

2024

Non-financial Report

HUBER+SUHNER

Introduction Non-financial Report

At HUBER+SUHNER, our commitment to sustainability is integral to our business strategy. We embed sustainability into our innovative solutions and strive to meet our climate and resource use targets. Next to environmental responsibilities, we strive to foster a diverse, inclusive, and safe workplace for our employees, and ensure compliance with applicable laws and regulations as well as with our Code of responsible business conduct.

This Non-financial Report outlines the HUBER+SUHNER Group's progress in advancing its sustainability strategy in 2024. It addresses the requirements of Article 964b of the Swiss Code of Obligations and the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO). For the first time, we are also reporting on climate-related risks and opportunities, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The Annual Report including the Non-financial Report was approved by our Board of Directors (BoD).

Our new climate targets put us on the trajectory to reach net-zero emissions by 2050 and were validated by the Science Based Target initiative (SBTi) in January 2025. We also made progress on our existing targets and achieved a 73 % reduction in the intensity of our operational emissions in comparison to our 2015 baseline. Additionally, our ongoing efforts have resulted in a 11 % year-on-year reduction in the intensity of our core environmental footprint.

In the following chapters, the report details the company's material sustainability issues, including, as mandated by the Swiss Code of Obligations, environmental matters, CO₂ reduction targets, social topics, employee-related issues, respect for human rights, and combating corruption. For each of these topics HUBER+SUHNER outlines its relevant policies, measures and performance indicators. The chapter on "[responsible supply chains](#)" specifically covers the due diligence obligations defined under the DDTrO.

The shareholder vote on the non-financial matters, as required by Article 964c CO, covers the entire Non-financial Report.

Ernst & Young AG performed a limited assurance engagement on selected key performance indicators (KPIs) in accordance with specific standards of the Global Reporting Initiative (GRI) for this report.

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Sustainability strategy

At HUBER+SUHNER, our proactive approach to sustainability allows us to detect risks and opportunities early and helps improve the company’s resilience in a changing world. Sustainability is an integral part of our business; it supports financial performance, especially in the medium and long term. We want to be a company that positively contributes to global issues – including with our solutions and products.

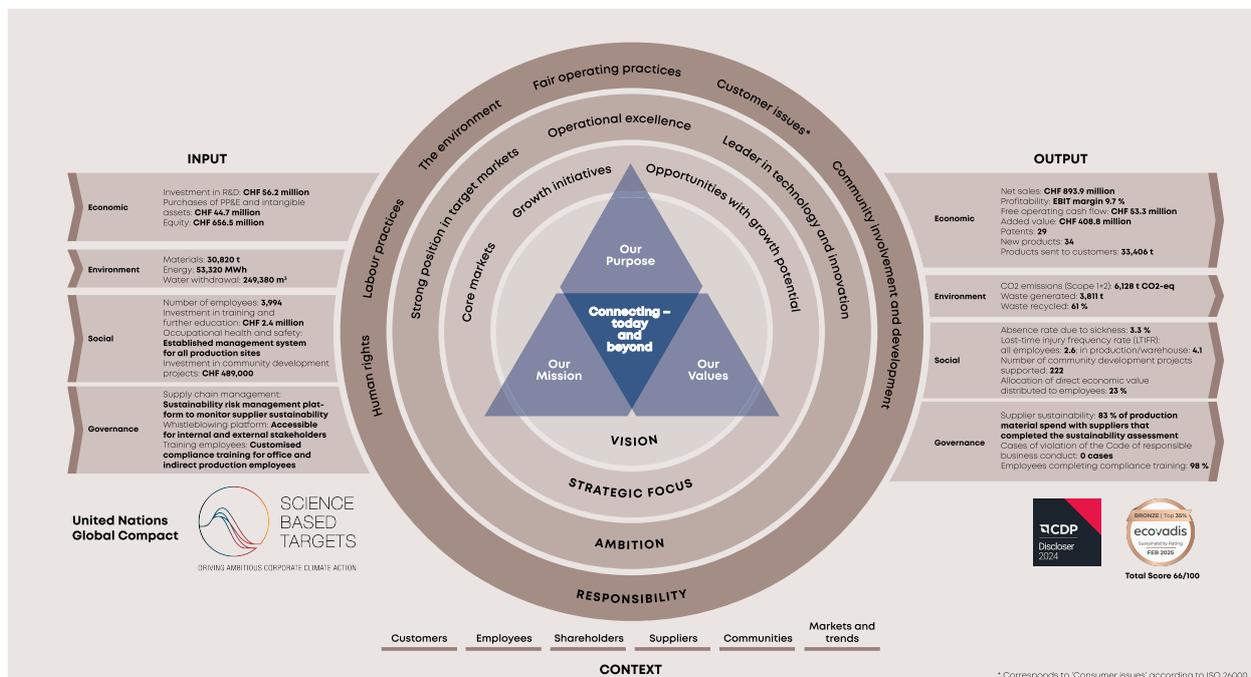
Our value chain: How we create and distribute value

HUBER+SUHNER creates value in multiple dimensions. Our value chain model below shows how we transform economic as well as environmental, social and governance inputs into valuable outputs and outcomes for our five key stakeholder groups – customers, employees, shareholders, suppliers, and communities – over time, concretely over the twelve months of the reporting period.

HUBER+SUHNER aims to strengthen its leadership in technology and innovation while securing strong positions in target markets. This is achieved through ongoing collaboration between external markets, internal resources and society. The Group focuses on creating and sustaining value in the short, medium, and long term across all its business activities.

In 2024, 23 % of the direct economic value distributed and retained directly or indirectly benefited employees, and 1 % the public sector in the form of income taxes. Additionally, a proportion of dividends and management salaries flows back to the public through income taxes. Shareholders received 3 % of the direct economic value, while 70 % were operating costs. The economic value retained (3 %) remained in the company in the form of amortisation, depreciation, and retained earnings. A portion of the retained earnings is reinvested in innovation to better serve our customers.

Figure 1: How we create and distribute value

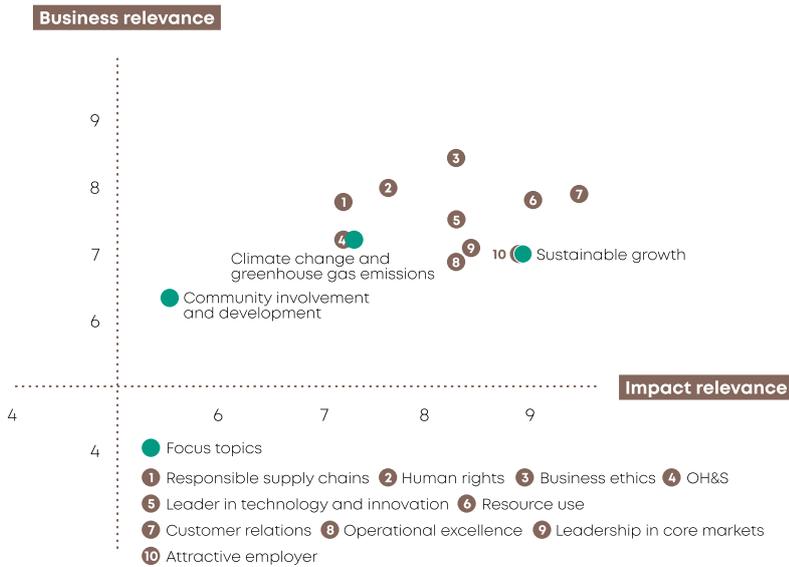


* Corresponds to 'Consumer issues' according to ISO 26000

Material issues

In 2024, we collaborated with internal and external stakeholders to conduct a double materiality assessment (DMA). The DMA assesses both financial impact (single materiality) and how a company’s actions affect society and the environment. This assessment identified seven key sustainability topics for our company. The DMA was approved by the Executive Group Management in the fourth quarter of 2024. We will align our sustainability strategy in 2025 in accordance with the outcome of the DMA assessment. For the current reporting period, we remain aligned with our sustainability strategy, which is based on the 2022 DMA. The materiality matrix below illustrates the 13 sustainability topics we have been actively managing as part of our sustainability strategy.

Figure 2: Material issues assessed for their business and impact relevance



The graph displays only the upper right quadrant of the assessment matrix, with a rating scale from 0 to 10, to highlight small differences. Focus topics, defined in 2021, are marked in green. Although their materiality declined in 2022, these areas remain actively managed as key parts of a multi-year strategy.

Within these 13 topics, we selected three focus topics:

Sustainable growth is essential for investments that benefit the environment and society, both of which are crucial for overall sustainability. In 2024, 31 % of our net sales came from growth initiatives.

Climate change and greenhouse gas emissions is a top priority within our environmental efforts, as climate change poses significant risks to both the economy and society at large. In 2024, we reduced our Scope 1+2 emissions by 21 %.

Community involvement and development is important to all Group sites. The company is allocating funds to support and initiate 222 projects, with CHF 489,000 provided by both the operating business and the HUBER+SUHNER Foundation.

Integration of sustainability issues into our strategy

In 2024, we conducted our inaugural climate scenario analysis to gain a deeper understanding of medium- to long-term risks and opportunities. Our business strategy has proven largely resilient to climate-related risks. For more details, please refer to the [environment](#) and [risk management](#) chapters. We will continue to actively monitor both physical and transition risks related to climate change.

