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Press Release

TÜV SÜD Annual Results Press Conference

7 May 2024

TÜV SÜD: revenue exceeds 3-billion-euro mark for the first time

Munich. TÜV SÜD safeguards safety, security and sustainability. In 2023, the internationally operating service provider increased its revenue by 9.6 per cent year on year to approx. EUR 3.1 billion and thus exceeded the 3-billion-euro mark for the first time, while earnings rose by 11.6 per cent to EUR 217.7 million. TÜV SÜD's global workforce totalled almost 28,000 employees in 2023, nearly half of them outside Germany.

- Robust business model: EUR 3.139 bn in revenue, EUR 217.7 m in earnings (EBIT)
- Growth across all segments and all regions
- Investment in the future: EUR 180.5 m for innovative solutions and testing infrastructure
- Eyes firmly fixed on growth markets: digitalisation and sustainability



TÜV SÜD is among the leading international providers of testing, inspection and certification (TIC) services. “The 2023 financial year was a highly satisfactory one”, announced Dr Johannes Bussmann, Chairman of the Management Board of TÜV SÜD AG, at the company's Annual Results Press Conference in Munich. “Our business model has proved its resilience even under challenging political and economic framework conditions.” The company has successfully pursued a growth course for many years. The most important

requirements to achieve this are the ongoing alignment of its service portfolio to meet current challenges, and the development of innovative solutions for future-facing topics including digitalisation and sustainability.

In 2023, TÜV SÜD's revenue rose by 9.6 per cent to a total of EUR 3.139 billion, taking the international service provider's revenue over the 3-billion mark for the first time. Earnings (EBIT) were likewise positive, increasing by 11.6 per cent year on year to reach EUR 217.7 million. To continue its successful trajectory, in 2023 TÜV SÜD invested over EUR 180 million in the development of digital and AI-based services, in the modernisation and

expansion of its global laboratory facilities – with new laboratories opened in locations including China, India and the USA – and in training and further professional development for its workforce. As a further focus of investment, the company embraced sustainability in areas such as new-build projects and modernisation of existing premises.

Solid growth on a broad base

“From a commercial perspective, TÜV SÜD can likewise look back on 2023 with satisfaction”, declared Prof. Matthias J. Rapp, CFO of TÜV SÜD AG, noting that the company’s growth had been achieved by contributions from all its segments and regions. The three segments of TÜV SÜD – INDUSTRY, MOBILITY and CERTIFICATION – each account for around one-third of corporate revenue. “2023 saw all three segments break the one-billion-euro barrier”, said Prof. Rapp. The workforce of some 7,300 employees in the INDUSTRY segment generated revenue of EUR 1,033 million, a year-on-year increase of 7.4 per cent. The Chief Financial Officer also commended the impressive performance of the 6,500-plus employees in the MOBILITY segment, who generated revenue of EUR 1,073 million – a two-digit rise of 13.5 per cent. The 8,900 employees in the CERTIFICATION segment generated revenue of approximately EUR 1,051 million, representing an increase of 7.9 per cent.



TÜV SÜD achieved global growth across all regions. Its EUROPE region, comprising Europe including Germany, once again achieved the highest revenue in 2023. Professor Rapp outlined, “Our EUROPE region accounted for over three-quarters of our corporate revenue in 2023, at EUR 2,402 million.” The AMERICAS region delivered significant revenue growth. This was primarily attributed to positive developments in the field of industry services, in which revenue rose by 11.6 per cent to EUR 198 million. Continued growth was likewise reported by the ASIA region, with revenue increasing by 4.2. per cent to EUR 539 million. Product testing and certification activities were the foremost growth drivers in that region.

The CFO expressed his confidence and optimism in the future, announcing, “We expect that all our segments will continue along their growth trajectory throughout the year. We will continue to make targeted investments in order to steer our company and our business into a sustainable future.” To pursue this aim, 2023 saw the establishment of a Sustainability Office, which designs and drives TÜV SÜD’s internal sustainability activities and development of sustainable service products.

Digitalisation and energy efficiency of buildings

“Our goal is to be our customers’ partner of choice in sustainability-related issues. However, we can only achieve this by ensuring our own actions are sustainable”, stressed Dr Busmann. “With this in mind, we are working intensively on reducing our emissions - for example, by improving the energy efficiency of our buildings and future-proofing our purchasing and procurement operations.”

All the company’s large-scale new-build projects in recent years – including Algorithmus, on which construction is currently under way at the location of the TÜV SÜD headquarters – comply with the highest possible energy standards in effect at the time of building. In fact, Algorithmus was recently awarded preliminary certification confirming its compliance with the highest level of the standards of the German Sustainable Building Council (DGNB); final certification will follow upon completion of the building in 2025. However, TÜV SÜD’s sustainability activities are by no means limited to flagship projects of this kind; during the course of 2024 alone, photovoltaic systems will be installed at a further 14 business locations, while a new vehicle testing centre under construction in the town of Muensingen in the German state of Baden-Wuerttemberg features an all-timber design and will incorporate an innovative energy concept and cutting-edge testing technology. The centre will serve as the prototype for a modernisation programme of all test centres throughout Germany.

