Sustainability report

This report describes the six topics that are material for Bucher Industries and assigns them to the pillars environment, social and governance. It explains the material impacts, opportunities and risks, key indicators and targets for each topic, and how each of these developed during the reporting period.

Basis of the sustainability report

The sustainability report was drawn up with reference to the Global Reporting Initiative Standards (GRI Standards) and the Corporate Sustainability Reporting Directive (CSRD), and complies with Swiss law. The report provides an account of environmental matters, especially CO_2 reduction, social matters, employee matters, respect for human rights and combating corruption. The sustainability report includes all companies owned directly or indirectly by Bucher Industries AG, which are also included in the scope of consolidation of the consolidated financial statements. The group companies are listed on pages 109 to 111 of this annual report. The report is prepared based on uniform criteria that apply to all Bucher Industries companies.

The sustainability report was approved by the board of directors on 27 February 2026 and will be presented to the annual general meeting for approval on 16 April 2026.

Sustainability strategy

Sustainability is well established in the organisation. To create sustainable economic value for all stakeholders, Bucher Industries takes a long-term approach, which means that the Group takes environmental, social and governance aspects into account in its decision-making processes. The Group develops and manufactures economical, innovative and environmentally friendly machinery and drive systems, while protecting the environment and doing business with integrity and fairness.

Material topics

The double materiality assessment aims to identify topics that on the one hand have a financial impact on the Group (financial materiality) and on the other hand show the impact of its business activities on the environment and society (impact materiality).

Procedure

To determine the material topics, Bucher Industries carried out a double materiality assessment in accordance with CSRD. The material topics were identified along the value chain and assessed according to their potential impacts, opportunities and risks. The decisive criteria were probability, severity, scope or irreversibility as well as the extent of the financial opportunities and risks. Although both upstream and downstream activities were taken into account, only the downstream activities over which the Group has control or influence were included. Stakeholders such as employees, customers, suppliers and investors were involved in the process. A threshold based on qualitative and quantitative criteria served as a basis for prioritisation.

Value chain

To assess Bucher Industries' value chain, each division identified and evaluated its value chain, including upstream and downstream activities. The following illustration shows Bucher Industries' entire value chain and is representative of all divisions. In the double materiality assessment, the system boundaries of the value chain with respect to downstream activities were limited to those areas over which Bucher Industries has control or can exercise significant influence.

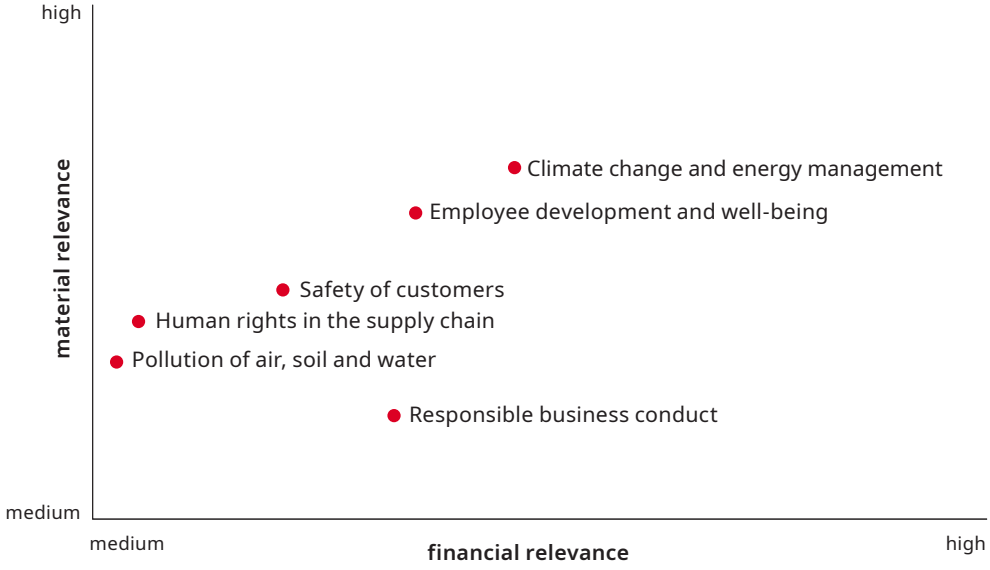
Bucher Industries' business activities and business model are described in the section "Bucher at a glance".

Involvement of stakeholders

Bucher Industries is in regular contact with various stakeholders. These stakeholders are listed in the annex section, along with their key needs and concerns. In the context of the involvement of the various stakeholders, there were no new material findings that would have had to be taken into account in the materiality assessment.

Double materiality matrix

The six key topics identified in the double materiality assessment are recorded in the matrix below.



Within the six material topics, seven subtopics were considered as key.