Within our business strategy, we continuously strive to seize opportunities and mitigate transition-related risks, as well as negative sustainability impacts. Promoting sustainability at both corporate and product levels was one of our top five initiatives in 2024. This commitment is reflected in our business plan and financial planning, where sustainability is a strategic focus.

Sustainability governance

HUBER+SUHNER has embedded sustainability within its organisation. A well-defined governance structure with clearly assigned responsibilities enables effective monitoring of the progress in implementing the Group's sustainability strategy.

Approving and overseeing the implementation of our sustainability strategy

The Board of Directors (BoD) convenes at least five times annually. During at least two of these meetings, the Executive Group Management (EGM) or Head of Global Sustainability reports on relevant sustainability-related matters. The BoD approves and oversees the implementation of the company's sustainability strategy and targets, as well as the company's Non-financial Report.

Defining our sustainability strategy

The CEO is responsible for defining and overseeing the implementation of the company's sustainability strategy. The Head of Global Sustainability reports to the members of the extended EGM including the CEO on the progress in implementing the company's strategic targets. Sustainability-related objectives are a component of the extended EGM's variable compensation package.

Implementing the sustainability strategy in our organisation

The Head of Global Sustainability is responsible for proposing and implementing the company's sustainability strategy. In this role, the Head of Global Sustainability directs a global network of local environmental and sustainability managers who are responsible for coordinating and implementing the sustainability strategy at the company's various sites. Together with this network, the Head of Global Sustainability also monitors relevant sustainability compliance obligations and assesses sustainability-related risks as well as the implementation of the respective risk response strategy and measures.

Ensuring material compliance

The Global Product Compliance team at HUBER+SUHNER ensures products meet all relevant regulations and directives. They update internal processes, maintain a current material compliance database, and provide training and support for compliance-related queries from global stakeholders and customers.

Promoting sustainable procurement practices

The Global Sourcing team is responsible for engaging with suppliers on sustainability-related matters. The Group's due diligence policy complies with the requirements set forth in the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO).

Advancing sustainable operations

The Head of Global Operations directs a global network of local operation managers. In collaboration with the Head of Global Sustainability, they oversee the development and implementation of a comprehensive global climate transition plan. Additionally, the Head of Global Operations guides the assessment of physical climate-related risks and their integration into local business continuity plans.

Ensuring compliance across the organisation

The Group Compliance Officer, supported by the General Counsel, is responsible for continuously improving the compliance programme. The Group Compliance Officer can veto any business transactions that threaten the Group's reputation due to violations of the Code of responsible business conduct, but the final execution decision rests with the CEO. Twice a year, the Group Compliance Officer meets with area compliance officers, who ensure compliance across the Group. These officers work with country managing directors and line managers to effectively implement control measures, which are integrated into the HUBER+SUHNER management system.

Monitoring and enforcing responsible business conduct

To address cases of misconduct, HUBER+SUHNER provides employees and external stakeholders with a [grievance mechanism](#). Reports are handled by the Whistleblowing Steering Committee, comprised of two area compliance officers (legal compliance and human rights/labour) and a dedicated professional in the Corporate Communications team. The committee is the liaison to the independent operator of the platform as well as the person who filed the report and internal stakeholders. The number of reports filed as well as the number of substantiated violations of the Code of responsible business conduct are reported to the BoD annually.

Environment

This section zooms in on the company's environmental risks and impacts. Supported by facts and figures, it shows how HUBER+SUHNER works to keep its environmental impact as low as possible, while also actively managing the risks and opportunities in the context of the transition to a more environmentally friendly economy. In continuously reducing our environmental impact, we pursue ambitious emission reduction and resource efficiency targets.

Environmental footprint

Since 2009, HUBER+SUHNER has used life cycle analysis (LCA) to determine its environmental performance and significant environmental impacts as required by the ISO 14001 standard. Since 2022, all HUBER+SUHNER sites have reported data on energy consumption and employee commuting. Data on raw materials, commercial goods, internal transport, customer deliveries, and business travel were sourced from central systems. For more details on methodology, please refer to the [addendum](#).

Our LCA establishes the main environmental targets for our production, focusing on the three most critical aspects. We actively manage these issues at all sites, aiming to prevent air, soil and water pollution, and reduce the use and disposal of toxic and hazardous chemicals.

Our environmental impact accounting differentiates between a total balance and a core balance. This complements our greenhouse gas (GHG) inventory (see table 4), which categorises emissions by scope. This distinction helps us understand our operational impact versus our impact across the value chain.

In 2024, we reduced the absolute impact of both balances.

Globally, our main environmental impact comes from sourcing semi-finished goods and materials like copper. In our operations, the main impacts stem from electricity, heating, and disposal.

Table 1: Environmental impact from LCA

	2022	2023	2024	Change y-o-y [EP]
Core balance [EP*]	23 598	19 510	18 395	-6 %
Total balance [EP]	1 094 431	1 042 317	935 366	-10 %

* The life cycle impact assessment (LCIA) was conducted using the internationally recognised Ecological Scarcity Method. This method enables a fully aggregated assessment, represented by a single score indicator: Eco-points (EP), which simplifies both communication and interpretation.

Table 2: Environmental impact distribution

Environmental impact [EP*]	2024 share (%)
Commercial goods**	44 %
Copper	30 %
All other materials	16 %
Transport products	3 %
Transport intercompany	2 %
Paper/packaging	2 %
Electricity	1 %
Commuting	1 %

* Eco-points according to the Ecological Scarcity Method [EP].

** Commercial goods refer to third party sourced semi-finished goods

Note: Business traffic, disposal, fuel and heating are below 1 %.

Sustainable products

We continuously explore and adopt safer alternatives to hazardous materials, complying with evolving regulations such as the EU REACH regulation to ensure product safety and environmental protection. HUBER+SUHNER adheres to international standards, including the EU's Restriction of Hazardous Substances (RoHS) and Waste Electrical and Electronic Equipment (WEEE) directives. In line with our sustainability goals, we take proactive measures to ensure compliance with local and global regulations. We work closely with suppliers to align with these regulations and meet our customers' environmental expectations. We invest in innovation to stay ahead of substance obsolescence, such as lead, and have introduced lead-free connectors. Additionally, we have developed tools to track substances and materials in our products, enhancing transparency and ensuring compliance. These efforts reflect our commitment to environmental stewardship and regulatory compliance.

Resource use

In 2022, we introduced three global reduction targets to monitor resource efficiency as part of our environmental management. These targets include the intensity of total energy consumption, the intensity of waste sent to landfill or incineration, and the total water withdrawal.

We are actively working on reducing material consumption and using more sustainable materials. In 2024, we continued to reduce plastics in our packaging with the introduction of paper bags to replace 3 million single-use plastic bags for fiber optic cables. This change resulted in a reduction of 33 tons of CO₂-eq emissions.

Table 3: Resource use targets

Target 2030 (2021 baseline)	2021 Baseline	2022	2023	2024*	y-o-y	2021-2024	Status
-25 % intensity water withdrawal [m ³ /million CHF added value]	2 349	2 203	1 751	610	-65 %	-74 %	Target reached
-15 % energy intensity [MWh/million CHF added value]	131	136	136	130	-4.6 %	-0.4 %	On track
-25 % intensity waste sent to landfill/ incineration [kg/million CHF added value]	3 632	3 346	3 739	3 667	-2 %	1 %	Off track

* ► The data on water consumption, energy consumption, and waste was audited through a limited assurance engagement.

Due to the relocation of one of our Swiss sites, we have exceeded our target for water withdrawal for the second consecutive year. Additionally, we achieved a 4.6 % reduction in energy consumption from the previous year and a 0.4 % reduction from our baseline, despite the continuous ramp-up of our energy-intensive production of ADAS antennas in two locations. Despite an overall increase from our baseline in waste sent to landfill/incineration, we managed to reduce this by 2 % from the previous year. With this turnaround, we will continue to focus on targeted local actions to further decrease waste sent to landfill and incineration. Importantly, we also achieved a 10 % year-on-year (y-o-y) reduction in total waste.

See detailed data on energy, water, materials consumption and waste in the [environmental performance indicators table](#).

Climate change mitigation

In our LCA, we also assess our GHG emissions. For details on the methodology, please see the Addendum: [Scope and Methodology](#).

As indicated in Table 4: GHG inventory, the category “purchased goods and services” – particularly the materials we source – accounts for the largest portion of our overall emissions footprint at 82 %. In comparison, our operational footprint is only 3 % of our total emissions.

Due to changes in our data collection method and the inclusion of purchased commercial goods, we recorded growing GHG emissions in Scope 3 until 2022 (see table 5). This process was important to attain reliable and realistic Scope 3 data. To further reduce emissions from our purchased goods and services, we have started integrating climate criteria into our global sourcing process (see chapter [Responsible supply chains](#)).

Table 4: GHG inventory

	Impact
Scope 1 ▶	3 150 t CO₂-eq
Scope 2 (market-based) ▶	2 978 t CO₂-eq
Scope 2 (location-based) ▶	10 016 t CO ₂ -eq
Scope 3 emissions ▶	209 384 t CO₂-eq
1. Purchased goods and services	85 %
3. Fuel-and-energy related activities	1 %
4. Upstream transport and distribution	7 %
5. Waste generated in operations	1 %
6. Business travel	1 %
7. Employee commuting	3 %
9. Downstream transport and distribution	2 %

* In 2023, we conducted a complete screening of all Scope 3 categories (accounting for 97 % of our emissions), including capital goods, use phase, and end-of-life. Due to significant uncertainty in data quality, these categories have not been reported in our inventory for the time being.

