

Environmental, social and ethics report

This report describes the nine topics that are material for us and assigns them to the pillars Customers, Employees, Environment and Compliance. It explains the key indicators, targets and management approach for each topic and how each of these developed during the reporting period.

Information on the legal provisions

This report was drawn up with reference to the GRI standards (Global Reporting Initiative standards) and meets the non-financial reporting requirements of the Swiss Code of Obligations (art. 964 ff. CO).

This environmental, social and ethics report provides an account of environmental matters, especially CO₂ reduction, social matters, employee matters, respect for human rights and combating corruption. The report goes into more detail on the concepts pursued, the situation at Bucher Industries and the impact its activities have as well as the measures taken in response to these concerns.

The environmental, social and ethics report was approved by the board of directors on 25 February 2025 and will be presented to the annual general meeting for approval on 16 April 2025.

Well-established sustainability management

The sustainability strategy and the information listed below cover the topics defined by Bucher Industries as material, including climate. Sustainability is well established in our organisation, and the responsibilities are clearly set out at all levels and closely linked with our strategy. The board of directors is responsible for developing the sustainability strategy and policies, and receives regular updates from group management on material developments and progress in relation to the specified sustainability targets. The oversight of non-financial reporting has been delegated to the audit committee, while implementation has been delegated to the members of group management. Specific targets for the implementation of the Group-wide sustainability strategy have been set for the members of group management. Target achievement is monitored and is reflected in the managers' remuneration. The Group's interdivisional ESG team is involved in developing and implementing the sustainability strategy and policies, and works together with the divisions. Group management receives updates on current developments and projects at regular meetings.

Further information about the business model, strategic process and risk management can be found in the annual report in the section "Bucher at a glance".

We see nine topics as being material for us in the area of the environment, social affairs and ethics, and we have assigned these to the four pillars of Customers, Employees, Environment and Compliance. See the following illustration for details.

Environment, social affairs and ethics**Customers**

- Valuable customer relationships
- Innovative products and optimal solutions
- Customer health and safety

**Employees**

- Positive working environment
- Qualified employees

**Environment**

- Resource efficiency of production with a focus on the reduction of CO₂ emissions
- Environmental impact of our products and services

**Compliance**

- Compliance with laws and regulations
- Supply chain – sound procurement practices

Management process with respect to opportunities and risks

The sustainability strategy considers short-term (1 year), medium-term (2–5 years) and long-term (5 or more years) opportunities and risks. Bucher Industries has an established management process with respect to opportunities and risks that encompasses both environmental aspects, including climate-related aspects, and social aspects. The process involves systematic identification, evaluation, action planning and monitoring of opportunities and risks by the divisions and group management. A description of the process can be found on page 15. Bucher Industries includes environmental and social issues that have a significant impact on its financial situation in its annual financial planning process.



Customers

With over 100 sites worldwide, we are close to the markets and know our customers. We offer them innovative products and solutions together with outstanding service. We attach great importance to protecting our customers’ health and safety.

Topic	Key indicator and target	2024
Valuable customer relationships	Maintain and increase our market share	n. a. ¹⁾
Innovative products and optimal solutions	Expenditure on research and development is 4–5% of sales over a business cycle	4.4%
Customer health and safety	No incidents with a significant negative impact on customer health and safety that were caused by any failures on our part to comply with safety regulations	Met (A case from the 2023 reporting period is still under investigation)

¹⁾ Not published for confidentiality reasons

Valuable customer relationships

Management approach

Our divisions operate in a variety of markets and our customer base is correspondingly diverse. With over 100 sites worldwide, our employees are close to our customers and keenly acquainted with their needs. They support them on site with spare parts, expertise, training and services as needed. Our customer relationships are geared to the long term and are a key component of Bucher Industries’ strategy. We strive to offer products and services that go beyond the market standard and inspire users.

Regular discussions are held with customers to ensure that Bucher Industries knows its customers and is able to offer them added value. Modern management systems or digital platforms such as “MyKUHN” or “Bucher Connect” are also deployed. Our Code of Conduct for employees states that we will conduct ourselves fairly and properly towards our customers and will do business with integrity and in a professional manner.