Topics		
Principles		
– Products and solutions that contribute to society – Good corporate governance – Economic value creation		
Environment, social and governance		
	Material topic	**Subtopic**
Environment	Climate change and energy management	– Adaptation to climate change, climate protection and energy management
	Pollution of air, soil and water	– Pollution of air, soil and water
Social	Employee development and well-being	– Skill development – Health and safety of own workforce
	Safety of customers	– Health and safety of customers and end-users
	Human rights in the supply chain	– Human rights in the supply chain
Governance	Responsible business conduct	– Resilient and sustainable corporate culture

The material topics are reviewed regularly and adjusted where necessary.

Sustainability governance

Sustainability is well established in the organisation, and responsibilities are clearly set out at all levels and closely linked with the organisation's 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 the 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 interdepartmental 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 on the composition and diversity of the members of the board of directors and group management can be found in the "Corporate governance" section.

Risk management and internal control processes

The sustainability strategy considers short-term (1 year), medium-term (2 to 5 years) and long-term (5 or more years) opportunities and risks. Bucher Industries has an established management process that encompasses environmental aspects, including climate-related aspects, as well as social and governance aspects. The process involves systematic identification, evaluation, action planning and monitoring of opportunities and risks. These are explained in the relevant sections on the material topics. The risk management requirements that apply throughout the Group are defined in the Bucher Internal Control System (BICS). Further details about risk management and the internal control instruments can be found in the section "Bucher at a glance". These also apply to sustainability aspects.

Environment

As a technology company, Bucher Industries contributes to ecological development by focusing on energy efficiency and energy management and by reducing emissions in production. The innovative systems enable customers to work in a resource-efficient way. In addition, environmental impacts along the supply chain are reduced as much as possible.

Environment
– Climate change and energy management
– Pollution of air, soil and water

Climate change and energy management

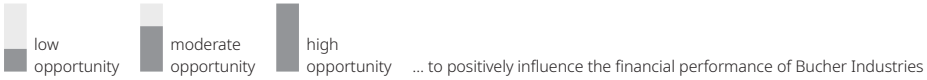
Key indicator and target	2025	2024
Adaptation to climate change, climate protection and energy management		
Reduction of absolute Scope 1 and 2 CO_2 emissions by 25% by 2028 compared with a total of 93'317 tCO_2e in the base year 2021	–35%	–25%
Calculation of Scope 3 emissions and publication of results for the 2026 financial year	n.a.[1)]	n.a.[1)]

[1)] Data only published from annual report 2026 onwards

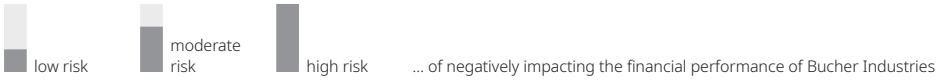
Material impacts, opportunities and risks
Upstream activities, such as the extraction and processing of raw materials, as well as own production and downstream activities involving product use require large amounts of energy that currently come mainly from fossil fuels.

Scenario analysis
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	Scenario up to 4.4°C
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 energy 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.			



Climate-related risks	Description	Short/ medium term	Scenario below 2.0°C	Scenario up to 4.4°C
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 companies and products may require investment in the development of climate-friendly energy sources and new technologies, which can lead to higher research and development costs.			
Increased raw material costs and supply chain disruptions	Rising prices for energy and raw materials are one potential consequence of physical climate risks, regulatory requirements or climate-related disruptions in the supply chain. In addition, rising demand for low-emission materials can increase the cost of raw materials. In the energy sector, CO_2 pricing and structural market changes lead to additional costs. These developments may result in higher operating expenses and loss of revenue.			



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 above and their assessments are based on the inherent risk. Appropriate measures to minimise these risks are explained in the "Management approach and policies" section.

Scenario methodology

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.

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.

The physical risk assessment was based on past events and also takes into account predicted changes in the intensity and frequency of future events under different climate scenarios.

Management approach and policies

Bucher Industries aims to continuously reduce CO_2 emissions in its own operations. Key areas of action include increasing energy efficiency in production, optimising buildings and increasing the use of renewable energy.

Another major lever for reducing the ecological footprint lies in the design of products and solutions. Resource-conserving design, increased technological efficiency and electrification enable customers to improve the environmental compatibility of their applications while maintaining the same functionality. Environmental aspects are taken into account as early as the research and development phase and are included throughout the entire product life cycle, from manufacture through to disposal.

The protection of the environment and the responsible and efficient use of natural resources are anchored in Bucher Industries' company-wide policies. These include the Code of Conduct, the Environmental Policy, the Human Rights Statement and the Supplier Code of Conduct. These policies are based on legal requirements and recognised international environmental standards. They form the framework for a structured environmental and energy management system. The policies apply to all Bucher Industries' locations and also include the supply chain to address ecological impacts holistically and continuously improve them.