To mitigate our impact on global warming, HUBER+SUHNER set targets in 2018 for Scope 1 and 2 emissions validated by the Science Based Targets initiative (SBTi). With the target period ending in 2025, we submitted new targets for all three scopes in July 2024, which were validated by the SBTi in January 2025. The targets, which put us on a trajectory to net-zero emissions by 2050, are summarised in tables 5 and 6 below.

The company remains on track with its Scope 1 and 2 emission targets. GHG emissions in Scope 1 and 2 decreased to 6,128 t CO₂-eq in 2024, an absolute reduction of 21 % y-o-y. Most notably this reduction can be attributed to:

- An increase in the share of purchased electrical energy consumed worldwide from renewable sources (hydro, wind, and solar power plants) from approximately 59 % in 2023 to 82 % in 2024
- An increase of 3 % in self-generated renewable electricity through rooftop photovoltaic (PV) panels
- Improvements in leakage prevention have resulted in a significant 62 % reduction in refrigerant loss
- A 12 % reduction in business travel

We are currently not on track with our Scope 3 target due to increasing emissions in the ‘purchased goods and services’ category, originating from project-based business at one of our sites. Emissions from our core business are slightly declining, and this remains our focus of action.

Table 5: 2025 climate target

2025 Target (2015 baseline)	2015 Baseline	2022	2023	2024	2015-2024	Status
-50 % emission intensity Scope 1+2* [tCO ₂ -eq/CHF] 1.5°C trajectory	56	23	20	15	-73 %	On track
-30 % emission intensity Scope 3 [tCO ₂ -eq/CHF] 2°C trajectory	158	415	470	513	**	Off track

Note: We updated the 2024 background data using v3.11 of the ecoinvent data, released at the end of 2024.

* Market-based approach is used to account for Scope 2 emissions.

** The significant increase in our Scope 3 emissions is primarily due to an expanded scope and substantial improvements in data collection. Consequently, we adopted a new target with a 2023 baseline in 2024.

Table 6: 2030 climate target

2030 Target (2023 baseline)	2023 Baseline	2024	y-o-y	Status
-55 % absolute emissions Scope 1+2* [tCO2-eq] 1.5°C trajectory	7 735	6 128	-21 %	On track
-25 % absolute emissions Scope 3** [tCO2-eq] 2°C trajectory	189 920**	209 384	10 %	Off track

Note: We updated the 2024 background data using v3.11 of the ecoinvent data, released at the end of 2024.

* Market-based approach is used to account for Scope 2 emissions.

** We commit to reducing our absolute scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution.

The target boundary includes land-related emissions and removals from bioenergy feedstocks.

The baseline for our net-zero target is 255,625 tCO2-eq and also covers the use-phase.

In 2023, we conducted a complete screening of all Scope 3 categories (accounting for 97 % of our emissions), including capital goods, use phase, and end-of-life. Due to significant uncertainty in data quality, these categories have not been reported in our inventory for the time being and are not covered by the SBTi-approved 2030 Scope 3 climate target. We remain committed to improving data quality.

Refer to our [environmental performance indicators table](#) for detailed data on our emissions and energy consumption.

Our climate transition plan

In 2024, to curb our emissions in line with our climate targets, we drafted a climate transition plan that outlines our planned actions to minimise our GHG emissions. The climate transition plan is built on the following elements:

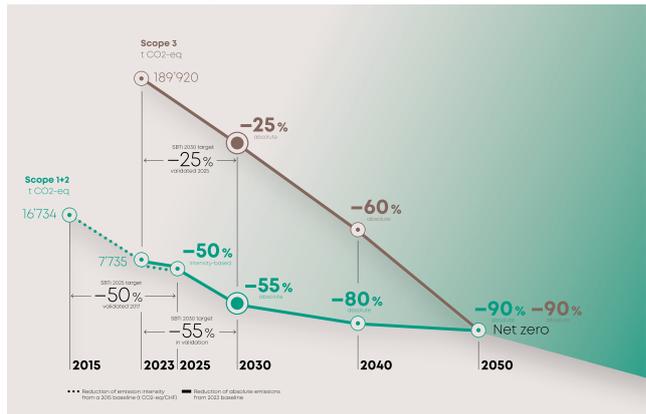
Scope 1+2

- Replacement of the remaining fossil-based heating systems with low-carbon alternatives
- Increase in renewable electricity supply to 100 % by 2030
- Installation of rooftop PV panels, where feasible
- Decarbonisation of our fleet by switching to EVs

Scope 3

- Reduction in material consumed, where feasible
- Engagement with suppliers in their climate strategies
- Life cycle assessments of our products

Figure 3: 2030 targets and transition plan



This is an illustration of our global transition plan. In 2024, we adopted new climate targets and reaffirmed our commitment to achieving net-zero emissions. Targets have been validated by the SBTi in January 2025.

The climate transition plan, which is aligned with our science-based target is available on our [website](#).

Transition risks and opportunities related to climate change

For HUBER+SUHNER, the transition to a low-carbon economy is primarily an opportunity. Our solutions are crucial in enabling this shift. In 2024, 34 % of our revenue came from sectors which are pivotal for the transition to a climate-friendly economy, specifically renewable energies, rail, and EVs.

When it comes to transition risks, changing customer behaviour – particularly the rising demand for climate-friendly products and materials, alongside growing costs – could pose medium-term market risks. Therefore, our transition plan enhances our resilience. We actively monitor customer preferences and engage with them proactively. Currently, the aforementioned risks are not material to our business strategy. We assess them using our standard risk management process, as described in chapter [Risk management](#).

Physical risks related to climate change

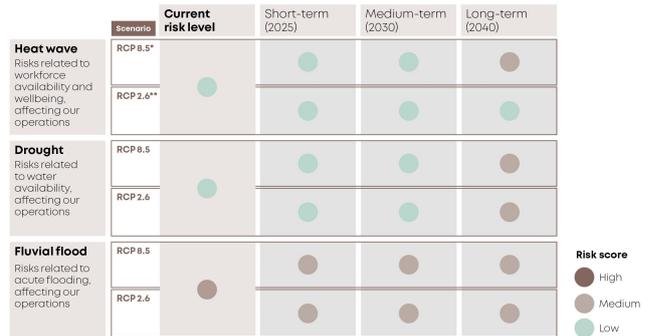
Using our standard risk management framework, we conducted a physical climate risk assessment in 2024, utilising data from Swiss Re, the World Resources Institute, and the Climate Impact Explorer to evaluate potential impacts across various time horizons and scenarios. Initially, we focused on operational risks, with plans to include our supply chain in 2025. The assessment results are displayed in figure 5. We currently see the largest risk from river flooding. However, none of the risks analysed are of material impact to our business strategy. Insights from the site-level assessments were incorporated into local contingency planning where applicable.

Figure 4: Assessment: climate-related transition risks



The default scenario considered here is RCP 2.6, which leads to limited global warming (1.5-2 °C). In contrast, RCP 8.5 is projected to increase the global mean temperature by about 4.8 °C by 2100 compared to pre-industrial levels, or 4 °C compared to 1986-2005.

Figure 5: Assessment: climate-related physical risks



*RCP 8.5 around 4.8 °C increase compared to the pre-industrial state.

**RCP 2.6 around 1.5-2 °C increase compared to the pre-industrial state. Source: Climate Analytics – Climate impact explorer, Swiss Re CatNet® Risk Assessment Report, and Aqueduct Water Risk Atlas (World Resources Institute).

Social

In this section, HUBER+SUHNER reports on the company's social risks and impacts. Material topics include our own workforce and culture and how we attract, continuously develop and retain our people. This also requires special attention to upholding human rights and our employees' health and safety at work and beyond. Furthermore, caring for and interacting with the communities in which we operate is a long-standing tradition at HUBER+SUHNER.

Our own workforce

HUBER+SUHNER continuously strives to be a great place to work, a place where people feel inspired and safe and can develop their potential. Our goal is to retain our talents and, at the same time, to attract new employees. Next to having a strong purpose, the company offers regular training and learning opportunities, and a truly diverse, inclusive, international, agile, and safe work environment.

Our leadership principles are a common guideline for all our employees, placing a high priority on both psychological safety and work in diverse teams. Learning together from mistakes and focusing on constructive feedback enables all employees to perform at their best.

At the end of 2024, the Group had close to 4,000 employees globally working across three regions.

Table 7: Number of employees by region at year end (headcount)

Employees by region*	Americas	APAC	EMEA	Total
2022	279	958	3 232	4 516
2023	263	840	3 006	4 153
2024	263	808	2 923	3 994

* Employees with a HUBER+SUHNER contract (permanent and temporary)

Table 8: Number of employees by employment type at year end (headcount)

Employees by employment type	Permanent contract	Temporary employees	Temporary non-HUBER+SUHNER staff*	Shelter company (Mexico)
2022	4 469	47	1 150	589
2023	4 109	44	786	134
2024	3 945	49	1 395	167

*Number of temporary employees provided by a company primarily engaged in employment activities

Diversity, equality, and inclusion

The best results are achieved by considering different perspectives. Therefore, fostering diversity and inclusion is a priority for HUBER+SUHNER. This includes creating an environment where people with different cultural values, beliefs, ethnic and social backgrounds, as well as a diverse range of age groups and all genders, are welcomed and given equal opportunities. We promote diversity, consistently advocate for equal treatment, and offer attractive and flexible workplaces for different work and life models.