Information about the reporting period

Bucher Industries was assessed as a supplier on the “EcoVadis” platform and achieved a bronze rating in 2024.

Innovative products and optimal solutions

Management approach

Our customers' needs and anticipated future requirements flow into our divisions' research and development activities. This enables us to offer products, solutions and services that are not only technologically impressive but also safe to use and user friendly – thereby ensuring our current and future success.

With our research and development activities, we strive to make our machines more efficient and easier to use. In addition, we strive to continuously update our offering, promote innovation, create added value, ensure our products are ergonomic and safe to use, and reduce production costs.

Information about the reporting period

In the reporting period, CHF 139.5 million was invested in research and development, which corresponded to 4.4% (2023: 3.7%) of sales. The divisions again launched innovative products on the market, with a focus on increasing efficiency, advancing automation and reducing environmental impact during operation. The divisions offered training, services and products tailored to specific requirements, intended to help customers use the increasingly complex products and meet their needs. Examples of this are presented in the divisional reports (from page 18 onwards).

Customer health and safety

Management approach

We attach great importance to our customers' health and safety, right from product development through to product manufacture and operation.

Our divisions ensure that their products are safe to use through technical safety precautions, regulatory compliance, regularly reviewed and updated product information, and instructions and training for their customers. Ensuring that products are safe to use – by training customers, for example – is not only a matter of concern for Bucher Industries but also part of our commitment to respecting human rights. The topic of cyber security also has high priority as our products, solutions and services are digitally networked. Specialists in the divisions, supported by the central information security unit, are charged with implementing the Group-wide requirements and measures.

Information about the reporting period

During the reporting period, no incidents with a significant negative impact on customer health and safety were caused by failures on the part of Bucher Industries to comply with safety regulations. As at year-end 2023, one incident had been reported. It transpired that this incident had a significant negative impact on customer health and safety, and is currently under investigation. As a precautionary measure, a recall was instigated and the critical component replaced. A case pending before the courts from the prior years was resolved during the reporting period by means of a settlement. In the opinion of Bucher Industries, this case was not caused by product defects.



Employees

Our success is due to our employees’ expertise and high level of commitment. We offer them attractive jobs in which they can contribute to solving global challenges. We create a working environment that motivates, inspires, encourages and challenges our employees according to their skills and interests.

Topic	Key indicator and target	2024
Positive working environment	– Proportion of employee resignations to total regular employees	6.6%
	– less than 5%	
	– Keeping the accident frequency rate as low as possible	AFR Index 11
	– No proven cases of discrimination	Met
Qualified employees	– Over 22 hours of further training per employee per year	28 hours
	– Two-thirds of senior management recruited internally	Two-thirds

Positive working environment

Management approach

We want to be an attractive and fair employer that offers its employees an exciting place to work, where they can get involved and contribute their ideas. For this reason, it is important to create a working environment in which employees feel safe and respected, with an inclusive and non-discriminatory culture. We place value on an active social dialogue with employee organisations, provide regular briefings, hold informal meetings with our employees and conduct employee surveys. We ensure freedom of association, collective bargaining and fair working conditions. Employee resignations, the accident frequency rate and cases of discrimination are further indicators of the working environment.

An important management tool is the annual appraisal meeting, during which we discuss the appraisal itself, further training and development opportunities, and the employment relationship more generally. We agree on annual targets with most employees; for managers, these are linked to performance-related variable remuneration.

Health and safety at the workplace is a key concern for us. We comply with all laws and regulations that govern occupational health and safety in each country. All our production sites have appropriate management systems, regulations, policies and procedures specific to their production environments. They also have a Health and Safety Officer, and conduct regular training sessions as well as internal and external inspections. After any acquisition, we gradually introduce the new site to the standards of Bucher Industries. And, wherever possible, we automate any tasks that involve heightened health and safety risks.

