in revenues.

At 30.1%, revenues in South America were considerably lower year-over-year; after adjusting for currency rates, the decline in revenues stood at 19.9%. This can be traced back to the appreciable effects of the steep devaluation of the Brazilian real against the euro, on the one hand, while on the other a palpable worsening of the political and economic crisis in Brazil year-over-year is also evident, leading to a slump in demand for services in the Energy and Infrastructure fields. Furthermore, the sustained decline in the prices of important commodities, such as iron ore and petroleum, has a negative effect on key customers of TÜV Rheinland in Brazil. Particularly hard-hit in this connection is the Project Management Business Field, which experienced a decline in revenues in the amount of 38.8%.

Development of Income

EARNINGS BEFORE INTEREST AND TAXES (EBIT)

in € millions

2015	101.4
2014	110.2
2013	117.1
2012	113.2
2011	124.0

in € millions	2014	2015
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	172.5	170.4
Amortization of intangible assets and depreciation of property, plant, and equipment	-62.3	-69.0
Earnings before interest and taxes (EBIT)	110.2	101.4
Financial result	-21.3	-17.6
Earnings before taxes (EBT)	88.9	83.8
Taxes	-34.6	-35.9
Consolidated net income	54.3	47.9

At €170.4 million, earnings before interest, taxes, depreciation, and amortization (EBITDA) is slightly below the previous year's total of €172.5 million.

Earnings before interest and taxes (EBIT) and earnings before tax (EBT) turned out below previous year and budgeted figures, decreasing compared to the previous year by 8.0% and 5.7%, respectively. This shortfall compared to the previous year's value is the result of burdening special effects due primarily to the negative business trend in Brazil, charges from a major project, as well as restructuring costs.

For the most part, the year-over-year declines in earnings stem from the Industrial Service Business Stream and, to a lesser extent, from the Academy & Life Care Business Stream. The Products and ICT & Business Solutions Business Streams were able to improve upon previous-year earnings; additional positive currency effects gave the Products Business Stream an added, strong boost in earnings.

The Industrial Service Business Stream bore the full brunt of the Brazil crisis, leading to a considerable drop in earnings in the Project Management Business Field. Restructuring measures that essentially included a significant reduction in capacity were introduced in this Business Field. Earnings for the Pressure Equipment & Plant Technology Business Field were also down year-over-year, due particularly to stiffer competition accompanied by price and margin pressures.

There was a slight downward trend in the result in the Periodical Technical Inspection Business Field of the Mobility Business Stream; this owes to increased intensity of competition in the Spanish motor-vehicle testing market. Encouraging results in the Rail Business Field were able to largely compensate for these effects.

In the Academy & Life Care Business Stream, integration costs in the Professional Training Business Field had a negative effect on earnings.

The Products Business Stream achieved significant earnings increases in the Business Fields of Electrical and Medical, particularly in China and the Gulf States.

The ICT & Business Solutions Business Stream experienced positive overall effects on earnings that far more than offset the earnings decreases due to a major project within the Business Field of Telco Solutions, Business & Engineering Services.

A largely stable earnings trend is reported by the Systems Business Stream in the Business Fields of Certification of Management Systems and Customized Services.

Developments in exchange rates had an overall positive impact on EBIT in a total amount of around €15 million.

While the regions of South America and Western Europe were affected in 2015 by significant declines in earnings, there was improvement in the regions of Greater China, IMEA, and Asia Pacific. One of the worst economic crises of recent years was seen, particularly in Brazil. Restructuring costs made an impact in Spain and the Netherlands. Through active measures on the one hand, such as a reduction in loss-making units, for example, and cost cutting on the other, the Group introduced steps to improve earnings.

Compared to the previous year, the cost of purchased services in proportion to total revenues went from 15.7% to 16.6%; this relates in particular to the consulting business in Germany and major projects in the Gulf States. The increase in sales in China was also achieved through the increased use of external services.

The share of personnel expenses – in relation to revenue – declined, going from 56.2% the previous year to 55.9% in 2015.

At 22.5%, the percentage of other expenses exceeds the previous year's (20.7%).

Other operating income rose, from 2.6% of revenue the previous year to 4.1%. In addition to a large number of individual items, the increase also involves the change of a liability consisting of variable purchase price components.

The improvement of the financial result was due in particular to a lower net defined benefit liability in the amount of €3.5 million. At €83.8 million, earnings before taxes are 5.7% below the previous year's level of €88.9 million.

Of the €36.0 million in income taxes (previous year: €34.7 million), €24.1 million was accounted for by foreign countries. The tax rate stood at 42.9%, compared to 39.0% the previous year. This increase in tax rate related essentially to significantly higher negative effects on earnings in foreign companies for which no deferred tax could be created on the asset side.

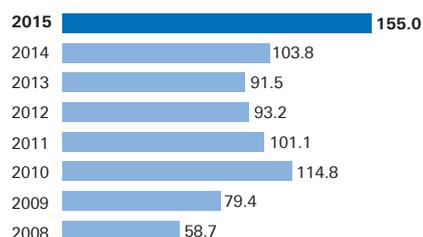
Consolidated net income changed by 11.8% and went from €54.3 million to €47.9 million.

Financial Position

The cash flow statement was prepared on the basis of the consolidated financial statements.

CASH FLOW FROM OPERATING ACTIVITIES

in € million



Cash flow from operating activities was considerably higher year-over-year, rising to €155.0 million from the previous year's value of €103.8 million (+49.4%). The change owed to a consistent net working capital management that – despite marked business expansion – led to reduced accounts receivable and increased liabilities at the same time; this was able to significantly overcompensate a decline in earnings as well as a reduction in non-current provisions.

In 2015, after taking asset disposals into account, investments (including the increase in reinsurance policies) led on balance to a €105.5 million net outflow of funds. Compared to the previous year, cash flow from investing activities was affected particularly by the reduced volume of corporate acquisitions.

In the area of financing activities, short-term bank liabilities in particular were taken on for foreign companies; on balance, these exceed the repayments of short-term bank liabilities, primarily in Germany, by €20.0 million. After

paying out dividends to the shareholder, cash flow from financing activities totaled €3.2 million.

Cash and cash equivalents as of December 31, 2015 totaled €201.0 million; as financial liabilities increased to €294.5 million, net financial liabilities stood at €93.5 million (previous year: €120.4 million). This significant change year-over-year is essentially related to significantly improved working capital management.

The dynamic debt-equity ratio, which specifies the length of time required to repay the Group's financial liabilities, was around 1.7 years in relation to EBITDA.

To ensure its ongoing solvency, the TÜV Rheinland AG Group maintains extensive current and non-current lines of credit, of which only a fraction was used as of December 31, 2015.

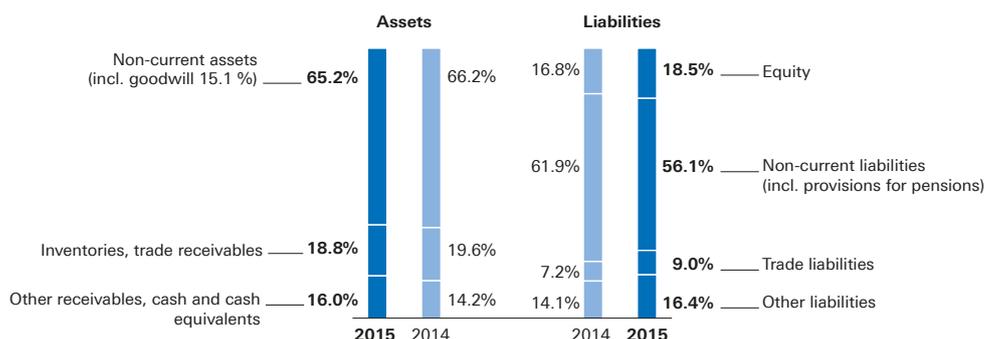
Balance Sheet and Capital Structure

The balance sheet total is slightly higher, climbing by 3.7% or €64.6 million to €1,825.8 million.

Non-current assets were slightly higher, rising by 2.0% or €23.6 million. In the case of intangible assets, net investments amounting to €24.0 million (€12.7 million of which in goodwill) as well as currency effects of €6.2 million led to an increase of €30.2 million, compared to amortization in the amount of €17.8 million. €68.9 million in net investments in fixed assets as well as currency changes of €2.4 million were accompanied by depreciations of €51.1 million. Deferred tax assets were €7.7 million lower on the year.

Current assets rose by €41.0 million, mainly as a result of an increase in cash and cash equivalents in the amount of €47.0 million and a decrease in other receivables and

BALANCE SHEET AND CAPITAL STRUCTURE



other assets amounting to €9.2 million. Despite a considerable increase in revenues, the sum of inventories and trade receivables was actually €2.2 million lower year-over-year.

Total equity increased by €42.7 million and went from €295.2 million to €337.9 million. The main factors in this were the positive addition from consolidated net income in the amount of €47.9 million, and the increase in actuarial gains in the amount of €15.1 million, resulting from an increase in the interest rate from 2.0% to 2.25% for the discounting of pension provisions. The dividend for the 2014 financial year amounting to €12.0 million, which was distributed to the shareholder TÜV Rheinland Berlin Brandenburg Pfalz e. V., reduced equity. Additional changes, such as effects from currency translation as well as deferred taxes, decreased equity by a total of €8.3 million.