HUBER+SUHNER AG is a cofounder of the [focus50plus](#) network in Switzerland, demonstrating our awareness about demographic change and how it may result in workforce shortages.

Table 9: Distribution of employees by age groups

Age groups employees	< 30 years	30 to 50 years	> 50 years
2022	23.2 %	55.3 %	21.5 %
2023	19.6 %	57 %	23.4 %
2024	16.1 %	58.8 %	25.0 %

Out of the total workforce, 41.7 % were women. The share of women in managerial roles further increased to 29 % in 2024 (up 1.4 percentage points y-o-y). This brings us close to our 2030 target figure of 30 % women in managerial positions. HUBER+SUHNER strives to increase the number of women in the workforce and provide opportunities for them to progress into management positions. For many years, HUBER+SUHNER has worked with [Landolt & Mächler](#) consultants to actively promote equal pay for women and men at our Swiss sites. The consulting company continues to review the development on a regular basis (see [Notes to financial statements AG](#) for more details).

In March 2024, our CEO and our CHRO signed the "[Advance Diversity Charter- A Letter of Intent for Gender Balance in Swiss Business](#)." This is a commitment by [Advance](#), the leading business association for gender equality in Switzerland, and signatory firms to gender equality in business. The goal is a workplace that supports a fair and balanced approach to hiring, remunerating, developing and retaining female talent.

Table 10: Employee gender distribution* ►

Year	Total workforce		Managerial** positions		Top management***		Board of Directors	
	Female	Male	Female	Male	Female	Male	Female	Male
2022	45.1 %	54.9 %	26.1 %	73.9 %	16.7 %	83.3 %	16.7 %	83.3 %
2023	43.5 %	56.5 %	27.6 %	72.4 %	16.7 %	83.3 %	37.5 %	62.5 %
2024	41.7 %	58.3 %	29.0 %	71.0 %	33.3 %	66.7 %	37.5 %	62.5 %

* "Gender distribution" corresponds to Global Reporting Initiative (GRI) disclosure 405-1.

** Managerial positions are roles where a person oversees the job functions of another person or a group of people. Managers might also oversee the operation of a specific function within a company. For example, an accounting manager might lead a team of six accountants, whereas a production manager might oversee otherwise unattended automated assembly lines.

*** Refers to our Extended Executive Management, comprising the CEO, the three Segment COOs, the CFO, CHRO, CIO, CCO, and the Head of M&A and Group Strategy

In Switzerland, where 1,181 of our employees are based, HUBER+SUHNER offers many benefits that exceed legal requirements. These include continued salary payments in case of illness or accident and pension fund contributions. Employees with young children can choose certain nearby day-care centers, which are supported by the HUBER+SUHNER Foundation.

Attracting and retaining employees

For many years, HUBER+SUHNER has invested in a work environment that creates a strong culture, provides flexibility, enhances productivity, and fosters collaboration with internal and external stakeholders. The Group's HR department in Switzerland proposes programmes to local HR teams which can be adopted and adapted as needed by the various sites around the globe in response to country-specific needs.

We observed varied turnover rates across our regions, influenced by business performance and the respective local frameworks. In 2024, 631 positions were filled, with 30 % of them by internal candidates. For management positions, 54 % were filled internally. Overall, we are pleased to report that we have maintained a healthy turnover rate in several locations.

The optimised turnover rate is indicative of our focus on retaining and develop our employees. This is why HUBER+SUHNER offers specialised programmes and benefits to all employees through our internal employee training catalogue or through external training opportunities related to individual professional goals.

Table 11: Employee turnover rate by country*

Country	2022	2023	2024
China	27.8 %	22.9 %	8.9 %
Germany	13.7 %	5.5 %	6.4 %
India	8.2 %	7.7 %	7.9 %
Malaysia	7.3 %	3.8 %	7.7 %
Poland	20.8 %	15.3 %	16.2 %
Switzerland	8.3 %	9.6 %	7.8 %
Tunisia	51.9 %	41.1 %	46.9 %
United Kingdom**	19.8 %	25.1 %	21.7 %
United States	18.4 %	17.3 %	14.8 %

* Reporting for countries with more than 100 HUBER+SUHNER employees only

** United States includes the site of HUBER+SUHNER Inc. and Astrolab

Training and continuous education

It is fundamental to keep employees motivated and committed. HUBER+SUHNER invests in individual training opportunities for its employees to ensure their professional development.

In 2024, we exceeded our target of 16 training hours per employee with a total of 65,033 hours. This equals 17 hours of training per employee across all functions.

Table 12: Overview of employee training hours and costs

Year	Training hours overall	Training hours per employee	Training costs per employee (in CHF)
2022	73 257	16	529
2023	60 848	14	621
2024	65 033	17	614

Apprenticeship and trainee programmes are important offerings that attract the next generation of employees. At HUBER+SUHNER Switzerland, we offer nine different types of apprenticeships to help young people learn essential skills for their chosen vocations through practical and classroom learning. In 2024, we welcomed 24 new apprentices who work across our Swiss sites; 78 (PY 75) apprentices were trained in Switzerland in 2024.

HUBER+SUHNER globally provides internships and apprenticeships for young people and graduates in the United Kingdom, Germany, India, and Malaysia. Other countries, like Australia, started offering work experience programmes which provide a first on-the-job acquaintance for students. You may read more about our internship and apprenticeship programmes in India and Malaysia in our article published in [Sustainable Switzerland](#).

Because HUBER+SUHNER is a member of [Swissmem](#), the leading association for small to large companies in the Swiss tech industry, our employees have access to the [Swissmem Academy](#), which offers an array of courses in further education. The [SwisswoMEMclub](#) specifically addresses women in the tech industry, organising regular events and continuing education to enable professional women to build a strong community and get connected through their careers in the technology sector.

Employee engagement

HUBER+SUHNER relies on the passion and commitment of its employees. Their level of engagement was reflected in the 2024 employee survey conducted at all sites worldwide. The participation rate was very high at 89 % (2022: 85 %) which means that 3,371 employees took the opportunity to voice their opinion. Line managers and their teams will review their results, identify strengths and areas for improvement, and decide on relevant measures. These will be consolidated and discussed with the EGM in Q1 2025.

We will continue to conduct employee surveys every second year to gauge trends and the need for any actions or improvements. For more details please refer to the [Management Report](#).

Human rights and labour practices

In its Code of responsible business conduct, HUBER+SUHNER has committed to fully respecting human rights within its sphere of influence. The company does not tolerate any form of child labour or forced labour and is committed to equal and non-discriminatory treatment of employees and their protection from harassment in the workplace.

The company constantly monitors to ensure that no form of child labour [1] or forced labour [2], according to the International Labour Organization (ILO) definition, is occurring at any of its sites of operation.

Since June 2020, HUBER+SUHNER has been a member to the United Nations (UN) Global Compact, adhering to its [ten principles](#) [3] including principles 1 through 6 which are related to human rights and labour practices. In Switzerland, where almost one third of our workforce is based, we are a signatory of the collective employment agreement (CEA) of the mechanical and electrical engineering industries. Globally, we have various bargaining agreements and employee representatives. Approximately 70% of our employees are covered by either a collective bargaining agreement or an employee representation.

We implemented a grievance mechanism in 2021 called Trustline to demonstrate our commitment to early discovery of any non-compliance with our Code of responsible business conduct. This includes the possibility for employees to anonymously raise concerns. This grievance mechanism is also available to suppliers and other external stakeholders on our [website](#); for more details, please refer to the [governance chapter](#). Both mechanisms are accessible around the clock in several languages, online via a website or an application as well as by phone. The platform is accessible in all local languages of key countries where HUBER+SUHNER has subsidiaries.

[1] See ILO: <https://www.ilo.org/ipec/facts/lang--en/index.htm>

[2] See ILO: <https://www.ilo.org/global/topics/forced-labour/definition/lang--en/index.htm>

[3] See UN Global Compact: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

Occupational health and safety

HUBER+SUHNER ensures OH&S through strict adherence to local laws and regulations and to three global processes that were introduced at the end of 2020 and subsequently rolled out.

Our global [Health and Safety Policy](#) is applied throughout our operations. All sites with production and/or warehousing activities are required to establish and maintain an OH&S management system. With the employees' participation and consultation, we are able to identify hazards, assess workplace risks, and seize opportunities early on in order to eliminate hazards before they become incidents. Every plant has health and safety officers on duty to conduct regular trainings and walk-throughs which sensitise employees' to both work-related hazards and health-related topics in general.

Currently, two of our sites are TÜV SÜD-certified according to ISO 45001 (6 % of our production sites). In 2025, we plan to have two additional sites certified (17 % of our production sites).

In 2024, the average absence rate due to sickness [4] was 3.3 % (PY 4.1 %). For comparison: in the Swiss manufacturing sector, the absence rate was 3.5 in 2023 (most recent available statistics) [5].

The lost-time injury frequency rate for our total employees improved significantly over the past year, decreasing from 3.3 to 2.6 with only 19 lost-time injuries (see table 13 below). In direct and indirect production, the rate remained steady at 4.1 in 2024 (PY 4.1). Notably, six production sites reported zero lost-time injuries. We remain committed to maintaining a 3.0 total lost-time injury frequency rate.