Bucher Industries ensures that everyone is given equal opportunities. We make decisions regarding recruitment, employment, further training and development, and promotions objectively and base those decisions on qualifications, skills and performance, and attitudes, regardless of age, gender, sexual orientation, ethnic origin, nationality, religion, or physical or mental disabilities. In this context, various business units regularly conduct pay equality analyses. We also encourage the promotion of employees from within our own ranks.

The Code of Conduct sets out the rights and obligations of the employees of Bucher Industries. All employees can expect that the Group companies will always perform their duties as employers in a timely and proper manner. The companies can, in turn, expect their employees to work to the best of their abilities. The common values, principles and standards for dealing with employees are laid down in the Human Rights Statement and an Employee Policy. The divisions themselves are responsible for implementing these values, principles and standards. We are a signatory to the UN Global Compact and endorse its principles, including those on human rights and labour standards.

Employees, business partners and third parties can submit complaints using the online whistleblower system.

Information about the reporting period

Employees

	Change				
	2024	%	2023	%	%
Regulars	12'414	88.0	12'779	86.0	-2.9
Trainees	416	2.9	445	3.0	-6.5
Defined period and temporary staff	1'277	9.1	1'634	11.0	-21.8
Employees	14'107	100.0	14'858	100.0	-5.1
Regulars covered by collective agreements	7'211	58.1	7'592	59.4	-5.0

The number of employees was brought into line with the lower capacity utilisation, particularly in Europe and Brazil, which led to a reduction in defined-period and temporary staff as well as regular employees.

Fluctuation

	2024	2023
Regulars at 1 January	12'779	12'261
Acquisition of subsidiaries	21	25
Joiners	1'076	1'954
Leavers	-1'462	-1'461
Regulars at 31 December	12'414	12'779
Turnover rate	11.6%	11.7%
Resignation rate	6.6%	6.7%

In addition to natural fluctuation, measures such as reducing overtime and holidays, introducing short-time work and adjusting weekly working hours were taken to ensure the best possible job security. The number of trainees declined slightly, but remained stable as a percentage of the regular employees.

Composition of employees

%	Workload		Gender		Age		
	Full-time	Part-time	Male	Female	< 30 years	30 – 50 years	> 50 years
	2024						
Regulars	94.0	6.0	84.5	15.5	13.9	54.6	31.5
of which senior management	–	–	95.7	4.3	–	23.9	76.1
of which group management	–	–	85.7	14.3	–	–	100.0
Board of directors	–	–	80.0	20.0	–	–	100.0
	2023						
Regulars	94.6	5.4	85.0	15.0	15.2	54.6	30.2
of which senior management	–	–	95.7	4.3	–	27.7	72.3
of which group management	–	–	85.7	14.3	–	14.3	85.7
Board of directors	–	–	83.3	16.7	–	–	100.0

Gender distribution remained virtually unchanged year on year. This was the case for regular employees and senior management, as well as group management and the board of directors. The low proportion of women at Bucher Industries is due to the fact that the recruitment pool for jobs in the engineering industry tends to be male dominated. Bucher Industries works together with educational institutions and other organisations, and is involved in career events to make Bucher Industries and its relevant professions even more attractive to female employees.

The few personnel changes in senior management had no significant impact on the overall picture: two thirds of these managers were promoted to these functions from internal positions.

Bucher Industries conducted employee surveys across various business units. The picture in 2024 was similar to that seen in the surveys of the prior years. The surveys achieved a satisfactory response rate and showed high satisfaction levels, placing in the top third. The findings from the surveys are used to implement targeted and site-specific measures to further increase employee satisfaction.

In 2024, the accident frequency rate (AFR) was eleven occupational accidents (2023: ten occupational accidents) per million standard working hours, resulting in more than one day of absence. Health and safety training in the reporting period was at the same level as in the prior year. Business units comprising a total of over three quarters of all employees conducted external or internal audits on occupational health and safety. In the reporting period, a total of one third of all employees worked in accordance with occupational health and safety management systems, which are certified according to ISO 45001.