This improved the equity ratio, companion to a balance sheet total that was nearly 4% higher, from 16.8% to 18.5%.

If there were external financing of pension obligations under a »Contractual Trust Agreement« (CTA) trust model, the equity ratio of the TÜV Rheinland AG Group would be almost 22%.

Within non-current liabilities, pension provisions decreased by €28.0 million, to €716.5 million, mainly because of the raising by 25 basis points of the discount rate. In addition, other non-current liabilities were €37.2 million lower; this decrease is essentially the result of the change in variable purchase price components in connection with the acquisitions of OpenSky and Risktec in 2014, as well as a repayment of liabilities to banks.

The €87.0 million increase in current debt was the result of increased trade liabilities as well as increased current financial liabilities, current provisions, and other current liabilities.

Assets committed on a non-current basis along with some of the Group's current assets were financed by non-current capital (non-current asset cover: 114.4%).

Investments

The volume of investments in the business year, not including corporate acquisitions, totaled €97.3 million.

The TÜV Rheinland AG Group is underscoring the importance of its largest location in Germany with the extensive new construction and refurbishing measures on the grounds of the Group's headquarters in Cologne. The new

office building, the »Seehaus,« which was completed in spring 2015, offers workspaces for up to 600 employees, a daycare center and a second cafeteria. Following the successful move into the new office building, modernization work on the main building began. Among other things, the structural measures undertaken there will include the renovation of the façade, fire protection, heating and air conditioning and electrical installations. A total of €6.6 million was invested in 2015 for the completion of and the move into the »Seehaus.« Around €10.6 million went toward refurbishment of the main building in the year under review.

Furthermore, the Group made investments largely in laboratories, testing sites and software.

For testing laboratories, in particular in the work areas of energy efficiency, photovoltaics and chemical inspections, substantial investments were made in the total amount of €13.6 million. Asia Pacific, Greater China and IMEA were the focal points. Due to considerations of strategic importance, particularly the investments in an energy laboratory in India, as well as a laboratory for electromagnetic compatibility in Vietnam, are worth highlighting here. TÜV Rheinland will continue to expand in the fast-growing business locations of India and Vietnam in the future, in order to participate in the highly dynamic economies of these countries.

The Mobility Business Stream also invested around €7.2 million in expanding and improving the level of equipment in the network of motor-vehicle testing authorities. The major investment already begun in the previous year to construct three new test stations, and the extensive modernization of four other testing authorities in the greater metropolitan area of Santiago de Chile, were completed in 2015. The total amount invested for this purpose stood at around €2.2 million in 2015.

Another investment focus in 2015 was on expanding and strengthening the IT infrastructure and on acquiring highly specialized testing software and technology. Investment measures totaling around €11.2 million were carried out for software and hardware. This, for instance, is how TÜV Rheinland offers its customers in the field of failure analysis a technology they can use to assess corrosion damage in offshore drilling operations. In the Mobility Business Stream, investments were made in implementing new testing and inspection software as well.

PRESENTATION OF THE BUSINESS STREAMS

Business Situation

Since its founding in 1872, TÜV Rheinland has evolved from a regional testing organization to a leading international provider of testing, inspection, and certification services for quality and safety. Today, the TÜV Rheinland AG Group is active with companies of its own around the globe.

As a neutral and independent third party, TÜV Rheinland inspects and tests technical equipment, products, and services, and monitors projects and processes for companies. The Group does so on the basis of recognized standards as well as national and international legal provisions. Furthermore, the experts from TÜV Rheinland train people in countless professions and industries. To do so, TÜV Rheinland operates a global network of laboratories, testing centers, and training centers.

The work carried out by the people at TÜV Rheinland is based on the conviction that societal and industrial development is not possible without technical progress. That is precisely the reason why the safe and responsible use of technical innovations, products, and systems is of decisive importance.

TÜV Rheinland is organized into six operative Business Streams: Industrial Services, Mobility, Products, Academy & Life Care, ICT & Business Solutions, and Systems.

In the following section, the trends and key projects in each of the individual Business Streams will be explained on the basis of revenues adjusted for currency exchange rates.

Industrial Services

With revenue of €543.5 million, in 2015 the Industrial Services Business Stream was able to report slight growth in spite of an at times very difficult market environment. Strong impetus for growth came in particular from IMEA and China, but Germany exhibited positive growth as well. That the bottom-line increase in revenue is still only marginal owes to two main factors: For one, the Brazilian infrastructure market important to TÜV Rheinland almost ground to a halt in the wake of the economic and political crisis in that country. A massive slump in revenue and earnings necessitated sweeping structural changes in the local organization there, together with drastic cost-cutting measures at all levels. The second major challenge involved falling investments in the oil and gas sector due to

the persistently low price of oil. In light of this, the Industrial Services Business Stream intensified its activities in the chemical and petrochemical sectors.

The strategy for the Industrial Services Business Stream was developed further with the involvement of the global management team within the context of the TÜV Rheinland AG Group's »Strategy 2020.« The goal of offering comprehensive solutions from a single source is being consistently pursued. In thematic terms, the priorities of the Business Stream are directed at internationalization of the industrial component business, strengthened growth in the open-market inspection business, and expansion of business in sectors with a high risk potential (high-hazard industries).

Significant progress has already been made in the components business. The newly established »Technical Competence Networks« – global network of experts – proved to be a success factor. Their main task is to facilitate the local development of resources, e.g. through knowledge transfer, and to ensure that high standards of quality are met. A prime example for this is the development of the business location in Shanghai. In cooperation with colleagues from Germany, local employees there have successfully expanded the service portfolio and achieved profitable growth. Meanwhile, a laboratory for explosion protection has been opened in Taiwan. In view of the recent incidents in the region – such as the dust explosion at a Taiwanese water park or the devastating chemical explosion in the port of Tianjin – facilities of this type can make significant contributions toward greater safety. TÜV Rheinland has also acquired new accreditations for testing and certification in the field of functional safety in the areas of security in industrial control systems and smart grids – two topics that are gaining in importance parallel to advances in digitalization. In addition, new services combining elements from component and data security have been developed for Industry 4.0 customers.

Worldwide networks, technical skills and management teams continue to be expanded in areas that offer great growth potential. The activities in IMEA in particular contributed to growth in 2015. The Group landed numerous major orders for inspections with major oil and gas companies in this region. It turned out that demand was particularly high for the inspection services, construction supervision and non-destructive testing that TÜV Rheinland provides for builders and operators of plants. TÜV Rheinland helped manage major projects in

the field of non-destructive testing in Saudi Arabia and the Netherlands. The development of new testing methods in connection with the »Pulsed Eddy Current« technology has proved its worth in the Business Field of Materials Testing and permits development of new customer groups.

The consulting business grew, particularly through the addition of services in the area of Asset Integrity Management for »high-hazard industries.« The focus here was on customer-specific bundling of classic testing, inspection and certification services with complementary technical consulting services such as risk and safety management. Here, too, TÜV Rheinland was able to significantly strengthen its market position by winning large tenders in IMEA. The areas of open-market inspection services and risk management in particular are emerging as a high-synergy combination. Through cooperation between TÜV Rheinland Arabia and Risktec, for instance, successful support was provided for a major refinery in Saudi Arabia. Demand in the IMEA region was particularly high for experience with risk-based inspections; the Business Stream was able to provide this, among other things, by commission of a major European general contractor involved in the expansion of a refinery in Kuwait. The regions of North America and Greater China again reported progress in gaining consulting projects in the fields of integrity assessment, risk-based inspection planning and process safety.

During the year under review, the Business Stream again continuously developed ideas and drove innovations, in some cases as part of joint projects with customers. The emphases were on special non-destructive testing methods, remote monitoring of plants and components, as well as on new solutions in connection with the networking and digitalization of industrial systems (Industry 4.0). In this way, for instance, TÜV Rheinland provides support to operators of plants in the energy sector with a new testing service, under the heading of »Functional Safety and Security,« that links IT security with the functional safety of electronic components and systems.

Implementation of this powerful new structure will play a significant role in shaping the year 2016. Alongside this, the goal is to continue to consistently implement »Strategy 2020« and to take advantage of the growth opportunities of the emerging markets in Asia and in IMEA. Because a near-term recovery in the price of oil is not to be expected, business with the chemical and petrochemical industry will gain further importance as an »anchor of stability.« In 2016, the innovation initiatives will be dedicated even more to the development of new service packages relating to automation technology, digitalization and Industry 4.0.

Mobility

The Mobility Business Stream reported encouraging performance once again in the 2015 financial year, with revenue of €463.4 million. Based on solid domestic business for the Business Stream, priorities were once again focused on expanding activities abroad.

In the future, Europe, Asia and South America will remain target markets for marketing the Mobility Business Stream's core areas of expertise. The strategy pursued in this regard of both growing organically in these regions and securing market share through acquisitions was successfully continued in 2015.

In the area of vehicle inspections, TÜV Rheinland was in a position to prevail in highly contested markets characterized by progressive market liberalization, even gaining market share in the process. In Santiago de Chile, for instance, the network of testing facilities was expanded through the commissioning of three new testing facilities.