“We are also using the Algorithmus building as a pilot for trialling digitalisation for construction projects; this enables us to hone our own services in the field, spanning digital planning, simulation-based energy optimisation, the use of digital tools during the construction phase and, finally, the setup of a digital twin for subsequent building operation”, said Dr Busmann. TÜV SÜD’s extensive portfolio of services supports the entire real estate sector in its drive to boost sustainability and includes certification to recognised sustainability standards such as BREEAM, DGNB and LEED as well as the [Green Building Calculator](#), which provides an initial estimate of a building’s sustainability and of the impact of refurbishment measures on future energy costs.

Renewable energy sources and hydrogen

In addition to improvement of buildings’ energy efficiency and sustainability, continued expansion of renewable energy sources and rapid establishment of a hydrogen economy are critical factors for limiting the negative impacts of climate change and shaping a sustainable future. “TÜV SÜD has supported the expansion of renewable energies for many years, providing comprehensive services in areas including wind power, photovoltaics, and battery

and storage technology”, stressed Dr Bussmann. “In addition, we support the establishment of a hydrogen economy by providing groundbreaking solutions along the entire supply chain.”

For example, in 2023 TÜV SÜD introduced BlueHydrogen certification for low-carbon hydrogen alongside its proven GreenHydrogen standard, and expanded the scope of its H₂-Readiness certification for power stations and their components to cover engine-powered plants. The experts at the company’s laboratories in Frankfurt and Garching near Munich also test the hydrogen compatibility of materials and components used for purposes such as vehicles and hydrogen fuelling stations. TÜV SÜD also provides support for manufacturers of hydrogen-powered vehicles throughout the entire approval process, covering testing and certification of fuel cell systems as well as individual and prototype approvals within the homologation process.

Standards and transparency

“To ensure sustainability is truly successful, we need uniform standards and a high level of transparency that is underpinned by independent testing and certification”, stressed Dr Bussmann. As an impartial third party, TÜV SÜD conducts carbon-neutrality verification to the recognised PAS-2060 standard and validates carbon footprints in accordance with the ISO 14064 and 14067 standards.

The acquisition of Ruby Canyon Environmental in the USA and Ruby Canyon Mexico enabled the company to expand its resources in the area of validation and verification of climate change projects, a strategy further bolstered by its acquisition of the US company Forest Resource Solutions and Technologies in the current year. Certificates from such projects can be used by companies to voluntarily offset their unavoidable carbon emissions. Only projects that meet the conditions of recognised standards such as the Verified Carbon Standard or Gold Standard can be considered for offsetting.

Cybersecurity and artificial intelligence

A further focus of innovation at TÜV SÜD involves the development and advancement of digitalisation-related services. “Our operations in this field include provision of solutions that protect organisations, critical infrastructure and installations subject to periodic inspections from cyberattacks, and support with the use of artificial intelligence (AI) in a variety of fields”, explained Dr Bussmann. He pointed out that the introduction of AI will bring radical change to many industries, and that trust in this disruptive technology is an essential precondition for the trend.

Given this at TÜV AI.Lab TÜV SÜD works with the TÜV-Verband and other TÜV companies to develop fundamental principles and tools that support comparability in artificial intelligence testing, based on sources including the European Union's upcoming AI Act. In addition, the experts at TÜV SÜD have drawn up a "quality framework" that already enables quality analyses, risk assessments and conformity assessments in the AI environment to be conducted. It is based on the requirements set out by CertifAIEd™, the world's first certification programme for assessing ethical aspects of AI systems.

Alongside providing services for an increasingly digitalised world, TÜV SÜD also makes the most of digitalisation in developing its own services. The company's experts work with other leading organisations, including Microsoft and dSpace, on projects such as Digital Loop, a concept for the automotive industry that supports homologation of vehicle software updates, and TÜV SÜD Lift Manager, an AI-powered solution for lift inspection that supports efficient, cost-optimised predictive maintenance.

"Our development of innovative solutions and processes and our work as members of national and international boards and committees highlight our ability to understand cutting-edge technical developments and social requirements, and to transform them into concrete services", stressed Dr Bussmann. "In a world that is constantly changing, this ability is key to ensuring TÜV SÜD continues to stand for safety, security and sustainability – now and in the future."

More information available on the Internet:

- Content from the digital press pack and high-resolution photos are available at www.tuvsud.com/en/press-and-media/press-conference
- Annual Report at annualreport.tuvsud.com
- Summarised biographies of the Board of Management members at www.tuvsud.com/en/about-us/leadership

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