There were no proven cases of discrimination at Bucher Industries during the reporting period. Any cases involving allegations of harassment were investigated, and appropriate action was taken where necessary. In six cases, the allegations were substantiated and led to appropriate personnel consequences.

Various business units conducted a pay equality analysis, covering one third of the employees in total. No unwarranted pay discrepancies were identified.

Qualified employees

Management approach

It is important to us that the personnel and staff we employ for the various roles and duties at the company are optimally qualified for the job. In this way, we are able to improve the Group's performance while at the same time build a team of motivated employees who form the basis for our culture of trust.

We encourage and challenge our employees according to their interests and skills and offer them opportunities to develop within the company, whether through external training and development opportunities or internal development offerings and leadership training. At the Group level, there are various training programmes that bring employees from all divisions together. In addition to imparting technical content and strengthening employees' social and personal skills, these programmes aim to communicate Bucher Industries' culture and values and to strengthen cohesion within the Group.

Information about the reporting period

Training

	Change		
	2024	2023	%
Average number of training hours per regular employee	28	29	-3.4
Of which health and safety training hours	6	6	-

Investments in employee training and development opportunities continued to be an important issue in the reporting period. The actual number of hours of training completed per regular employee again exceeded the target of 22 hours. In addition to the standardised training programmes, the divisions continued to invest in language courses and leadership training. Other training hours related to the ongoing implementation of new ERP systems.



Environment

As a technology company, we contribute to ecological development on two levels. Our efficient and modern machines and systems enable our customers to work in a more resource-efficient way. We also focus on energy efficiency and renewable energies, thereby reducing the emissions in our own production environment.

Climate-related opportunities and risks

Bucher Industries has identified the following climate-related opportunities that could have a significant strategic or financial impact on the business.

Climate-related opportunities	Description	Short/ medium term	Scenario below 2.0°C ¹⁾	Scenario up to 4.4°C ²⁾
Resource efficiency and energy source	The use of digital technologies and automation can enable more precise machine control and process optimisation as well as minimising material losses. Smart production systems and the use of renewable energies can increase production efficiency. These opportunities can lead to reduced energy consumption and cost savings.			
Development and/or expansion of low-emission products and services	By developing and launching low-emission products and services that are adapted to climatic conditions, the environmental impact can be reduced and customer needs met, which can lead to increased sales and new customer segments and markets.			
Use of incentives in the public sector	Subsidies enable customers to afford more environmentally friendly and mostly better products, which can have a positive impact on Bucher Industries' sales. By leveraging public funding, Bucher Industries can benefit from cost savings when developing environmentally friendly products and using more efficient technologies.			

Low opportunity Moderate opportunity High opportunity ... to positively influence the financial performance of Bucher Industries

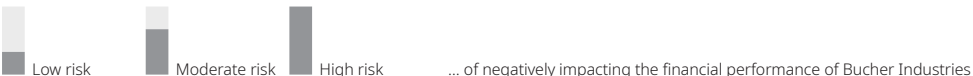
¹⁾ Scenario SSP1-2.6 describes the sustainable and green pathway with a projected warming of less than 2.0°C by 2100 compared with pre-industrial values.

It is based in particular on the assumptions of global climate protection efforts, increased requirements regarding the emission intensity of products and services, the promotion of renewable energy, climate-related technological innovations, and environmentally conscious actions.

²⁾ Scenario SSP5-8.5 forecasts a fossil-fuelled development with an expected warming of up to 4.4°C by 2100 compared with pre-industrial values. It is based in particular on the assumptions of minimal climate protection efforts, the intensive use of fossil fuels, increased climate-related risks and unrestrained economic growth.

Climate risks are an integral part of Bucher Industries' annual risk management process. They are identified and evaluated in relation to the entire value chain. Transition risks such as regulatory requirements, technological developments, market changes and reputation are taken into account, as are a variety of physical risks such as floods and tornadoes. These risks are assessed based on the probability of occurrence and potential financial impact, the management of the risks, and the residual risk after implementation of measures. The latter forms the basis for risk prioritisation, which is incorporated into strategic planning. The risks listed below and their assessments are based on the inherent risk. Appropriate measures to minimise these risks are explained following the risk description.