The Car Services and Appraisal Business Field performed positively, both in Germany and abroad. In conjunction with strong revenue and earnings growth in Germany, the systematic internationalization of the Business Field continued again in 2015, with a focus on the Asia Pacific region, and Japan in particular.

The Engineering/Type Approval Business Field reported growth again in 2015. The moderate increase in the domestic market was accompanied by significant market growth in the non-European regions. It was possible to extend the global market leadership of TÜV Rheinland in this segment even further. The outstanding international network contributed significantly to this success. Project examples include new activities in the field of heavy trucks in France and the expansion of services in the emerging markets, such as the Indonesian National Standard Accreditation, or the nomination as technical service provider in Malaysia and Latvia. The regional range of services was extended as well. The Business Field continues to pursue the goal of supporting automotive manufacturers and suppliers in all global markets.

In the field of Railway Engineering, positive revenue growth was recorded again in 2015, driven by new infrastructure projects and modernization and harmonization of technologies. In addition to services in the areas of inspection, certification and independent safety reviews, TÜV Rheinland was also able to expand its services portfolio in the field of consulting, both nationally and internationally.

In order to meet increasing demands for mobility, TÜV Rheinland supports the introduction of intelligent transport systems in national and international committees and projects. The focus is on safely linking movement, information and communication. The triad of these elements in passenger and freight transport is a decisive element in enhancing the comfort and safety of all transportation users. In concrete projects, such as »colognE-mobil,« TÜV Rheinland works with customers and project partners to advance developments in electromobility.

With this in mind, under the heading of »ITS« (Intelligent Transport Systems), a new positioning is being developed that also takes the digitalization of mobility into account. Based on current influencing factors, future scenarios are identified for which market-oriented and innovative services should be developed.

A number of IT projects designed to improve workflows and boost efficiency were initiated and carried out in 2015.

Products

2015 was a successful year for the Products Business Stream. Restructuring measures and process changes initiated already in 2014 were carried through to conclusion in the year under report. Thanks to their forward-looking orientation, these steps ensure good performance of the Business Stream; this made it possible to consistently continue on track for growth: Revenue of €441.2 million was achieved in 2015.

Factors contributing to this growth included investments in laboratories that are important to the continued strategic development of the Products Business Stream: A new Global Technology Assessment Center (GTAC) opened in Milan in March 2015; TÜV Rheinland acts as the notified body there, particularly performing tests in the area of Gas, Softlines and EMC.

In addition, the LABEN Laboratory Park became a part of TÜV Rheinland in January 2015. This gives TÜV Rheinland one of the largest and most modern independent laboratory parks in Brazil, in which testing of electric household appliances, gas stoves and feed pumps is carried out. Starting in the spring of 2016, the EMC Laboratory in Hanoi (Vietnam), with a total area of 900 m², and therefore the largest facility of its kind in Vietnam, will contribute to higher revenues. In Germany, in the fall of 2015, TÜV Rheinland entered into a cooperation arrangement with a testing center in the field of smoke-alarm testing. In addition, the capacity of the Center for Sanitary and Separation Technology in Würzburg has been enhanced.

In the medical-devices field, services for wireless data transmission, interconnectivity and cyber security are growing increasingly important. With OpenSky, important first steps have already been taken in North America through expansion of the international presence in the area of information security. Testing capacities in the area of medical products have also been expanded in Germany and Great Britain. In the future, wireless short- and long-range technology will be organized as a separate service; the establishment of a competence and innovation center with laboratories in North America, Germany and Asia is a first, important investment in this pioneering technology.

In mechanical and plant engineering, in the process industry, in the electrical and electronics industry, in the information and communications industry, and, not least, for automotive suppliers, the topic of Industry 4.0 – and with it, networked mobility, interoperability and the automated exchange of information between machines – is a very important one: Faulty communication on the part of just a single chip can compromise the safety of an entire product.

As in recent years, Electrical remained the economically most important Business Field in the Products Business Stream again in 2015. Revenue growth stood at approx. 13.6%; with this, TÜV Rheinland was able to continue its market leadership in the international certification process for electronic consumer goods.

Cooperation with global retailers reflects a large segment of the Softlines revenue and led to new investments and services in this Business Field: At GTAC in Milan, a chemical laboratory was opened; in China, testing services for safety clothing were offered; and a fit test for clothing was made available in Germany. At the location in Cologne, TÜV Rheinland was accredited for testing of intrusion detection technology and now offers services in building technology for commercial buildings. The first TÜV Rheinland certification based on the MirrorLink data transfer standard was issued in Taiwan. The standard provides secure and simpler connections between smartphones and infotainment systems in cars.

The innovative IT process management IPMS (Integrated Project Management System) for worldwide harmonization and standardization of testing processes and procedures was launched in more than 20 countries. There are now more than 4,000 TÜV Rheinland employees working with IPMS in the five key regions. The support of the IPMS made it possible, among other things, to more successfully coordinate and control projects in the laboratory in Shenzhen (China). Customers can use the Customer

Information System to view project and order data as well as information on order status.

TÜV Rheinland responded to the sustained market weakness and price erosion in the solar module industry by reorienting its Solar/Fuel Cell Technology Business Field and shifting the focus of the Business Field from solar module certification to services tailored to investors in PV systems; this more than offset the loss in the components business. Business with storage systems and PV inverters developed in a positive, symbiotic direction.

As in previous years, the Products Business Stream was the market leader in Germany in 2015. Nearly 83% of revenues were created outside of Germany; this demonstrates how international the Business Stream has become. Through international networking, active participation in standards-development processes in technical committees and increased projects across Business Fields, TÜV Rheinland is positioned for success again in 2016.

To keep pace with technological developments, TÜV Rheinland will continue to invest both in fixed assets as well as personnel while it continues to tailor its service offerings to the market.

Academy & Life Care

The Academy & Life Care Business Stream was newly created at the outset of the 2015 financial year, within a restructuring of Business Fields, based on portions of the discontinued Training & Consulting Business Stream and the Life Care Business Stream. With this step, today TÜV Rheinland bundles all of its service offerings under a single roof, with the focus on professional training as well as occupational health and safety. This is how TÜV Rheinland is responding to the growing importance of motivation, qualification, health and safety of workers – particularly against the backdrop of sweeping social and technological developments.

During the 2015 financial year, revenues of €202.8 million for the services provided in this Business Stream increased by €10.7 million, as the content of the services offered consistently continued to expand. The largest growth was realized internationally, in China and Saudi Arabia.

In the Professional Training Business Field the focus of activities was mainly on the consolidation and realignment of the Academy business. In this context, the Business Field strategies, together with the organizational and operational structure of the TÜV Rheinland Academy, were reviewed and optimized. Through particular consideration of the digital transformation in the strategy process and of the resulting challenges for the market for further education, strategic projects were also defined and the specifics of their design laid out for the years ahead.

The increase in the share of Isits AG to 50.1% in August 2015 provided the Group with a majority stake in the Bochum-based provider of further education for IT security seminars and programs and strengthened the University Campus Business Line. Here, the Group now offers an extensive portfolio of academic and semi-academic qualification for career advancement.

In the publicly funded German market for education, the Business Field of Public Funded Training & Schools was able to place and win significant tenders, inter alia thanks to an early focus on the issue of migration. In this regard, it was able to benefit from its blanket, nationwide presence and its local roots. However, the general shortage of specialists in social and educational professions had a negative impact on the realization of the revenue potential.

The Corporate Health Management, Occupational Health and Safety Business Field performed very successfully in the market and was again in a position to exceed both its revenue and earnings targets. This is due to the timely and market-based orientation of the portfolio around activities to promote occupational health management, and to enhanced, cross-industry sales activities. Counter to the general market trend, the Group also managed to improve the availability of doctors. The attractiveness of TÜV Rheinland as an employer played an important role here. Another major contribution to the success of the Business Field is the consistent further qualification of employees. At the same time, association activities were further expanded, securing the opportunity to participate in decision-making bodies. Internationally, the activities of the Academy & Life Care Business Stream focused on expanding services in selected focus countries and improving profitability. India, Saudi Arabia and China in particular remain relevant growth markets. Alongside classical advanced vocational training, there is increased demand particularly for the Business Field of Personnel Certification, situating this Business Field as a core business.

Another thematic focus was the international rollout of the learning management system ILMS, a system that is provided to both national and international customers, thus serving as a platform for internal training and further education.

ICT & Business Solutions

In the 2015 financial year, for the ICT & Business Solutions Business Stream newly established at the beginning of the year (revenue: €127.6 million), in addition to long-term strategy development and development of the organization and processes, internationally the focus remained on strong growth in the solutions business for cyber security. In Germany, the focus was on the organizational and strategic realignment.

In the IT Services and Cyber Security Business Field, at OpenSky, a company acquired in 2014 that operates the consulting business in the US in the world's largest IT market, and in Great Britain, the groundwork was laid for continued, sustainable growth in the consulting business, but also increasingly in the business for technical solutions and managed security services. There are further acquisitions planned here over the next few years to further strengthen regional coverage as well as the expertise and services portfolio. During the financial year under review, the intensified cooperation between OpenSky and the division active in Germany already resulted in the first synergistic effects and the acquisition of international major projects with global key accounts.