Table 13: Absence rate due to sickness and lost-time injury rate (LTIR)

Year	Absence rate due to sickness	Total number of lost-time injuries*	LTIR total ▶	LTIR in production/warehouse ▶
2022	4 %	25	2.9	4.1
2023	3.8 %	25	3.3	4.1
2024	3.3 %	19	2.6	4.1

* Lost-time injury (LTI): any injury sustained by an employee while on the job that prevents them from being able to perform their job for at least one day/shift; lost-time injury rate: the number of lost-time injuries that occurred during the reporting period per 1 million hours worked by production employees (LTI multiplied by 1,000,000 and divided by the sum of worked hours).

The lost-time injury severity rate [6] for all employees in 2024 was 62, down from 84 in the previous year (PY). No work-related fatalities were recorded during the reporting period.

[4] Number of absence hours due to sickness divided by the planned working time (in hours)

[5] Source: [Swiss Federal Statistical Office](#)

[6] The lost-time injury severity rate is calculated by multiplying the number of man-days lost due to injury by 1,000,000 and then dividing by the total number of hours worked.

Safe and legally compliant handling of hazardous materials

Measures are implemented to protect employees and the environment when handling hazardous materials. Compliance with all relevant laws and regulations is ensured, and manufacturers and importers are required to provide safe handling information, including Globally Harmonized System of Classification and Labelling Chemicals (GHS) hazard pictograms and precautionary statements. Safety data sheets (SDSs) are requested from suppliers, and EHS specialists ensure these are organised for easy access and understanding.

We strictly follow manufacturers' instructions regarding packaging and SDSs, ensuring translations and proper training for operators. Our warehouses are organised in compliance with legal requirements, including appropriate storage practices. We provide personal protective equipment to workers and ensure it is used correctly. For new purchases, we obtain the latest SDS from suppliers and regularly check for updates, informing affected employees as needed.

To minimise risks, we prioritise replacing hazardous materials with non-hazardous alternatives whenever possible and maintain minimal stock levels of hazardous substances.

Community involvement and development

Our country organisations are encouraged and responsible for their community involvement and development activities according to the local setting, needs, and possibilities. The local teams from various departments select and execute projects according to our globally binding [Community involvement and development guidelines](#). Outcomes are shared quarterly within our organisation to promote different successful projects so they can be implemented in varying forms in other locations if possible and appropriate.

On a quarterly basis, we align activities between country organisations and further increase employee engagement and our relationships with local community members and organisations. Our ambition is to build strong ties and foster a mutual understanding of social and environmental risks and opportunities.

With this focus topic, the goal is not only to support the communities where we operate, but to increase employee motivation and engagement beyond our daily business operations. The spirit of giving back reflects a deep sense of

stewardship and our compassion for people. These are crucial traits in everyday life, in business, and beyond. For HUBER+SUHNER this shapes our culture and is one of many ways we live and cultivate our five values: Care, Trust, Passion, Accountability, and Transparency.

In 2024, we supported 222 community involvement and development projects (PY 211) through the engagement of 78 % of HUBER+SUHNER Group companies (PY 79 %). This equalled a financial investment of CHF 489,000 (PY 515,000). The funds are provided from the operating business as well as by the HUBER+SUHNER Foundation.

Table 14: Community involvement and development

Year	Investment in CHF	Number of projects	Proportion of country organisations
2022*	579 000	173	67 %
2023	515 000	211	79 %
2024	489 000	222	78 %

* Since the easing of pandemic-related measures in 2022, our community development activities have increased.

The HUBER+SUHNER Foundation

Established in Switzerland in 1947, the HUBER+SUHNER Foundation is another important channel to support our own employees as well as projects by non-profit organisations in the vicinity of the Herisau and Pfäffikon (canton Zurich) offices and production sites. The foundation's mission is to fund selected environmental, social, cultural, and sports projects.

Table 15: HUBER+SUHNER Foundation projects

Year	Number of projects
2022	142
2023	145
2024	145

Governance

At HUBER+SUHNER, we are committed to a visible culture of integrity, ethics and compliance. This chapter provides an overview of how we established the guiding principles through our group-wide compliance programme. It illustrates how we raise awareness for potential compliance issues and create a culture of transparency by encouraging internal and external stakeholders to report potential misconduct.

Business conduct

Our Code of responsible business conduct

Compliance at HUBER+SUHNER is about living the company's values and speaking up if we witness or suspect unethical behaviour or any non-compliance with the [Code of responsible business conduct](#). Published in six languages, our Code of responsible business conduct lays out important principles on how we manage our business in a responsible manner. It serves as the guiding document for every employee of the HUBER+SUHNER Group as well as for all stakeholders which enter into relationships with our organisation. For certain matters, specific guidelines with more detailed information and instructions have been issued. Aligned with the code's principles and obligations, HUBER+SUHNER has established a Group-wide compliance programme, which specifies our policies and guidelines, procedures, and actions within a defined process to help prevent risks and detect potential violations.

HUBER+SUHNER has a zero-tolerance policy towards corruption and bribery. This commitment is demonstrated through a strong compliance programme that fosters a culture of integrity and adherence to anti-bribery and anti-corruption laws and regulations.

In 2022, HUBER+SUHNER introduced a [Supplier Code of Conduct](#) that aligns with its commitment to responsible business practices. This code establishes a comprehensive framework for ethical and sustainable operations throughout its value chain, ensuring adherence to strong standards in environmental, social, and governance (ESG) criteria.

Compliance training for employees

On a yearly basis, one compliance focus topic is defined according to its relevance for an online compliance training. For office employees, topics like anti-bribery, conflict of interest, and non-competition are regularly addressed. Additionally, an online onboarding compliance training – developed specifically for HUBER+SUHNER – is available in seven languages and all employees working in office environments are asked to complete the interactive online course within the first 90 days of their employment with the company as part of their orientation training programme. Employees at our manufacturing facilities hold daily meetings with shift leaders, discussing compliance topics, where relevant. Of office and indirect production employees globally, 98 % completed the online compliance focus training on the prevention and detection of sexual harassment in 2024.

Table 16: Compliance focus training

Compliance focus topics	Year	Participation [%]
Data protection	2022	97 %
Human rights due diligence	2023	97 %
Sexual harassment	2024	98 %

Our grievance mechanism

In 2021, HUBER+SUHNER implemented an independent and secure whistleblowing platform provided by a third party. The [platform](#) offers all employees worldwide, including temporary staff, apprentices and trainees, an additional reporting channel to easily raise alleged violations or breaches of the Code of responsible business conduct by phone or in writing. The whistleblowing platform can be accessed around the clock. It is available in several languages, and reports can be submitted anonymously. The company has developed guidelines to encourage employees and external stakeholders to voice their concerns about suspected misconduct with respect to the Code of responsible business conduct.

In 2024, none of the reports submitted via our whistleblowing platform or any other reporting channels were substantiated as violations of the Code of responsible business conduct. Other reporting channels, include line managers, human resources representatives, compliance officers, or external service providers.

Our annual compliance report

The Group Compliance Officer oversees the annual compliance report, which is included in our risk report and was presented to the BOD in December. The report includes a summary of the information provided by the area compliance officers, the findings of the other reporting tools such as our internal and external grievance mechanisms, management reviews and internal quality audit reports.

Data privacy and cyber security

Safeguarding our customers' and employees' data as well as data, critical to our operations, is a key concern for HUBER+SUHNER. In line with our information security policy, we are taking decisive action to mitigate the risks of cyberattacks and proactively address potential threats. In addition to sensitising our employees through trainings and activities during the annual "Cybersecurity Awareness Month" in October, constant awareness monitoring allows us to understand our risk exposure and subsequently define follow-up actions where necessary. In the simulations we conducted in 2024, the click-through rate ranged from 0.5 % to 4 %, with an average of 1.17 %. This is significantly lower than the industry average of 8-9 % for untrained employees and approximately 3.4 % after one year of training.

Table 17: Reported cases of misconduct

Reports of non-compliance with the Code of responsible business conduct	Number
Reports of non-compliance	9
Substantiated reports of non-compliance	–
Non-substantiated reports of non-compliance	8
Reports still under investigation*	1

*Reports still under investigation as per 31 December 2024.

Responsible supply chains

At HUBER+SUHNER, over 50 % of sales turnover is spent on procurement. Based on the resulting material environmental and social impact, we aim to ensure that production materials are sourced only from qualified suppliers, guaranteeing high environmental and social standards. We promote the “regional for regional” approach to strengthen local supplier relationships and ensure short supply chain routes whenever feasible. Active management and regular due diligence of social and environmental risks in our supply chain enable us to meet growing regulatory and market expectations, including those from the Swiss Ordinance on Due Diligence and Transparency in Relation to Minerals and Metal from Conflict-Affected Areas and Child Labour (DDTrO).

Our due diligence process

In 2023, HUBER+SUHNER introduced a multi-step supplier sustainability due diligence process for both new and existing suppliers in production material categories. Going beyond the requirements defined by the DDTrO, suppliers with at least a medium sustainability risk need to demonstrate that they uphold relevant sustainability standards in the following areas: human rights and labour practices (including child labour), OH&S, responsible sourcing of minerals, environmental protection, climate change mitigation, as well as fair operating practices. The [Supplier Code of Conduct](#) launched at the end of 2022 lays out the principles and standards we expect our suppliers to follow. Our Global Sourcing team leads the supplier engagement process and has updated our procurement policies accordingly.