Climate-related risks	Description	Short/ medium term	Scenario below 2.0°C ¹⁾	Scenario up to 4.4°C ²⁾
Physical risks	Chronic physical risks are particularly relevant for Bucher Industries' customers and may reduce their sales, which in turn may impact Bucher Industries' income. Long-term climate changes in terms of heat, cold or precipitation are only significant for a few of Bucher Industries' locations. Flooding and, in some cases, hailstorms, tornadoes and lightning strikes are the main acute events that can lead to increased operating costs and storage damage for around a third of the relevant locations.			
Regulation of existing products and services	Stricter emissions regulations regarding the climate friendliness of products may require investment in the development of new technologies, which can lead to higher research and development costs.			
Increased raw material costs and supply chain disruptions	The prices of raw materials may rise due to physical climate risks, regulatory requirements for suppliers or increasing demand for low-emission materials, as well as climate-related disruptions in the supply chain, which can lead to higher costs or revenue loss.			



¹⁾ Scenario SSP1-2.6 describes the sustainable and green pathway with a projected warming of less than 2.0°C by 2100 compared with pre-industrial values. It is based in particular on the assumptions of global climate protection efforts, increased requirements regarding the emission intensity of products and services, the promotion of renewable energy, climate-related technological innovations, and environmentally conscious actions.

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For several years, Bucher Industries has been working on an action plan to reduce CO₂ emissions and on strategic initiatives to adapt the product lines to changed market requirements and to take advantage of growth opportunities. The modernisation of buildings and infrastructure is part of this action plan and is intended to improve energy efficiency and reduce the exposure of individual locations to environmental risks. Other measures include investments in new and more efficient technologies and in research and development to make our production processes and products lower in emissions and meet changing customer needs. The switch to renewable energies also contributes to reducing CO₂ emissions and makes it possible to reduce dependency on fossil fuels. A regional procurement strategy and a broad supplier base prevent raw material shortages. This action plan not only serves to reduce risks and lower Bucher Industries' own emissions but also actively supports the transition to a low-carbon economy.

Climate-related key indicators and targets

Topic ¹⁾	Key indicator and target	2024
Resource efficiency of production with a focus on the reduction of CO ₂ emissions	Reducing Scope 1 and Scope 2 CO ₂ intensity (measured as CO ₂ emissions in relation to value added) by at least 10% by 2026 compared to 2021 Due to the exceeding of the target value, the above target will be replaced by the following new target valid from 1 January 2025: Reducing Scope 1 and Scope 2 CO ₂ emissions by 25% by 2028 compared with 2021	20–30% reduction in CO ₂ intensity
Environmental impact of our products and services	Significantly increasing the efficiency of products and solutions with a focus on reducing resources and CO ₂ emissions	n. a. ²⁾

¹⁾ Bucher Industries' water consumption data was collected and aggregated until the 2018 reporting period. As our activities are not water intensive, we have stopped collecting data centrally since the 2019 reporting year and have increased our focus on the topic of energy.

²⁾ Bucher Industries is in the process of expanding its climate reporting and enhancing greenhouse gas emission calculations, particularly in the area of Scope 3 emissions.

Calculation of CO₂ emissions

We have compiled our greenhouse gas inventory in accordance with the Greenhouse Gas Protocol and ISO standard 14064. Scope 1 emissions are from direct energy usage and non-energetic processes. Scope 2 emissions are from indirect energy use. Where possible, the market-based approach was used to calculate greenhouse gas emissions associated with electricity consumption. For any other electricity consumption, the location-based approach was applied.

Resource efficiency of production with a focus on the reduction of CO₂ emissions

Management approach

We have set ourselves the goal of reducing the CO₂ emissions generated by our own activities in proportion to value creation. We are taking action at various levels: by optimising buildings, by making efficiency gains in production and by generating energy from renewable sources.