The planned global development and expansion of skills and expertise in the field of information security for critical infrastructure and industrial control systems (Industrial Control Systems Security) will also help open up new markets. For in the course of global megatrends such as the Internet of Things and Industry 4.0, there is a still-growing need and a significant increase in demand for IT security. Here, already in 2015 and in close cooperation with other TÜV Rheinland Business Streams such as Industrial Services, Mobility and Products, the first shared solutions were developed and projects approved.

In the Telco Solutions and Engineering Services Business Field, which comprises infrastructure- and quality-based consulting and support services for operators of telecommunications networks, in addition to further strategic realignment of the service portfolio, there was a particular focus on the consolidation and stabilization of major projects. In 2016, the establishment of a dedicated sales operation should lead to further projects won, and thus to economies of scale. The close connection created in 2015 between infrastructure-related consulting and services, on the one hand, and services in the field of temporary workers on the other, is aimed at achieving economies of scale. As part of the broadband initiative of the German federal and state governments, additional consulting orders were placed for the planning of high-speed networks with up to 300 Mbit/s and for the creation of a European broadband atlas based on the German model.

In this Business Field, too, the digital transformation is a key driver for strategic orientation around quality assurance in the digital transformation, with consulting and technical services for comprehensive infrastructure networks in the German-speaking region. Ongoing optimization in important subareas, such as portfolio, organization, operational excellence, marketing and sales, will continue to support profitable and sustainable growth in 2016.

Systems

The Systems Business Stream achieved a significant increase in revenue and profit again in the 2015 financial year. Revenue in 2015 totals to around €153.4 million.

The Business Stream evaluates management systems, processes, and companies according to internationally recognized standards or according to individual criteria tailored to the client's specific needs. The focus in 2015 was on the topic of »Supplier Evaluation.« Demand continued to run high for certification of energy-management systems, such as pursuant to DIN EN ISO 50001 and the German Energy-Saving Efficiency System Ordinance (SpaEfV).

A positive trend was reported for all of the services in the Systems Business Stream in 2015. In the accredited area, the year was characterized by preparations for the introduction of the newly revised DIN EN ISO 9001 (quality management systems standard). In the non-accredited services area, the issues of CSR (Corporate Social Responsibility), sustainability, and supply chain audits remain the most dynamic areas. The trend toward industry-specific standards thus remains in effect.

Another focus in 2015 was on the development of a risk-management approach for the Business Stream that permits early detection and management of potential risks. The focus involved developing a comprehensive system that assesses regular business risks and also carries out »Brand Risk Management,« the goal of which is to preserve and protect a company's own brand reputation.

All in all, solid progress was also seen in the expansion and activation of the global network in the Systems Business Stream. A milestone in this connection was the introduction of an international supervisory body for accreditation and licensing topics (Systems Supervisory Board) and, in connection with this, the systematic involvement of the regions of the world in global accreditation and licensing management.

The rollout of the ICMS process standard software (Integrated Certification Management System) continued in the regions in 2015 and is expected to be completed by the end of 2016. ICMS permits international standardization of processes, minimization of interfaces and use of an across-the-board SAP platform that maps all of the steps of the processes.

Developing new services remains an important strategic mission for the Systems Business Stream. With this in mind, work on an efficient and successful innovation process will continue in 2016. Solid preparatory work was already performed in this connection in 2015 and is slated for implementation in 2016.

EMPLOYEE REPORT

As of the reporting date of December 31, 2015, a total of 19,670 employees (full-time) are employed at TÜV Rheinland AG Group. The annual average number of employees rose from 19,320 to 19,630; this represents an increase of 1.6% compared to the previous year.

The increase in the overall number of employees is based on additions in Germany amounting to 3.5%. There was no workforce growth internationally, particularly due to the economic situation in Brazil.

TOTAL STAFF (ANNUAL AVERAGE)



As a dynamic global provider of testing services, our employees are our most important capital. TÜV Rheinland can achieve its business objectives in a market characterized by intense competition only if each and every employee lives the shared values, understands the strategies pursued and is willing to systematically implement the changes it takes to remain successful in the long run.

This is why diversity is a focus in the sustainability strategy of TÜV Rheinland. What this means in concrete terms is increasing the share of women in management positions within the Group, from the current level of 9.8%, to 15% by 2020; filling 20% of the spots in top management bodies with international members; and, in the employee survey »together,« achieving the best possible ranking in the area of equal treatment.

Under the law passed in May 2015, mandating equal participation by men and women in management positions in the private sector and in civil service, TÜV Rheinland AG is obliged, for the first time, to set targets for the proportion of women in the Supervisory Board, the Executive Board and in the two levels of management below that, and to set a date by which the respective proportion of women is

to be met. Accordingly, the following targets have been set for TÜV Rheinland AG:

The targets for the proportion of women in the Supervisory Board is 3/12 by June 30, 2017.

The Supervisory Board has specified 20% as the proportion of women in the Executive Board at TÜV Rheinland AG.

The targets in the company's top level of management are 14% and 24%, respectively. These must be reached by June 30, 2017, and December 31, 2020, respectively. There is no second level of management in place at TÜV Rheinland AG.

Only with a uniform data basis is it possible for TÜV Rheinland to track the reaching of targets in the area of diversity. For this reason, in 2014 TÜV Rheinland instituted a Global Grading System, a position-evaluation system that has already been proven in many companies. By year's end 2015, 84% of the positions in the Group had already been assigned a Global Grade. In the future, this system will also be used to shape global career paths for specialist and management careers.

Strengthening of the feedback culture is also a focus of personnel strategy. One of the most important feedback instruments is the global employee survey, »together,« which has been performed at two-year intervals since its introduction in 2011. The survey addresses Group-wide issues, such as work processes, leadership culture and customer focus. In the survey begun in November 2015, for the first time TÜV Rheinland also surveyed mental stress in the workplace. The Group-wide participation rate was around 71%.

The employee survey in 2013 resulted in the Group project »Lighthouse,« which was completed in 2015. The project asked managers worldwide to deal in depth with questions about sound leadership. In 2015, this resulted in the six new, officially approved management principles: take responsibility and be decisive in your action, communicate openly and clearly, be respectful and fair, inspire and encourage employees, be honest and trustworthy, and promote teamwork and a culture of networking.

TÜV Rheinland has received the »Top Employer« award for the eighth time in a row. Young university graduates in particular view the award as confirmation of good working conditions and career prospects. The German CSR Forum recognized the multifaceted commitment to the advancement of women within the company with the CSR Award in the category of »Gender Diversity.« The City of Cologne

recognized the fact that equality of opportunity and acceptance of different cultures and religions are a high priority at TÜV Rheinland by presenting the company with an award as part of the »Diversity Wins« competition. TÜV Rheinland in Hong Kong earned the »Happy Company« logo of the Happy Workplace Campaign for another year. The award is presented in recognition of companies that make a particular effort toward creating a pleasant working environment for their employees.

RISK MANAGEMENT SYSTEM AND CORPORATE GOVERNANCE

For a globally active company like TÜV Rheinland, a comprehensive internal control system (ICS) – in relation to IT-assisted business processes and effective and efficient risk management – is an indispensable control element which defines the framework for management and monitoring. The ICS is mainly intended to ensure compliance with statutory requirements, TÜV Rheinland-specific guidelines, and its corporate objectives.

In addition, risk management aims to identify and evaluate risks at an early stage so that suitable precautions, controls, and safeguards can be put in place and proactive countermeasures can be initiated. TÜV Rheinland AG's Executive Board is responsible for the Group's risk management system. In accordance with German law, the tasks of the Chief Executive Officer and the Chairman of the Supervisory Board are strictly separate and distinct from one another.

An explicit discussion in the management framework manual and a detailed description in the quality management system define the risk management process. These documents are available around the world on the company's intranet. An interdisciplinary risk unit has long been in place at TÜV Rheinland AG.

Multiple amendments to applicable laws and provisions were passed in recent years with the goal of further improving corporate governance. In keeping with international standards, the Corporate Sector Supervision and Transparency Act (KonTraG) requires the Executive Board to take suitable measures to ensure that developments which might pose a threat to the company's continued existence are made identifiable at an early stage. This requirement is taken into account by an effective ICS and TÜV Rheinland's early risk warning system. Based on a risk-oriented audit approach, the Group's Corporate Audit Department checks the ICS of TÜV Rheinland companies around the world in accordance with international auditing standards.

Furthermore, information gained from the semi-annual risk reports of the German and international TÜV Rheinland companies and the Executive Vice Presidents is analyzed in detail. Based on the information obtained in the matrix organization, all of this information is then aggregated into one report, which is appraised from portfolio and Group viewpoints. Risk determination is based on areas of risk that are specific to TÜV Rheinland. These areas include the categories market/client, processes, employees, finances, and miscellaneous, such as the regulatory framework. Risk quantification is based on the anticipated impact on earnings as well as the likelihood of the risk's occurrence. Additionally, the naming of planned countermeasures also represents a central component.

Dealing with risks is also a part of the ongoing reporting process. Reporting follows the requirements of the matrix structure and, in addition to regularly updating the economic outlook, also takes business-specific early indicators into account. This forms an essential foundation for recognizing risks as well as introducing and consistently pursuing specific efforts to avert possible damage to TÜV Rheinland. In addition, the Executive Board is informed of significant circumstances by means of ad hoc disclosures. In the case of transactions that may have a significant impact on the performance of a Business Stream or Business Field, an approval process established worldwide provides transparency and reduces risk.