New and at-risk suppliers are required to complete eight different self-assessment questionnaires provided by an established sustainability platform. They are also asked to confirm compliance with the Supplier Code of Conduct. Where the self-assessments show any non-compliance for eight core sustainability risks, suppliers are required to improve their sustainability performance. We exceeded our 2024 objective to assess 80 % of our direct production material spend through our sustainability platform.

Table 18: Suppliers that have undergone a sustainability assessment

2024 Target	2022	2023	2024	Status
Assessment of 80% of our production material spend through our sustainability platform	N/A	79 %	83 %	On track

In its operations, HUBER+SUHNER processes conflict minerals such as tin and gold. We aim to ensure that our products are free from conflict minerals, avoiding sourcing from questionable mines. Through additional checks, we gather detailed information about the origin of materials and our suppliers' smelters or refiners. We carry out annual data collection efforts, aligned with updates to the [Conflict Minerals Reporting Template \(CMRT\) of the Responsible Minerals Initiative](#), which are publicly available on the HUBER+SUHNER [website](#).

Any form of misconduct, including in our supply chain, may be reported through our independent and secure whistleblowing platform, which is available free of charge and accessible in several languages on our [website](#). For more details on our grievance mechanism, please refer to chapter [Governance](#).

Based on our assessments and due diligence as outlined above, there are currently no reasonable grounds to suspect child and/or forced labour, nor that metals and minerals originate from conflict-affected or high-risk areas.

Engagement on climate-related issues

Our goal is to reduce our scope 3 emissions by 25 % by 2030, focusing on emissions from purchased goods, materials, and packaging (see chapter [Environment](#)). Collaborating with suppliers is crucial to lower our emissions and to provide low-carbon solutions to our customers. Table 19 highlights these efforts.

We engage with our suppliers through our sustainability platform and in-person interactions to gather insights and understand their decarbonisation efforts. Additionally, our supplier rating also scores suppliers based on their decarbonisation initiatives.

Regional for regional

We aim to follow the “regional for regional” approach to strengthen local supplier relationships, shorten supply chains, and reduce CO2 emissions. In 2024, HUBER+SUHNER procured over 20,000 items from approximately 1,500 active production material suppliers across 43 countries. Between 89 % and 97 % of these suppliers were in the same region as the receiving HUBER+SUHNER sites.

Table 19: Climate engagement

Year	Number of suppliers that track their CO2 emissions*	Number of suppliers with climate targets
2022	N/A	N/A
2023	N/A	N/A
2024	157	119

Note: No data available before 2024

* Suppliers may not necessary track all their emissions

Table 20: Regional supply* by region 2024

Region	Share of production material spend with regional suppliers
AMERICAS	97 %
APAC	96 %
EMEA	89 %

* Suppliers who are in the same region as the receiving site of HUBER+SUHNER

Glossary Non-financial Report

Abbreviation	Definition
ADAS	advanced driver assistance system
APAC	Asia-Pacific
BoD	Board of Directors
CDP	global non-profit that runs the world's environmental disclosure system for companies (formerly Carbon Disclosure Project)
CH ₄	methane
CFO	Chief Financial Officer
CHRO	Chief Human Resources Officer
CIO	Chief Information Officer
CCO	Chief Communications Officer
CMRT	Conflict Minerals Reporting Template
CO ₂	carbon dioxide
CO ₂ -eq	carbon dioxide equivalent
DDTrO	Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour
DMA	double materiality assessment
EBIT	earnings before interest and taxes
EGM	Executive Group Management
EHS	environmental health and safety
EMEA	Europe, the Middle East and Africa
EOL	end-of-life
EPI	environmental performance indicator
ERP	enterprise resource planning
ESG	environmental, social and governance
EVs	electric vehicles
GHG	greenhouse gas
GHS	Globally Harmonized System of Classification and Labelling Chemicals
GRI	Global Reporting Initiative
GWh	gigawatt hours
HFCs	hydrofluorocarbons
HR	human resources
ILO	International Labour Organisation
ISO	International Organization for Standardization
KPIs	key performance indicators
LCA	life cycle assessment
LCIA	life cycle impact assessment
LTIFR	lost-time injury frequency rate
N ₂ O	nitrous oxide
NfR	Non-financial Report
NF ₃	nitrogen trifluoride
OH&S	occupational health and safety
PFCs	perfluorocarbons
PV	photovoltaic
PY	previous year
RCP	Representative Concentration Pathway
REACH	registration, evaluation, authorisation and restriction of chemicals
RoHS	Restriction of Hazardous Substances
SBTi	Science Based Target initiative
SDS	safety data sheets
SF ₆	sulphur hexafluoride
Swiss CO	Swiss Code of Obligations

TCFD	Taskforce on Climate-related Financial Disclosures
TÜV	Technischer Überwachungsverein
UN	United Nations
WBCSD	World Business Council for Sustainable Development
WEEE	Waste Electrical and Electronic Equipment
WRI	World Resources Institute

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Addendum 1: Scope and methodology

Scope of the Non-financial report

HUBER+SUHNER collects data within the operational scope of the HUBER+SUHNER Group, including its subsidiaries. Our reporting period for social and governance data is the calendar year 2024. The same applies to environmental data; however, in cases of expected disproportionate delays in evaluation, the data for December 2024 were estimated. HUBER+SUHNER estimates the deviation from the calendar year period to be less than $\pm 5\%$. We continuously strive to improve data quality and granularity.

Assurance

Ernst & Young Ltd performed a limited assurance engagement on selected EPIs for 2024 ([see Addendum 4: Independent assurance report \(EY\)](#)).

Social data

The data describing the HUBER+SUHNER workforce reflect the characteristics of the workforce as of 31 December, 2024. The total number of employees includes all individuals with a HUBER+SUHNER contract, including both permanent and temporary employees.

Environmental data

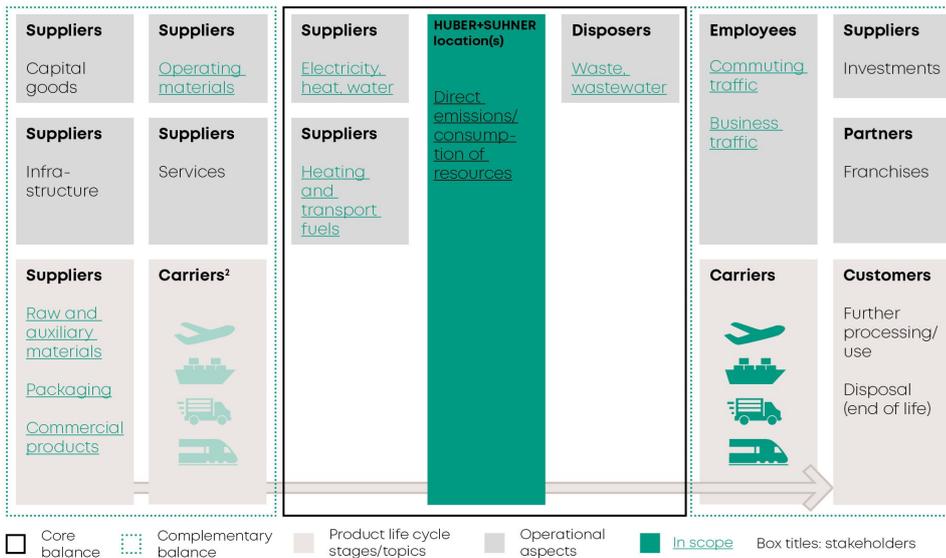
Since 2022, all entities under full operational control of the HUBER+SUHNER Group have at least reported data on energy consumption and employee commuting. Data on raw materials, transport within the Group, customer deliveries, and business travel were sourced from central systems. It is estimated that over 95% [1] of the company's environmental impact has been captured based on production employee numbers and manufacturing activities. HUBER+SUHNER employs an inventory analysis using input-output models, treating each production site as a unit where energy and materials enter (input) and emissions, waste, wastewater, and products are generated (output).

Life cycle assessment

Since 2009, HUBER+SUHNER has conducted annual life cycle assessment (LCA) to assess its environmental performance quantitatively. Since 2019, it has also evaluated significant environmental aspects as per ISO 14001 standards. This process is outlined in the company's environmental management procedures and follows the LCA phases defined by ISO 14040.

Direct emissions and the consumption of resources as well as electricity, heat, water, heating and transport fuels, and waste and wastewater (core balance) are in scope of the LCA as are raw, auxiliary, operating and packaging materials as well as commercial goods, commuting and business traffic, and the transport of materials and products (complementary balance) as shown in figure 1 below. Materials and commercial goods are sourced from external suppliers, with the exception of certain plastic compounds, which are manufactured at the Pfäffikon, Switzerland compounding facility and processed at the Changzhou, China, and Pfäffikon and Herisau plants in Switzerland. The quantities processed or consumed were taken from the ERP system (purchasing data).

Figure 1: Scope of the LCA



[1] “Cradle to gate” plus “transport to customers”.