Information about the reporting period

In the reporting period, we planned, developed and in some cases also implemented a wide variety of measures to reduce CO₂ intensity in relation to Scope 1 and Scope 2 emissions. These were complemented by measures from the prior year, which took full effect in the reporting period.

Energy consumption

MWh	of which renewable		of which renewable		Change
	2024	%	2023	%	%
Conventional purchased electricity	86'993		104'142		-16.5
Renewable purchased electricity	51'384		50'879		1.0
Self-generated solar power	7'178		5'546		29.4
Electricity	145'555	40.2	160'567	35.1	-9.3
Heating oil	3'188		3'521		-9.5
Natural gas	129'584		145'061		-10.7
Liquified petroleum gas (LPG)	7'147		9'903		-27.8
Bio mass	2'086		2'415		-13.6
On-site fuels	142'005	1.5	160'900	1.5	-11.7
District heating	10'367	n. a.	10'815	n. a.	-4.1
Diesel	30'720		30'052		2.2
Petrol	9'780		10'067		-2.9
Liquified petroleum gas (LPG)	4'707		5'648		-16.7
Bio transport fuels	1'545		1'611		-4.1
Transport fuels	46'752	3.3	47'378	3.4	-1.3
Energy consumption	344'679	18.0	379'660	15.9	-9.2

The reasons for the reduced energy consumption were mainly the economic slowdown and, to a lesser extent, the switch to more energy-efficient production.

The volume of self-generated solar power was higher than in the prior year due to new or expanded photovoltaic installations, particularly in Europe. The installed solar capacity totalled 9'042 kWp (2023: 5'708 kWp).

Services and, therefore, fuel consumption remained almost unchanged.

CO₂ emissions

tCO ₂ e					Change
	2024	%	2023	%	%
On-site fuels	28'778		32'642		-11.8
Transport fuels	11'838		11'958		-1.0
Refrigerants	888		791		12.3
Process emissions	147		158		-7.0
Scope 1	41'651	59.8	45'549	55.9	-8.6
Electricity	26'259		34'114		-23.0
District heating	1'770		1'847		-4.2
Scope 2	28'029	40.2	35'961	44.1	-22.1
CO₂ emissions	69'680	100.0	81'510	100.0	-14.5
Biogenic CO ₂ emissions	427		449		-4.9

Compared with the prior year, CO₂ emissions fell by 14.5% in the reporting period. This is attributable mainly to the economic slowdown and the improved purchased electricity mix and, to a lesser extent, to the expansion of self-generated solar power and more energy-efficient production facilities. Overall, the reduction in CO₂ intensity, measured as CO₂ emissions in proportion to value creation, was equivalent to between 20 and 30% of the emissions seen in the 2021 base year.

As the target value of a 10% reduction in CO₂ intensity by 2026 compared with 2021 was exceeded in 2024, this target will be replaced by the following new target for the coming reporting years: Reducing Scope 1 and Scope 2 CO₂ emissions by 25% by 2028 compared with 2021. Further medium-term measures are planned to achieve this emission reduction by 2028. These include improving the energy efficiency of buildings and production facilities, expanding solar installations, and the ongoing conversion to renewable electricity.

No cases of non-compliance with environmental laws and regulations at the production sites were reported in 2024.

Environmental impact of our products and services

Management approach

A major lever for reducing our ecological footprint lies in our products and solutions. We therefore strive to develop machinery and systems that enable our customers to improve their environmental impact without having to compromise on customer benefits. Ecological considerations relating to our products are an integral part of the research and development phase and take account of the life cycle of the products, from their manufacture to their daily use.

Protection of the environment and natural resources is embedded in our Code of Conduct and in the Human Rights Statement. Our Group-wide Environmental Policy is the basis for our environmental management activities and specifies our shared values, principles and standards in this area. We are a signatory of the UN Global Compact and fully endorse the environmental principles enacted therein. We continuously develop and optimise our offering in line with our customers' needs and prevailing regulatory requirements. We strive to make our products and solutions more efficient and precise through electrification or efficiency gains in order to reduce our consumption of energy and resources, and by electronic control systems for precise dispensing of fertilisers, crop protection products and road salt. These efforts help to reduce environmental impact.