Risk management thus forms an integral part of the Group's standard planning, reporting, and control processes and is incorporated into TÜV Rheinland's information and communication system. It is continuously enhanced and adapted to changing framework conditions. Risk management is therefore suitable for identifying risks that pose a threat to the Group's continued existence at an early stage and for taking appropriate countermeasures.

The Group abides by the basic principles of good corporate governance, which place a focus on the legal and practical framework of managing and monitoring the company. In particular, the Group utilizes professional compliance management that is designed with prevention in mind and sets the relevant framework for TÜV Rheinland. Specifically, this framework includes the Code of Conduct, a compliance guideline, a guideline for avoiding conflicts of interest and corruption, and a compliance hotline. An active worldwide network of compliance officers has been established who are available to our employees as competent points of contact.

TÜV Rheinland is convinced that good corporate governance is of great importance to its long-term success and that the implementation of and adherence to these guidelines play a key role in permanently strengthening the trust placed in the Group by all interest groups.

VALUE MANAGEMENT AND BUSINESS-RELATED ENVIRONMENTAL AND SOCIAL FACTORS

In the 2015 business year, the TÜV Rheinland AG Group continued its activities devoted to corporate social responsibility and sustainability on the basis of the principles of the UN Global Compact and the IFIA (International Federation of Inspection Agencies). TÜV Rheinland manages the topics of CSR and compliance on the basis of sustainability management and a compliance management system. Here, the sustainability strategy forms the substantive framework; with its five areas – governance, sustainable human resource management, efficient energy and resource consumption, social commitment and service responsibility – it helps strengthen the key factors for success, thereby helping achieve the goal of becoming the world's best sustainable and independent service company in the field of testing, inspection, certification, consulting and training. The validation of the sustainability strategy, completed in 2015, was also accompanied by a focusing of the fields of activity. The targets set for TÜV Rheinland in the areas of energy consumption, emissions and diversity continued to determine the substantive continuation of the CSR program again in 2015.

With the refurbishment of its Group headquarters in Cologne, TÜV Rheinland is investing in a long-term and environmentally friendly infrastructure. Next to the »Seehaus« occupied since the beginning of April 2015, which received a Platinum Award from the German Sustainable Building Council (DGNB), there is an own energy facility on the grounds of the TÜV Rheinland Business Park, providing energy, heating and cooling. Comprehensive renovations of the energy infrastructure also got under way in 2015 on the »Hochhaus,« a TÜV Rheinland landmark. These measures will cut primary energy consumption at the site, together with the CO₂ emissions in which this results, by around 30%.

The Group-wide implementation of HSE (Health, Safety and Environment) management reported decisive progress in the current reporting year. A successively rolled-out software solution serves the creation of a Group-wide reporting system on the basis of which the workplace-safety concept adopted in the current financial year is implemented.

TÜV Rheinland is represented in the IFIA Council. In 2015, it was decided in the Social Compliance Auditing Committee of the IFIA that international standards should be set for the content of social audits, for the training and qualification of social auditors and for the standards of quality applicable to auditing companies. To this end, the APSCA (Association of Professional Social Compliance Auditors) was established. TÜV Rheinland supports this initiative and is an APSCA member.

The company's reputation, and hence the TÜV Rheinland brand, is one of the most important corporate assets. To retain this corporate asset, TÜV Rheinland dedicates its energies, first, within the scope of its membership in the Association of German Technical Inspection Services (VdTÜV), and secondly through creation of added transparency: TÜV Rheinland has been entered in the EU Transparency Register since 2015. The Transparency Register was created to record and control the activities of stakeholders at the European level, thereby ensuring that dialog among political decision-makers in Europe is kept open and transparent.

In 2015, TÜV Rheinland once again identified new business opportunities with regard to sustainability and environmental issues. In this connection, not only regulatory developments but also global challenges for the economy and society are contributors to the business trend. In particular, the increasing demand for solutions for a sustainable energy supply will shape the global economy. Among other things, a revised Energy Services Act went into effect in Germany in early 2015 that mandates regular energy audits for companies of a certain size. In 2015, the Industrial Services Business Stream carried out the rollout of the »Energy Audit« service, offering active support to the approx. 100,000 affected companies in Germany that conducted an energy audit for the first time. Rounding out the offer is the Energy Efficiency Index (EEI), which has been published in cooperation with partners from industry and research since 2013 and serves as a cross-industry benchmark. TÜV Rheinland offers its customers comprehensive services designed to achieve the Germany-wide savings goals for final energy.

Also increasingly important in Germany, moreover, is the issue of demographic change. With the demands placed on companies on the rise, this creates new opportunities for TÜV Rheinland in the area of demographics consulting.

OPPORTUNITY AND RISK REPORT

In connection with risk management, special attention is paid to opportunities and risks that are not explicit elements of planning. Important aspects result from TÜV Rheinland's global orientation and primarily relate to customers and markets and to legal and political framework conditions.

Opportunities are mainly associated with service innovations in individual Business Streams and Business Fields. Prominent examples of this are applications in the field of non-destructive testing, as well as the biocompatibility of medical products. Increased acquisition of major contracts, such as the monitoring of infrastructure projects together with the affected delivery chains, offers further potential. Major opportunities also exist in the continued significant growth of international markets. These markets include the Gulf region, where additional potential is tapped through a continuously expanded presence as well as ongoing diversification of the spectrum of services offered. The resulting network, which will follow globalized value chains and client demand even more closely, forms one of the most important strategic pillars of TÜV Rheinland. The institutionalized, close coordination between business-specific and regional expertise results in additional opportunities – for example, in identifying new fields of activity and the effective and efficient handling of cross-border projects. Furthermore, reducing complexity and increasing standardization in all Business Fields open up areas of potential. In addition to optimizations in sales and administration, this includes pooling operations across national borders and the use of innovative IT applications according to customer wishes.

Relevant risks initially exist based on the stability of political and social conditions and international financial systems as well as their possible impact on the economy. In this regard, the Group's increasing diversification, both geographically and with regard to the range of services offered, has a risk-reducing effect, meaning that downturns and instabilities, such as those currently occurring in Brazil, can be compensated for. Changes to the regulatory framework can result in a liberalization of markets. On the one hand, this is associated with opportunities for TÜV Rheinland. In Germany, for instance, in the

past several years the area of mobility has shown that a targeted, nationwide presence, including the provision of solutions for corporate customers in saturated markets with cutthroat competition and the risk of declining numbers, is suitable for promoting long-term success. On the other hand, this also entails risks. One example here is Spain for the Industrial Services and Mobility Business Streams. Late issuance of accreditation, or its possible withdrawal, poses a risk as well. Measures for risk management focus on the quality of services, which forms a central element of the corporate strategy. The goal is also to prevent negative repercussions for the reputation of the TÜV Rheinland brand.

Possible strains can also stem from regulatory changes as well as sector-specific developments, such as changes in customer requirements and demand in the energy sector, for instance. In addition to this, various markets also pose a challenge in terms of finding skilled workers in numbers sufficient to enable further innovation and growth or qualifying personnel while avoiding high rates of turnover. Continued consolidation in the TIC industry, combined with price and margin pressure as well as increasingly fierce competition, pose an ongoing challenge.

Risks may arise both from one's own business activities and from external factors; thus, in the case of breast implants of the French company Poly Implant Prothèse (PIP) TÜV Rheinland is mentioned – in connection with conformity assessment procedures conducted pursuant to the European Medical Devices Directive – as notified body. PIP continuously deceived the notified body TÜV Rheinland LGA Products GmbH (TRLP) by using, in some cases, a silicone gel for the production of the implants which was not approved for this purpose and was not covered by the certification by TRLP. Immediately after this case of fraud had become known in 2010 TRLP withdrew its certificates, and has furthermore taken legal action against PIP. In December 2013, the accusation of fraud was confirmed by the criminal court of Marseille in the context of the first criminal proceedings against PIP's former management; those who were primarily responsible at the company PIP were found guilty for aggravated fraud and deceit, and some of them were sentenced to several years of imprisonment. In these proceedings, in which TRLP appeared as injured party and thus as joint plaintiff, the systematic

deceit – also of the notified body TRLP – by PIP's management was established. An appeal was filed against the penalty and the legal consequences; the realisation of the fraud as such was not denied by the parties found against by the court.

Furthermore, damages claims filed against TRLP in connection with PIP breast implants were dismissed in January 2014 by the Palatinate Court of Appeals [Pfälzisches Oberlandesgericht] of Zweibrücken and by several district courts [Landgerichte] in 2013, 2014 and 2015. The German courts consistently confirmed that TRLP fulfilled the duties of a notified body responsibly and in compliance with all laws and legal norms applicable in Europe. PIP's fraudulent actions were not noticeable for a notified body, nor could they be detected with the means stipulated by the legislator. An appeal on questions of law against the decision of the Palatinate Court of Appeals of Zweibrücken was lodged before the German Federal Court of Justice [Bundesgerichtshof – BGH] of Karlsruhe; in this connection, the German Federal Court of Justice referred several questions regarding the interpretation of the Medical Devices Directive to the European Court of Justice in Luxembourg for a preliminary ruling.