[2] Swiss Eco-Factors 2021 according to the Ecological Scarcity Method. Methodological fundamentals and their application in Switzerland. Environmental studies no. 2121, Bern, 2021

Method

HUBER+SUHNER has delivered all relevant data to sinum AG (St. Gallen, Switzerland), which is responsible for calculating the environmental and carbon footprint. The environmental footprint evaluation is conducted according to ISO 14040. The LCIA method for the environmental footprint is the Ecological Scarcity [2]. The carbon footprint evaluation complies with the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition). Global warming potential factors aligned with the Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change have been used, as recommended by the Greenhouse Gas (GHG) Protocol and CDP; GHGs accounted for were carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃) as listed in the amended Annex A to the Kyoto Protocol. The footprints were calculated by using expert system REGIS and ecoinvent database version v3.11. Performance data shown in the [environmental performance indicator \(EPI\) table](#) GRI standards 301, 302, 303, 305 and 306. Intensity data always refer to the added value generated as a measure of the economic performance. The added value has been calculated from profit before tax and depreciation plus personnel costs minus other financial results. The added value for the years 2020–2024 is displayed at the bottom of the [environmental performance indicators \(EPIs\) table](#).

GHG inventory: screening 2023

In 2023, we conducted a comprehensive screening of all Scope 3 categories, including capital goods, use phase, and end-of-life. Due to significant uncertainty in data quality, these categories have not been reported in our inventory for the time being and are not covered by the SBTi-approved 2030 Scope 3 climate target. We remain committed to improving data quality.

Addendum 2: Declaration of performance Scope 1+2 CO₂-eq emissions

Performance Scope 1+2. Declaration of performance in accordance with CDP Reporting (Questions C7.9, C7.9ab). Emissions performance calculations were market-based. Compared to the previous reporting year the scope 1+2 emissions of the HUBER+SUHNER Group decreased 21 % corresponding to 1,607 t CO₂eq.

Reason	Change in emissions [t CO ₂ -eq]	Direction of change	Emissions value [%]	Comments
				Purchase of renewable energy: CH: 21.67 GWh (hydro power, 2023: 15.97 GWh) CH: 0.51 GWh (biogas, 2023: 0.49 GWh) CN: 3.46 GWh (solar power, 2023: 3.5 GWh) IN: 0.0 GWh (wind power, 2023: 0.6 GWh) PL: 4.18 GWh (wind power, 2023: 1.83 GWh) DE: 0.7 GWh (hydro power, 2023: 0.6 GWh) US/MY/UK/TN: 2.52 GWh (sun, hydro and wind power, 2023: 0.57 GWh) Self-generated electricity: CN: 1.34 GWh (solar power, 2023: 1.44 GWh) CH: 0.62 GWh (solar power, 2023: 0.53 GWh) UK/DE/PL: 0.13 GWh (solar power 2023: 0.05 GWh).
Change in renewable energy consumption	2 107	Decreased	27.2	
Other emissions reduction activities	175	Decreased	2.3	Various energy efficiency initiatives have been undertaken and are ongoing at all HUBER+SUHNER sites, including the optimization of control and steering mechanisms, the implementation of closed-loop cooling systems, and the utilization of heat recovery.
Divestment	0	No change	0	No divestments.
Acquisitions	0	No change	0	No acquisitions.
Mergers	0	No change	0	No mergers.
Change in output	964	Increased	12.5	Site-specific calculations were conducted using net sales data, with the significant increase in net sales in India being the primary contributing factor. Only production-related emissions, particularly those from electricity, were considered.
Change in methodology	108	Increased	1.4	Change from ecoinvent database version v3.10 to version v3.11
Change in boundary	0	No change	0	No change in boundary.
Change in physical operating conditions	82	Decreased	1.1	The number of heating degree days has decreased in Switzerland and at most international sites.
Unidentified	0	No change	0	No unidentified changes.
Other	315	Decreased	4.1	Following a request from the Swiss government to transition from natural gas to heating oil where feasible, this initiative was subsequently revoked. The management of SF ₆ emissions in Switzerland and China is ongoing, with continuous monitoring and adaptive measures in place. Additionally, district heating at the Pfäffikon site in Switzerland, supplied by municipal utilities with an annually varying share of energy sources, was assigned a higher CO ₂ emission factor. Changes in refrigerant emissions into the air are also accounted for.

Addendum 3: Detailed environmental performance indicators (2020–2024)

Ernst & Young Ltd performed a limited assurance engagement on selected environmental performance indicators (EPis) marked with ► for 2024. Ernst & Young Ltd also performed a limited assurance engagement on the same set of key performance indicators (KPIs) every year between 2020 and 2023.

EPis		2020	2021	2022	2023	2024	Difference 2023/2024	Difference 2020/2024	GRI
Energy ►									302
Total energy	MWh	48 180	54 540	57 297	52 865	53 320	+1%	+11%	
renewable	%	21%	26%	38%	52%	69%	+16	+48	
Purchased electricity	MWh	37 186	42 296	43 264	38 925	39 901	+3%	+7%	
renewable	%	24%	29%	40%	59%	82%	+22	+58	
Purchased heat	MWh	2 831	3 324	3 211	3 238	2 848	(12%)	+1%	
renewable	%	37%	37%	72%	61%	49%	(12)	+12	
Self-generated electricity	MWh	78	66	1 780	2 022	2 084	+3%	+2 577%	
renewable	%	100%	100%	100%	100%	100%	+0	+0	
Total fuel	MWh	8 084	8 854	9 042	8 680	8 488	(2%)	+5%	
renewable	%	3%	2%	6%	6%	7%	+0	+4	
Natural gas	MWh	5 236	5 564	5 471	3 271	4 896	+50%	(6%)	
Biogas	%	–	–	6%	15%	10%	(5)	+10	
Heating oil	MWh	1 327	1 637	1 847	3 663	1 446	(61%)	+9%	
Diesel	MWh	972	1 022	1 368	1 462	1 826	+25%	+88%	
Petrol	MWh	332	455	177	222	256	+15%	(23%)	
Wood	MWh	217	177	178	62	65	+3%	(70%)	
Water ►									303
Total water	m3	915 933	979 079	925 796	677 027	249 380	(63%)	(73%)	
Tap water	m3	64 299	70 498	72 420	70 207	61 420	(13%)	(4%)	
other water (PL, CH)	m3	87 654	99 614	64 786	55 990	56 099	+0%	(36%)	
lake water (CH)	m3	763 980	808 967	788 590	550 830	131 860	(76%)	(83%)	
Materials ►									301
Total materials	t	17 374	21 544	27 783	26 865	30 820	+15%	+77%	
renewable (cardboard and wood)	%	18%	16%	11%	11%	10%	(0)	(8)	
Solvents	kg	15 563	13 846	17 056	15 505	25 616	+65%	+65%	
SF6	kg	27	46	14	14	19	+39%	(30%)	
Refrigerants	kg	264	305	611	377	144	(62%)	(45%)	
Copper	t	7 569	8 715	8 159	7 404	6 801	(8%)	(10%)	
Plastics	t	4 860	6 179	5 489	4 278	4 165	(3%)	(14%)	
Glass fibre*	t	23	239	223	146	153	+5%	+572%	
Packaging	t	4 200	4 377	5 157	4 013	4 533	+13%	+8%	
renewable (cardboard and wood)	%	76%	77%	57%	72%	71%	(1)	(5)	
EPis		2020	2021	2022	2023	2024	Difference 2023/2024	Difference 2020/2024	GRI
Waste ►									306
Total	t	3 941	5 285	4 449	4 221	3 811	(10%)	(3%)	
Municipal waste (incineration)	t	175	198	156	164	185	+13%	+6%	
Municipal waste (landfill)	t	170	189	194	197	179	(9%)	+5%	
Inert waste (landfill CH)	t	2	5	0.3	7.9	0.9	(88%)	(53%)	
Hazardous waste	t	450	474	424	416	482	+16%	+7%	
Waste (energy recovery)	t	576	648	632	661	653	(1%)	+13%	

Recycling	t	2 568	3 772	3 043	2 775	2 312	(17%)	(10%)
Business travel								
Total**	Mio. km	1.8	2.0	9.0	13.9	12.2	(12%)	+564%
Car (expenses, rented)	%	33%	23%	3%	8%	9%	+2	(24)
Aircraft	%	67%	77%	96%	86%	86%	(0)	+19
Product transport***								
Total	Mio. tkm	76	94	101	67	69	+3%	(9%)
Trucks	%	30%	31%	35%	34%	44%	+10	+14
Sea freight	%	56%	27%	41%	44%	35%	(9)	(21)
Air freight	%	13%	32%	21%	23%	21%	(1)	+8
Rail freight	%	1%	11%	3%	0%	0%	+0	(1)
GHG emissions (CO₂eq) ►								305
Scope 1	tCO ₂ eq	2 802	3 692	3 572	3 638	3 150	(13%)	+12%
Scope 2 (market-based)	tCO ₂ eq	8 401	7 824	5 931	4 097	2 978	(27%)	(65%)
Scope 2 (location-based)	tCO ₂ eq	10 975	11 345	9 274	8 862	10 016	+13%	(9%)
Scope 3	tCO ₂ eq	84 296	121 878	182 454	189 920	209 384	+10%	+148%
Environmental impact								305
Core balance	Mio. EP	24 484	26 710	23 598	19 510	18 395	(6%)	(25%)
Total balance	Mio. EP	576 288	769 979	1 094 431	1 042 317	935 366	(10%)	+62%
References								
Added value	Mio. CHF	352	417	420	386	409	+6%	+16%

* glass fibre plus aramid yarn

** excluding km own vehicles (included in fuels)

*** 2021 including Transport (intercompany)

Environmental impact: all figures 2020 - 2021 calculated using ecoinvent database version v38, 2022 v391, 2023 v310, 2024 v311
 GHG emissions: values according to published GHG Inventories. Used ecoinvent database versions: 2018 v35, 2019 v36, 2020 v371, 2021 v38, 2022 v391, 2024 v311; based on IPCC2013 (2020-2021) and IPCC2021 for 2022, 2023 and 2024.