Information about the reporting period

In the reporting year, the divisions once again developed new products and solutions that will enable their customers to reduce their environmental impact without compromising on user friendliness, functionality and cost effectiveness. These can be summarised in the following four strategic initiatives: solutions for conservation and precision farming, electrified mobile equipment, electrohydraulic components and systems, and automation and artificial intelligence in glass container manufacturing. Key products launched during the reporting period are presented in the divisional reports (from page 18 onwards).



Compliance

An important aspect of Bucher Industries’ more than 200-year success story is that it has a strong corporate culture with a long-term orientation. It is based on compliance with the law as well as fair and ethical behaviour towards all of its stakeholders, including its customers, employees, business partners, competitors and authorities, and is the source of our excellent reputation.

Topic	Key indicator and target	2024
Compliance with laws and regulations	– No material incidents regarding our compliance with laws and regulations	Met
	– Full compliance training for all affected employees	Met
	– No significant deviations from our Group-wide requirements for risk controls (in accordance with our internal control system BICS)	Met
Supply chain – sound procurement practices	Key indicators and targets are developed in line with any planned legal regulations	

Compliance with laws and regulations

Management approach

Our Code of Conduct describes how all Bucher Industries employees should conduct themselves in their business dealings with customers, fellow employees, business partners, competitors and the authorities: correctly, fairly, professionally and with integrity. Our business activities comply with all applicable laws and binding regulations in all of the countries in which we operate. Managers at all levels keep themselves informed about any relevant legal and regulatory frameworks and pass on any required instructions. Our employees are responsible for understanding and complying with the legal requirements in their areas of work. Group-wide policies, with specific requirements and instructions, are in place regarding the matters mentioned below. If any national or international regulations differ from our internal guidelines, we apply the stricter standard wherever possible and appropriate.

Compliance organisation The divisions are responsible for implementing the Group-wide principles and directives. The compliance organisation consists of a Group Compliance Officer and divisional and local compliance officers. These officers help the divisional and local management to implement the directives and serve as contact persons for the employees.

Training During the induction process, all employees receive our Code of Conduct and any directives that relate to their functions. As part of online training sessions on the Group-wide compliance programme, employees receive annual training primarily on the topics of the Code of Conduct, corruption, conflicts of interest, data protection, human rights and supply chain, competition law (in the case of exposed employees only), and the online whistleblower system. The divisions conduct further training in specific areas (e.g. trade controls). Employees who do not have access to online training are trained by the divisions as required. The local and divisional compliance officers receive special and regular training for their tasks.

Compliance with the regulations All employees are required to comply with the Code of Conduct and the directives and instructions that apply to them. The head of division is responsible for the implementation and enforcement of the Code of Conduct and the regulations. The processes are monitored by the internal control system, and the cases that occur and their settlement are monitored through twice-yearly Group-wide compliance reports. Any serious issues are escalated immediately. The compliance processes are also included in the regular internal audits.

With regard to “Compliance with laws and regulations”, the Group has set itself the targets of ensuring that there are no major issues concerning compliance with laws and regulations, that all relevant employees complete full compliance training and that there are no material deviations from the Group-wide control system.

Online whistleblower system Employees may report any breaches of our Code of Conduct, the Human Rights Statement or policies to their line managers or the compliance organisation. Alternatively, employees or third parties may report actual or suspected serious breaches anonymously through our online whistleblower system. It is ensured that any actual or suspected compliance breaches are investigated and decided by impartial persons.

Anti-corruption Our Code of Conduct prohibits all forms of bribery and corruption. None of our employees or business partners may use corrupt practices in any countries where they operate. Our anti-corruption guideline raises awareness of the dangers of corruption and provides concrete guidance on how to deal with the issue. A separate policy specifies how to ensure due diligence services and how to deal with intermediaries such as agents and distributors.