In France, in 2013 a single commercial court decided differently at first instance. TÜV Rheinland had immediately lodged an appeal against this decision; the claims are unfounded since, according to the legal opinion taken by TÜV Rheinland, there is no conduct giving rise to liability. This legal opinion was confirmed in July 2015 by a judgment of the appellate court in Aix-en-Provence (Cour d'Appel d'Aix-en-Provence), and the decision of the Commercial Court of Toulon of 2013 was thus revoked. Accordingly, it was also found by the appellate court in Aix-en-Provence that TÜV Rheinland fulfilled its duties as notified body in line with the applicable laws and norms; this judgment is thus consistent with the decisions of the Marseilles Criminal Court and the judgments of German courts.

Using systematic risk management, the aforementioned risks can be made more manageable or rather the undesirable effects thereof weakened. Due to the integration of risk management into TÜV Rheinland's management information system, risk is controlled by appropriate evaluation consistently in all companies and Business Streams as well as at the Group level.

Targeted countermeasures are undertaken comprehensively at an early stage to minimize risks and strengthen opportunities. This applies not only to market, customer and competition issues but also to internal processes in particular, such as systematic integration following M&A transactions. Continuous tracking of measures and updating of opportunity and risk reports in the course of the year are obligatory. The Executive Board has set up a risk unit to which the Compliance, Controlling, Finance, Quality Management, Legal, Corporate Audit, and Insurance Divisions belong. Its task is to analyze and evaluate opportunities and risks.

TÜV Rheinland counteracts liquidity risk by means of active financial management, the overriding objective of which is to ensure solvency at all times. Specifically, this includes systematic working capital and treasury management. The latter particularly includes implementing cash pooling and in-house banking. Financial derivatives are used to hedge currency and interest-rate risks.

As far as possible, risks are hedged by taking out specific insurance coverage to minimize their financial consequences up to a defined deductible.

OUTLOOK

Future Economic Outlook: Forecast 2016 to 2017

Economic Development in the Region	2016	2017
Worldwide	Moderate growth	Moderate growth
USA	Positive trend	Positive trend
Europe	Sustained, slight growth	Sustained, slight growth
Germany	Sustained, slight growth	Sustained, slight growth
BRICS	Heterogeneous trends	Heterogeneous growth

The outlook for the global economy is significantly influenced by the sustained decline in the price of oil, a lasting slowdown in growth in the Chinese economy, and the weakening economy in some emerging markets. The economic experts at the International Monetary Fund forecast 3.4% overall growth in global gross domestic product

for 2016, but the growth forecast has been further scaled back in light of the existing risks. Highly heterogeneous developments are expected to result in particular from the differential impact of the decline in oil prices on the economies of oil-exporting and oil-importing countries.

The USA is expected to achieve stable growth of 2.6% in 2016 and 2017. The basis for this can be seen in the positive jobs-market situation and rising domestic demand. Despite the turnabout in interest-rate policy introduced by the Fed, still-favorable financing conditions provide additional thrust. Stronger growth is prevented by subdued dynamics in exports due to the likelihood of the continued strength of the dollar.

Further stabilizing in the Eurozone means that this region is no longer viewed as the problem child of the world economy. The situation in the crisis countries of Spain, Portugal and Greece appears to be consolidating further. Given the slightly stabilized employment situation and low energy costs, consumption represents the mainstay for expansion. The level of investment is also favored by the strongly expansionary monetary policy of the ECB. In spite of devaluation of the euro, however, exports cannot provide decisive impetus for growth, as the cyclical weakness of emerging markets and declining growth in China will outweigh other factors.

The favorable economic conditions can be expected to chart a sustained path to growth for the German economy. Despite a strong export orientation, for Germany, as for the Eurozone, private and state consumption are expected to serve as the engine for the economy. Under this scenario, domestic demand benefits from rising real incomes and unattractive interest rates for savers. Continued weakness of the euro and favorable longer-term oil prices bolster exports; the darkening outlook for the sales markets of China and some of the emerging economies, however, stand in the way of a further economic upturn. All in all, German gross domestic product is expected to grow by 1.7% in 2016.

On the whole, Asian economic output will continue to grow at a robust rate. Nevertheless, a sustained slowdown in the high rates of growth is expected for the Chinese market – the main engine of global economic growth – as the result of structural change. Economists are forecasting a further increase in economic dynamics for India, on the other hand.

Due to dropping oil prices and high levels of political uncertainty, Brazil and Russia will not be able to exit the recession phase, at least not in the short term. The economies in these countries are expected to begin cautiously stabilizing again until 2017.

The latest economic forecast is based on a number of key factors. Risks are seen particularly when unexpected developments occur. An unexpected rise in the price of oil, for instance, or turmoil on global financial markets, could lead to lowered expectations. Geopolitical tensions or a continued increase in the threat of terror could hamper the global economy as well.

TÜV Rheinland AG Group Outlook

Against the backdrop of stable to slightly upward economic growth, in 2016 the TÜV Rheinland AG Group expects an increase in revenue and a significant improvement in the EBIT margin, which stood at 5.4% in 2015 and was still burdened by special items.

In this setting, the TÜV Rheinland Group is expected to experience moderate organic growth in overall revenue. Corporate acquisitions can further strengthen this development. The focus, however, will be upon improvement in EBIT margin and cash flow.

The Industrial Services Business Stream forecasts ultimately stable revenue at prior-year levels. While most of the working areas in the solid home market of Germany are forecast to deliver encouraging rates of growth, a further and considerable decline in revenue is expected in Brazil. The areas of Supply Chain & Integrity Services, Elevator, Conveyor & Machine Technology as well as Materials Testing and Non-Destructive Testing lead the way in terms of growth. The highest rates of growth are expected in IMEA, North America and Greater China.

Revenue for the Mobility Business Stream will increase yet remain below the growth rate of the previous year. The Business Fields of Engineering & Type Approval as well as Car Services & Appraisal and Rail, which will also increase internationally, will contribute to this. Above-average revenue growth is expected mainly in Greater China.

Following the considerable increase in revenue the previous year, the Products Business Stream unit forecasts higher revenue growth, yet slightly lower than the previous year. This applies to business in Germany as well as the international regions. After IMEA, North America and Greater China also anticipate clearer revenue growth. Growth will increase in nearly all of the Business Fields, particularly in Softlines, Solar and Medical. The services in the innovation fields of Wireless Communication, LED and Smart Grid will also provide additional impetus for growth in 2016.

The Academy & Life Care Business Stream expects an increased sales volume in 2016. In Germany, this applies to all of the Business Fields within the Business Stream. Internationally, the occupational safety and health projects with major clients will move forward, as will the training business in IMEA, Greater China and Western Europe.

Growth for the ICT & Business Solutions Business Stream will be significantly slower in 2016 than in the previous year. On the one hand, significant revenue growth is still expected in the IT Services & Cyber Security Business Field. On the other hand, the Management Consulting and Business & Engineering Services will consolidate in 2016. The focus for 2016 is on substantial improvement in the profit margin. The share of international business, particularly in the USA, will increase significantly.

The Systems Business Stream, which is oriented toward accredited and non-accredited certification of management systems, expects revenue growth on the same order of magnitude as the previous year. This applies to Germany and all international regions. In addition to established standards, particular focus is placed on non-accredited customized services. The worldwide installation of ICMS, the process standard software, will contribute to further development of the Business Stream.

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EVENTS AFTER THE REPORTING PERIOD

There are no events of special significance after the end of the financial year that have a significant impact on the course of business.

Cologne, March 17, 2016

Executive Board

Dr.-Ing. Michael Fübi
Chief Executive Officer

Thomas Biedermann
Chief Human Resources Officer and
Director of Industrial Relations

Vincent Giesue Furnari
Member of the Executive Board (from August 1, 2015)
Chief Financial Officer (from September 1, 2015)

Ralf Scheller
Chief International Officer

Stephan Schmitt
Chief International Officer

INCOME STATEMENT

In '000 €	2014	2015
Revenues	1,731,161	1,880,970
Inventory changes	176	378
Cost of purchased services	-272,334	-313,062
Operating performance	1,459,003	1,568,286
Personnel expenses	-972,312	-1,051,804
Amortization of intangible assets and depreciation of property, plant, and equipment	-62,286	-68,963
Other expenses	-358,811	-423,566
Other income	44,625	77,440
Operating result	110,220	101,394
Interest income	13,107	9,318
Interest expenses	-33,982	-26,284
Other financial result	-406	-591
Financial income	-21,281	-17,557
Earnings before tax	88,938	83,837
Income taxes	-34,652	-35,972
Consolidated net income	54,287	47,865
Thereof attributable to:		
TÜV Rheinland Aktiengesellschaft equity holders	47,714	40,186
Non-controlling interests	6,573	7,679
Earnings per share (in €)	1,363	1,148

BALANCE SHEET

In '000 €	12-31-2014	12-31-2015
Assets		
Intangible assets	346,248	358,619
Property, plant, and equipment	425,652	445,824
Investment accounted for using the equity method	2,829	2,971
Other financial assets	287,005	287,298
Other non-current assets	17,102	15,423
Deferred tax assets	87,875	80,159
Non-current assets	1,166,711	1,190,294
Inventories	3,227	2,993
Trade receivables	341,356	339,424
Income tax receivables	8,629	13,960
Other receivables and other current assets	87,312	78,161
Cash and cash equivalents	153,961	200,970
Current assets	594,484	635,507
Total assets	1,761,195	1,825,801
Equity and liabilities		
Issued capital	35,000	35,000
Capital reserves	23,802	23,802
Other reserves	216,553	255,861
Non-controlling interests	19,860	23,285
Equity	295,215	337,948
Provisions for pensions and similar obligations	744,443	716,470
Other non-current provisions	16,407	14,976
Non-current liabilities	308,245	275,206
Deferred tax liabilities	20,317	17,595
Total non-current liabilities	1,089,411	1,024,246
Current provisions	71,651	81,645
Income tax liabilities	5,956	3,830
Trade liabilities	126,360	163,680
Other current liabilities	172,603	214,451
Total current liabilities	376,569	463,606
Total equity and liabilities	1,761,195	1,825,801

INDEPENDENT ASSURANCE REPORT¹

To the Executive Board of TÜV Rheinland AG, Cologne

We have performed an independent limited assurance engagement on the qualitative and quantitative sustainability information in the chapter »Corporate Social Responsibility« in the Corporate Report 2015 (further »Report«) for the business year 2015 of TÜV Rheinland AG Group, Cologne (further »TÜV Rheinland«).