Scope 3

In 2020, packaging data in Switzerland was newly collected.

Adjustments (as shown below) lead to significant increase in Scope 3 compared to previous year. However, the difference between the recalculated 2020 total is < -1% despite the expansion of the corporate standard (see below).

- Expansion of the corporate standard and data collection (i.e. commuting and packaging data).

As part of the expansion of Scope 3, data on commercial products, product use and EoL (end of life of products) will be included in the company model in the medium term. Furthermore, the existing data collection/quality will be continuously improved wherever possible.

In 2021, the system boundaries were expanded to include, for the first time, part of the commercial products purchased. The quality and the granularity of the collected goods transport data (transport to customers and within the production network) have been significantly improved. The same applies to metal and polymer data. In 2022 raw material and commercial goods data from new central data source, so the modelling could be extended and the data granularity and quality was further improved.

Addendum 4: Indices

Index Swiss Code of Obligations Art. 964 b

The table below shows the disclosures reported in accordance with the requirements of Art. 964b of the Swiss Code of Obligations (Swiss CO).

Topics	Disclosure	Location	Page
General Requirements			
Business model	Description of the business model	Our value chain: How we create and distribute value; Our fundamentals	121-122; 24-28
	Policies adopted	Environment	125-129
	Measures taken to implement policies	Environment	125-129
Environmental matters	Risks related	Sustainability strategy; Environment; Addendum 3: Detailed environmental performance indicators	122; 129
	Performance indicators	Environment	125-128
	Policies adopted	Social	130-135
Social issues	Measures taken to implement policies	Social	130-135
	Risks related	Sustainability strategy	122
	Performance indicators	Social	130-135
Employee-related issues	Policies adopted	Social	130-134
	Measures taken to implement policies	Social	130-134
	Risks related	Sustainability strategy	122
Respect for human rights	Performance indicators	Social	130-134
	Policies adopted	Responsible supply chains	138-139
	Measures taken to implement policies	Responsible supply chains	138-139
Combating corruption	Risks related	Sustainability strategy	122
	Performance indicators	Responsible supply chains	138-139
	Policies adopted	Governance: Business conduct	136-137
Combating corruption	Measures taken to implement policies	Governance: Business conduct	136-137
	Risks related	Sustainability strategy	122
	Performance indicators	Governance: Business conduct	136-137

* Applying Art. 964b of the Swiss Code of Obligations, the topics listed below were identified as being material under the Swiss CO. Based on Swiss CO Art. 964b paragraph 1, HUBER+SUHNER considers all topics in scope for non-financial reporting that are material from an impact and financial perspective (see [materiality matrix](#)).

Index Framework 'Recommendations of the Task Force on Climate-related Financial Disclosures'

The table below presents the disclosures made in compliance with the Swiss Ordinance on Climate Disclosures. This ordinance mandates, under Article 964b of the Swiss Code of Obligations (Swiss CO), that organisations disclose climate-related risks in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (Article 3).

TCFD recommendation	Recommended disclosures	Location	Page
Governance			
Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the Board's oversight of climate-related risks and opportunities.	Sustainability Governance	123
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability Governance	123
Strategy			
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Risk management; Environment	20-21; 129
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	Sustainability strategy; Environment	121-122; 128
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.	Sustainability strategy; Environment	122; 128-129
Risk management			
Disclose how the organisation identifies, assesses and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	Risk management; Environment	20-21; 129
	b. Describe the organisation's processes for managing climate-related risks.	Risk management; Environment	20-21; 126-127
	c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Risk management; Environment	20-21; 129
Metrics and targets			
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Risk management; Environment	20-21; 127-129
	b. Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	Environment; Addendum 3: Detailed environmental performance indicators	127-128; 145
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Environment; Addendum 3: Detailed environmental performance indicators	127-128; 145

Index: Global Reporting Initiative (GRI)

Ernst & Young Ltd performed a limited assurance engagement on selected environmental KPIs aligned with the GRI Standards for 2024, these are summarized below.

GRI standard	Disclosure	Location	Page
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Addendum 3: Detailed environmental performance indicators	144
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environment: Resource use; Addendum 3: Detailed environmental performance indicators	126; 144
Water			
	303-3 Water withdrawal	Environment: Resource use; Addendum 3: Detailed environmental performance indicators	126; 144
GRI 303: Water and Effluents 2018	303-5 Water consumption	Addendum 3: Detailed environmental performance indicators	144
Emissions			
	305-1 Direct (Scope 1) GHG emissions	Environment: Climate change mitigation; Addendum 3: Detailed environmental performance indicators	127; 145
	305-2 Energy indirect (Scope 2) GHG emissions	Environment: Climate change mitigation; Addendum 3: Detailed environmental performance indicators	127; 145
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Environment: Climate change mitigation; Addendum 3: Detailed environmental performance indicators	127; 145
Waste			
GRI 306: Waste 2020	306-3 Waste generated	Addendum 3: Detailed environmental performance indicators	144
Occupational health and safety			
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Social: Our own workforce	132
Diversity and equal opportunity			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social: Our own workforce	129



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To the Management of
HUBER+SUHNER AG, Herisau

Zurich, 11 February 2025

Independent assurance report on selected sustainability disclosures and indicators in the annual report

We have been engaged to perform assurance procedures to provide limited assurance on selected disclosures and indicators included in HUBER+SUHNER AG's (the Company's) Annual Report 2024 for the reporting period from 1 January 2024 to 31 December 2024 (the Report).

Our limited assurance engagement focused on selected disclosures and indicators presented in Non-financial Report 2024 included in the Annual Report and marked with the check mark ►. An overview of the selected indicators is attached in the Appendix to our independent assurance report.

We did not perform assurance procedures on other information included in the Report, other than as described in the preceding paragraph, and accordingly, we do not express a conclusion on that information.

Applicable criteria

The Company defined as applicable criteria (the Applicable Criteria):
Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) presented on the GRI homepage.

Inherent limitations

The accuracy and completeness of selected disclosures and indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial matters indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with the Company's non-financial report, its definitions and procedures on non-financial matters reporting therein.

Responsibility of the Management

The Management is responsible for the selection of the Applicable Criteria and for the preparation and presentation, in all material respects, of the selected disclosures and indicators in accordance with the Applicable Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the selected disclosures and indicators that are free from material misstatement, whether due to fraud or error.



Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of 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.

Our firm applies *International Standard on Quality Management 1*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a conclusion on the selected disclosures and indicators based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected disclosures and are free from material misstatement, whether due to fraud or error.

Summary of work performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:

- Assessment of the suitability of the Applicable Criteria and their consistent application
- Interviews with relevant personnel to understand the business and reporting process, including the sustainability strategy, principles and management
- Interviews with the Company's key personnel to understand the non-financial reporting system during the reporting period, including the process for collecting, collating and reporting the disclosures and indicators
- Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Applicable Criteria



3

- Analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations
- Testing, on a sample basis, underlying source information to check the accuracy of the data

We have not carried out any work on data other than outlined in the paragraph above. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected disclosures and indicators in the Report of the Company have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Ernst & Young Ltd



Mark Vesper
(Qualified Signature)
Executive in charge



Kim Bischof
(Qualified Signature)
Manager



Appendix: Key Performance Indicators in assurance scope

Limited assurance

GRI Indicators

- ▶ Scope 1 GHG emissions (GRI 305-1)
- ▶ Scope 2 GHG emissions (market-based) (GRI 305-2)
- ▶ Scope 2 GHG emissions (location-based) (GRI 305-2)
- ▶ Scope 3 GHG emissions (GRI 305-3)
- ▶ Gender Distribution (GRI 405-1)
- ▶ Lost-time injury frequency rate total (GRI 403-9)
- ▶ Lost-time injury frequency rate in production/warehouse (GRI 403-9)
- ▶ Environmental performance indicators for energy (GRI 302)

Energy	Unit
Total energy	MWh
renewable	%
Purchased electricity	MWh
renewable	%
Purchased heat	MWh
renewable	%
Self-generated electricity	MWh
renewable	%
Total fuel	MWh
renewable	%
Natural gas	MWh
Biogas	%
Heating oil	MWh
Diesel	MWh
Petrol	MWh
Wood	MWh

- ▶ Environmental performance indicators for water (GRI 303)

Water	Unit
Total water	m3
Tap water	m3
other water (PL, CH)	m3
lake water (CH)	m3

- ▶ Environmental performance indicators for materials (GRI 301)

Materials	Unit
Total materials	t
renewable (cardboard and wood)	%
Solvents	kg
SF6	kg
Refrigerants	kg
Copper	t
Plastics	t
Glass fibre	t
Packaging	t
renewable (cardboard and wood)	%



▶ Environmental performance indicators for waste (GRI 306)

Waste	Unit
Total	t
Municipal waste (incineration)	t
Municipal waste (landfill)	t
Inert waste (landfill CH)	t
Hazardous waste	t
Waste (energy recovery)	t
Recycling	t

Indicators based on Huber+Suhner's own criteria

- ▶ Intensity Water Withdrawal
- ▶ Energy Intensity
- ▶ Intensity waste sent to landfill / incineration