Competition law Our Code of Conduct states the guiding principle of adhering to fair competition, which ensures fair pricing and the protection of customers and consumers in particular. Our policy on competition law explains the basic provisions of competition law and provides guidance on how to avoid anti-competitive behaviour.

Trade controls In accordance with our Code of Conduct, we comply with all applicable trade control laws. Numerous import and export regulations apply to us because we operate in a global business environment. Our Trade Compliance Directive sets the framework for compliance with these global trade regulations. As the divisions have different business lines and organisational structures, the trade compliance controls must be risk adjusted and adapted to each division.

Data protection Our Code of Conduct states that we collect and store the personal data of employees and third parties in accordance with all applicable laws and regulations. Our Data Protection Directive implements the EU General Data Protection Regulation (GDPR) by setting out and implementing its provisions and defining roles and responsibilities. We also comply with any applicable local data protection regulations.

Insider trading Employees are duty bound by the Code of Conduct to treat insider information as confidential, and the Code of Conduct forbids employees from making use of such insider information. The policy on insider trading defines the terms “insider” and “prohibition on trading and making recommendations”, as well as the regular blocking periods for insiders and regulations for ad hoc blocking periods.

Due diligence obligations in dealing with suppliers See the sections on “Supply chain – sound procurement practices” and the annex on “Due diligence obligations”.

Information about the reporting period

There were no material incidents regarding compliance with laws and regulations in 2024. No significant fines or non-monetary sanctions were incurred for violations of legal regulations. Nor were there any pending or completed proceedings regarding anti-competitive behaviour or cartels or monopolies.

The relevant employees have completed full compliance training. No significant findings or significant deviations from Group-wide requirements regarding risk controls were made during the internal audits.

Supply chain – sound procurement practices

Management approach

The Code of Conduct sets out our principles of conduct: propriety, fairness, integrity and professionalism. Our Human Rights Statement and our Employee and Environmental Policies set out our principles for respecting human rights, complying with labour law standards and protecting the environment. The divisions' due diligence obligations with respect to the supply chain have been set out in a policy on due diligence obligations in dealings with suppliers. We expect our suppliers to apply the same standards and we make them aware of our expectations.

Reliable and financially sustainable supply chains Well-functioning supply chains are crucial for us as an industrial company. When assessing our suppliers, we apply the Group-wide criteria of regionality, interest in long-term business relationships, competitive prices, financial soundness and high delivery capability and quality.

Human rights Respect for human rights, as set out in the fundamental international conventions, is embedded in our core values and in particular in our Human Rights Statement. We are committed to respecting these as well as the laws that apply in the countries in which we operate. We expect our partners in the supply chain to apply the same standards, in particular the prohibition on child labour, forced labour and oppression, as well as occupational health and safety, freedom of association, the right to equality, the right to privacy, fair wages and working conditions, and the prohibition on corruption and bribery. Further information on human rights can be found in the annex on "Due diligence obligations".

Environment We strive to protect the environment and to use natural resources responsibly, efficiently and in accordance with all applicable laws and regulations.

Information about the reporting period

Expenditure on raw materials, components and consumables totalled CHF 1'504.3 million, corresponding to a decrease of 19.2% compared with the prior year and linked to the economic slowdown and lower raw material prices. The divisions worked with 14'000 suppliers in the reporting period. Various sites conducted audits to check that their key suppliers were complying with the applicable efficiency criteria as well as the environmental, health and safety standards.

To meet current and future customer and regulatory requirements, Bucher Industries has defined a Human Rights Due Diligence Framework (HRDD Framework) that in particular addresses due diligence obligations in the supply chain – see the annex on "Due diligence obligations". In the reporting period, Bucher Industries conducted online training that all employees received as a standard as part of the compliance training. Human rights aspects in the supply chain have been added to the Group-wide risk management system. The divisions started implementing the policy on due diligence obligations in the supply chain. For this purpose, the platform solution from Integrity Next was licensed and the process was added to the internal control system. Finally, the internal audit included the consideration of human rights aspects in its preliminary audit of the locations.