It was not part of our engagement to review product or service related information, references to external information sources, expert opinions and future-related statements in the Report.

MANAGEMENT'S RESPONSIBILITY FOR THE REPORT

The legal representatives of TÜV Rheinland are responsible for the preparation of the Report in accordance with the principles and standard disclosures of the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative, in combination with internal guidelines, as described in the section »About this report« (further: »Reporting Criteria«).

This responsibility includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual qualitative and quantitative sustainability disclosures which are reasonable under the circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Report in a way that is free of – intended or unintended – material misstatements.

INDEPENDENCE AND QUALITY ASSURANCE ON THE PART OF THE AUDITING FIRM

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA-Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The quality assurance system of the KPMG AG Wirtschaftsprüfungsgesellschaft is based on the International Standard on Quality Control 1 »Quality Control for Audit, Assurance and Related Service Practices« (ISQC 1) and, in addition on national statutory requirements and professional standards, especially the Professional Code for Certified Accountants as well as the joint statement of WPK (Chamber of Public Accountants) and IDW (Institute of Public Auditors in Germany): Requirements for quality assurance in the auditing practice (VO 1/2006).

PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a conclusion based on our work performed and the evidences obtained on the qualitative and quantitative sustainability disclosures included in the scope of this engagement.

NATURE AND EXTENT OF THE ASSURANCE ENGAGEMENT

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): »Assurance Engagements other than Audits or Reviews of Historical Financial Information« and the International Standard on Assurance Engagements (ISAE) 3410: »Assurance Engagements on Greenhouse Gas Statements« of the International Auditing and Assurance Standards Board (IAASB). These standards require that we comply with our professional duties and plan and perform the assurance engagement to obtain a limited level of assurance to preclude that the information above is not in accordance, in material respects, with the aforementioned Reporting Criteria. In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. The choice of audit activities is subject to the auditor's own judgement. This includes the assessment of the risk of material misstatement in the Report under consideration of the Reporting Criteria.

¹ Our engagement applied to the German version of the Corporate Report 2015. This text is a translation of the Independent Assurance Report issued in German language, whereas the German text is authoritative.

Within the scope of our work, we performed amongst others the following procedures when conducting the limited assurance engagement:

- A risk analysis, including a media search, to identify relevant information on TÜV Rheinland's sustainability performance in the reporting period.
- Evaluation of the design and implementation of the systems and processes for the collection, processing and control of qualitative and quantitative sustainability disclosures included in the scope of this engagement, including the consolidation of the data.
- Interviews with personnel on group level responsible for providing the data and information, carrying out internal control procedures and consolidating the data and information.
- Evaluation of internal and external documentation, to determine whether the sustainability disclosures are supported by sufficient evidence.
- An analytical review of the data and trend explanations submitted by all subsidiaries for consolidation at group level.
- Visit to the headquarters in Cologne (Germany) and video conference with the subsidiary TÜV Rheinland do Brasil Ltda. (Brazil) to assess local data collection and reporting processes and the reliability of the reported data.
- Evaluation of the overall presentation of the selected qualitative and quantitative sustainability disclosures included in the scope of this engagement.

CONCLUSION

Based on the procedures performed and evidences received, nothing has come to our attention that causes us to believe that the qualitative and quantitative sustainability information in the chapter »Corporate Social Responsibility« for the business year 2015, published in the Report, are in all material respects not prepared in accordance with the Reporting Criteria.

RECOMMENDATION

Without affecting the conclusion presented above, we recommend TÜV Rheinland to further formalize the data collection processes and to extend the scope of collected data within Germany and worldwide.

This assurance report is issued based on an assurance engagement agreed upon with TÜV Rheinland. The assurance engagement to obtain limited assurance is issued on purpose of TÜV Rheinland and the assurance report is solely for information purposes of TÜV Rheinland on the results of the assurance engagement. This assurance report must not be used as basis for (financial) decision-making by third parties of any kind. We have responsibility only towards TÜV Rheinland. We do not assume any responsibility for third parties.

Düsseldorf, 21. April 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft

Simone Fischer
Wirtschaftsprüferin
[German Public Auditor]

ppa. Carmen Auer

ABOUT THIS REPORT

G4-18, G4-22, G4-23 In 2015, the TÜV Rheinland Corporate Report once again contains the Financial Report and the Sustainability Report. The Corporate Report is based on the internationally recognized IFRS and Global Reporting Initiative (GRI) reporting standards, the principles of the UN Global Compact, as well as the anti-corruption guidelines of the UN and Transparency International, and encompasses the consolidated companies that are also included in the consolidated financial statements.

The present Sustainability Report was compiled »in accordance« with the GRI G4 guidelines – »Core« option. Topics of essential importance to TÜV Rheinland and the stakeholders were examined in the context of a systematic materiality analysis (see pp. 51–53 of the report). All essential elements are listed in the GRI G4 Content Index. The report was submitted to the GRI Materiality Disclosure Service and GRI confirmed the position of the G4 Materiality Disclosures (G4-17–G4-27). Our reporting activities are also carried out in accordance with the COP Advanced Level of the UN Global Compact.

The most recent previous Corporate Report was published in April 2015. The Corporate Report will continue to be published on an annual basis in the future.

METHODOLOGY USED IN THE REPORT

The reporting period is the 2015 business year. If, at the time of publication (deadline: March 4, 2016), certain final figures for 2015 were not yet available, comparable annual figures from 2014 were used.

ENVIRONMENTAL INDICATORS

German Companies:

Since the 2013 reporting year, data collection has been limited to 29 main locations, covering approx. 60% of employees in 2015. The data collected were then projected for the entire workforce in Germany, and the figures were rounded up or down. This was performed on the basis of per-capita figures. Other bases for calculation are stated separately. Several figures were newly aggregated and calculated with average figures for the year. Although some details are lost in the process, it permits reliable long-term comparisons and goals to be formulated. Estimates and assumptions are identified as such.

International Companies:

To achieve global coverage of key figures relevant to environmental impact, data were collected from all seven TÜV Rheinland regions. Each of the international companies with an environmental or an occupational health and safety management system in place, or with more than 50 employees, was considered at the company level. This resulted in data collection for our foreign subsidiaries which allowed us to cover at least 45% of employees. With regard to key environmental figures (such as electricity consumption and airline travel), coverage actually stands at 84% of employees. The data collected were then projected for the entire workforce of the international subsidiaries, and the figures were rounded up or down accordingly. In this context, the annual average FTE (full-time-equivalent) value was used. Other bases for calculation are stated separately.

KEY EMPLOYEE FIGURES

Furthermore, unless described as per-capita data, all disclosures on employee structure are based on FTE (full-time-equivalent) figures. Both varieties of disclosure represent closing-date disclosures (December 31, 2015), unless otherwise stated. The data collected covers over 90% of the total.

GRI G4 CONTENT INDEX



G4 Indicators and Description		Corporate Report and Web References	Comments
STRATEGY AND ANALYSIS			
G4-1	Foreword by the Chairman of the Board of Management	2–3	
G4-2	Key impacts, risks and opportunities	50, 58, 62, 66–68, 98–101	
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization		TÜV Rheinland AG
G4-4	Primary brands, products and services	K2, 21–27, 91–96 www.tuv.com	
G4-5	Location of organization's headquarters		Am Grauen Stein, 51105 Cologne
G4-6	Countries where the organization operates	78–79, 85–87	
G4-7	Nature of ownership and legal form	91–96, 114, see Corporate Report 2014, 154–157	
G4-8	Markets	80–84 www.tuv.com	
G4-9	Scale of the organization	K2, 96–104	
G4-10	Total workforce	53–54, 65	The workforce figures are not subject to seasonal variations. 86 percent of our workforce comprises permanent employees. 66 percent of those permanent employees are male (54% of temporary employees are male).
G4-11	Employees covered by collective bargaining agreements		The compensation for about 70 percent (per-capita disclosures as of the reporting date on December 31, 2015) of our employees in Germany is subject to a collective bargaining agreement.
G4-12	Description of supply chain	53–54	
G4-13	Significant changes in the organization's size, structure or ownership	78–79	
G4-14	Explanation of how the precautionary principle is addressed	50, 97–99	
G4-15	Participation in and endorsement of externally developed charters, principles and initiatives	50, 98–99	
G4-16	Important memberships	54	
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	All entities included in the organization's consolidated financial statements	http://www.tuv.com/media/en/germany/nachhaltigkeit/pdfs/consolidated_companies.pdf	
G4-18	Process for defining the report content	51, 108	
G4-19	Material aspects	53	
G4-20	Material aspects within the organization	53	
G4-21	Material aspects outside the organization	53	
G4-22	Effects of any re-statements of information	108	
G4-23	Changes in the scope, boundary or measurement methods	108	

G4 Indicators and Description		Corporate Report and Web References	Comments
STAKEHOLDER ENGAGEMENT			
G4-24	Overview of stakeholder groups	50, 51	
G4-25	Basis for identification of stakeholder groups	50	
G4-26	Engagement of stakeholder groups	50	
G4-27	Consideration of key concerns raised by stakeholder groups	51, 53	
REPORT PROFILE			
G4-28	Reporting period	108	
G4-29	Date of most recent previous report	108	
G4-30	Reporting cycle	108	
G4-31	Contact point	U3	
G4-32	GRI G4 Content Index	109–113	
G4-33	External assurance for the report	106–107	
GOVERNANCE			
G4-34	Governance structure of the organization	54, 55–56	
ETHICS AND INTEGRITY			
G4-56	Values, principles and code of conduct	41–47, 56–57, 98	
ECONOMICS			
	Management Approach	50, 52	
Economic Performance Indicators			
G4-EC1	Direct economic value generated and distributed	72–75, 85–88, 90–91	
G4-EC3	Coverage of the organization's defined-benefit plan obligations	88–90, 105	
Indirect Economic Impacts			
G4-EC8	Significant indirect economic impacts, including the extent of impacts	50–54	
Procurement Practices			As a service provider, purchasing products is less relevant and primarily concerns office supplies.
ENVIRONMENT			
	Management Approach	50, 52, 66	
Materials			We only use a negligible amount of materials to provide our services. Therefore, this aspect is not material.
Energy			
G4-EN3	Energy consumption within the organization	68, 70–71, 108	We do not indicate any differentiation between renewable and non-renewable sources.
G4-EN5	Energy intensity	66, 71	
G4-EN6	Reduction of energy consumption	66–68, 70	
Water			When compared with classical industrial companies, we only use a negligible amount of water to provide our services. Therefore, this aspect is not material.
Biodiversity			As a service provider our business activities do not harm the environment any more than other urban development areas. Therefore, this aspect is not material.

G4 Indicators and Description		Corporate Report and Web References	Comments
Emissions			
G4-EN15	Direct greenhouse gas emissions – Scope 1	71	The GWP factors for EN15, EN16 and EN17 are derived from: http://ow.ly/ZgdPG
G4-EN16	Indirect greenhouse gas emissions – Scope 2	71	
G4-EN17	Other indirect greenhouse gas emissions – Scope 3	70	Our business activities produce only CO ₂ emissions but no other relevant Greenhouse gas emissions.
G4-EN18	Greenhouse gas emissions intensity	66, 71	
G4-EN19	Reduction of greenhouse gas emissions	66, 71	For some initiatives, the direct emissions savings cannot yet be quantified.
Effluents and Waste			
Products and Services			
Compliance			
G4-EN29	Fines for non-compliance with environmental laws and regulations		We are not aware of any such breaches and resulting fines across the entire Group in the reporting year.
Transport			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials, and transporting members of the workforce	69–71	Due to our business model, the data relate only to the transport of our employees. The data are available only for Germany.
Supplier Environmental Assessment			
Environmental Grievance Mechanisms			
G4-EN34	Formal grievances about environmental impacts		No grievances were filed in the reporting year.
LABOR PRACTICES AND DECENT WORK			
Management Approach		50, 52, 58	
Employment			
G4-LA1	Employee turnover	65	New employees and regional turnover rates are not recorded.
Occupational Health and Safety			
G4-LA5	Workforce representation in health and safety committees		In Germany, we evaluate the effectiveness of our occupational health and safety measures using, among other things, a network of Business-Stream-specific occupational safety committees (OSC). All of our employees in Germany are represented by these committees.
G4-LA6	Injuries, occupational diseases and work-related accidents	64	For the comparability of the data, the reportable accidents and lost workday figures from 2014 were adjusted to the same basis as the data from 2015 (per 1000 employees). In the reporting year, no occupational diseases were reported in Germany. Records do not differentiate between men and women.

G4 Indicators and Description		Corporate Report and Web References	Comments
Training and Education			
G4-LA9	Training and Education	65	All of our employees have access to training and continuing education. Differentiation between men and women or between employee categories is of no relevance.
G4-LA10	Programs for skills management and lifelong learning	30–37, 62–63	
G4-LA11	Regular performance and career development reviews	59	Every year, we have a discussion with our top-level managers in a so-called Management Review, which also examines, among other things, succession and potential candidates. In Germany, our employees in some areas have the possibility, in addition to the structured performance review, which is mandatory across all levels of the company, to participate in a goal agreement/performance evaluation meeting.
Diversity and Equal Opportunity			
G4-LA12	Composition of governance bodies	3, 65	All members of the Executive Board are male and German. Three members are between 30 and 50 years old, two members are over 50 years of age.
Equal Remuneration for Women and Men			
G4-LA13	Equal Remuneration for Women and Men		At TÜV Rheinland, an employee's wage is oriented on the employee's work activities, qualifications, and professional experience.
Supplier Assessment for Labor Practices			As a service provider, purchasing products is of minor significance. For that reason, supplier management was assessed as less relevant.
Labor Practices Grievance Mechanisms			
G4-LA16	Formal grievances about labor practices		No grievances were filed in the reporting year.
HUMAN RIGHTS			
Management Approach			Due to the nature of our business activities, there is no relevant compliance risk with regard to human rights in the performance of our activities. Nonetheless, human rights are an integral part of our guidelines and a regular subject of compliance trainings.
Non-Discrimination			
G4-HR3	Incidents of discrimination and actions taken		In the year under review, there was one accusation of discrimination, which could be resolved in a discussion between the employee, Human Resources and the Works Council.

G4 Indicators and Description		Corporate Report and Web References	Comments
SOCIETY			
	Management Approach	50, 52, 72	
Local Communities			
G4-SO1	Measures for local community engagement, impact assessments and development programs	72–75	To date, we have not conducted any impact analyses or environmental impact assessments.
Anti-Corruption			
G4-SO3	Business units analyzed for risks related to corruption	56–57, 97–98	
G4-SO4	Percentage of employees trained in anti-corruption policies and procedures	56	
G4-SO5	Incidents of corruption and actions taken	57	
Anti-Competitive Behavior			
G4-SO7	Legal actions for anti-competitive behavior		We are not aware of any legal actions taken against us for anti-competitive behavior in the reporting year.
Compliance			
G4-SO8	Penalties for non-compliance with laws and regulations	57	
Supplier Assessment for Impacts on Society			
Grievance Mechanisms for Impacts on Society			
G4-SO11	Formal grievances about impacts on society		No grievances were filed in the reporting year.
PRODUCT RESPONSIBILITY			
	Management Approach	50, 52, 98–99	
Customer Health and Safety			
G4-PR1	Significant product and service categories for which health and safety impacts are assessed		Analyzing products and services with regard to their effects on health, safety, and the environment is TÜV Rheinland's core area of expertise. An overview of our services can be found at www.tuv.com
Product and Service Labeling			
G4-PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information		We are not aware of any incidents of non-compliance in the reporting year.
Customer Privacy			
G4-PR8	Complaints regarding customer data privacy		There were no legitimate complaints relevant to breaches of customer privacy or losses of customer data during the period under review. Our Group quality management system includes a data privacy management system. In that context, the first Group companies are already certified according to ISO 27001 (information security).
Compliance			
G4-PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services		No significant fines for non-compliance with laws concerning the provision and use of products and services were issued.

ORGANIZATION OF TÜV RHEINLAND

TÜV Rheinland is organized in the form of a matrix with six global business areas and regionally in eight regions. The responsibility for results lies with the global heads of the Business Streams. The regional heads are the top representatives of TÜV Rheinland in the respective regions and coordinate activities there which concern all Business Streams. The heads of the Business Streams and of the regions prepare the content of important decisions of the Executive Board together; they reach agreement in the Group Executive Council, the

top operative management team of TÜV Rheinland AG under the Executive Board. The operational parent company is TÜV Rheinland AG, the shares of which are entirely in the possession of TÜV Rheinland Berlin Brandenburg Pfalz e.V. In accordance with Germany's right of co-determination, employees are represented by staff representatives on the Supervisory and Management Boards.

BUSINESS STREAMS



Industrial Services
Dr. Hans Berg



Mobility
Prof. Dr. Jürgen Brauckmann



Products
Holger Kunz



Academy & Life Care
Markus Dohm



ICT & Business Solutions
Olaf Siemens



Systems
Michael Wepler

REGIONS



**Western Europe
Central Eastern Europe**
Petr Lahner



**Asia Pacific
India, Middle East, Africa**
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Greater China
Ralf Scheller



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