Annual developments and measures

Energy consumption

MWh

	2025	%	2024	%	Change %
Self-generated renewable electricity	10'342	3.0	7'178	2.0	44.1
Purchased renewable energy	78'408	23.0	55'015	16.0	42.5
Energy consumption from renewable sources	**88'750**	**26.0**	**62'193**	**18.0**	**42.7**
Crude oil and petroleum products	55'196	16.2	55'542	16.1	–0.6
Natural gas	122'440	35.9	129'584	37.6	–5.5
District heating	8'704	2.5	10'367	3.0	–16.0
Purchased electricity from fossil sources	26'407	7.7	37'865	11.0	–30.3
Energy consumption from fossil sources	**212'747**	**62.3**	**233'358**	**67.7**	**–8.8**
Energy consumption from nuclear sources	**39'843**	**11.7**	**49'128**	**14.3**	**–18.9**
Energy consumption	**341'340**	**100.0**	**344'679**	**100.0**	**–1.0**

The energy consumption remained at the prior year level. However, the proportion of self-generated renewable electricity was further increased by expanding or commissioning photovoltaic systems. The installed solar capacity totalled 13'234 kWp (2024: 9'042 kWp). In addition, the proportion of purchased renewable energy was further increased.

CO_2 emissions

tCO2e

		2025	2024	Change %
Scope 1		40'364	41'651	–3.1
Scope 2		20'563	28'029	–26.6
CO_2 emissions		**60'927**	**69'680**	**–12.6**
CO_2 emissions/net sales	tCO_2e/CHFm	20.9	22.1	–5.3
Biogenic CO_2 emissions		558	427	30.7
Location based Scope 2 CO_2 emissions		3'150	3'839	–17.9

Calculation methodology

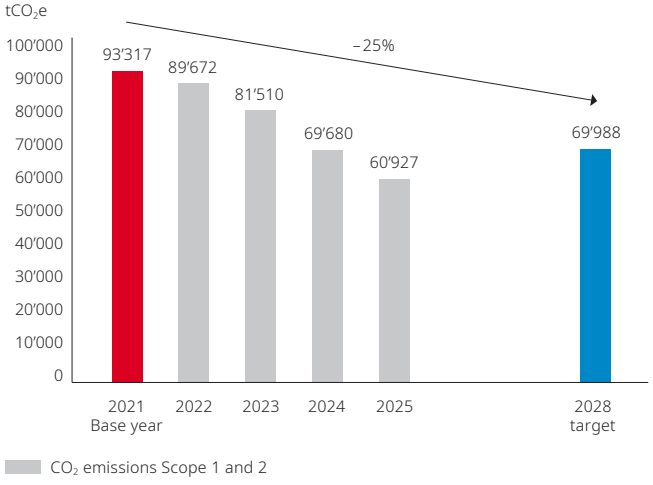
The greenhouse gas inventory was compiled in accordance with the Greenhouse Gas Protocol and the ISO 14064 standard. Scope 1 emissions are from direct energy usage and non-energetic processes. Scope 2 emissions are from indirect energy use. Where possible, the market-based approach was used to calculate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

The decrease in CO_2 emissions compared to the prior year is attributable not only to the improved purchased electricity mix, the expansion of self-generated solar power and more energy-efficient production facilities, but also to the economic slowdown. Overall, CO_2 emissions were reduced by 35% compared with the base year 2021.

Reduction pathway and resilience

Bucher Industries has been following an action plan to reduce CO_2 emissions for several years and is working on strategic initiatives to adapt product lines to market changes and exploit growth opportunities. Every year, four to five percent of net sales are invested in buildings and facilities and in research and development. Some of these investments contribute to the reduction of CO_2 emissions, in particular the modernisation of buildings and facilities to increase energy efficiency and reduce physical environmental risks, as well as the development of new and more efficient technologies. The switch to renewable energy also contributes to reducing CO_2 emissions and makes it possible to reduce the dependency on fossil fuels. Given the assumed growth of the organisation, further measures like the installation of further photovoltaic systems and building optimisations will be required in the future to achieve its climate targets.

CO_2 reduction path



Factors influencing the CO_2 emissions

+ Company growth
+ Acquisitions
– Installation of photovoltaic systems
– Switching to climate-friendly energy procurement
– Energy efficiency in production
– Building optimisation

Pollution of air, soil and water

Key indicator and target	2025	2024
Pollution of air, soil and water		
Introduction of a supplier due diligence system	In progress	Initiated

Material impacts, opportunities and risks

The extraction and processing of raw materials, as well as improper storage and disposal, can cause environmental pollution, either via the air or directly in soil and water.

Management approach and policies

Bucher Industries has set itself the goal of offering products that have an impact as low as possible on the environment in terms of procurement. At the same time, Bucher Industries wants to increase the transparency of its relevant suppliers in terms of their environmental impact.

A supplier due diligence system, which provides for the minimisation and prevention of environmental pollution, was created based on the Group-wide Environmental Policy. To this end, a Supplier Due Diligence Policy and a Supplier Code of Conduct have been introduced. The policy stipulates that relevant suppliers be assessed with regard to environmental pollution and other sustainability criteria, and that critical suppliers be regularly audited and obliged to take mitigation measures. In addition, the Supplier Code of Conduct requires suppliers to comply with applicable environmental laws and regulations and to implement measures to minimise their environmental impact.

Annual developments and measures

In the reporting period, work began on the implementation of the Group-wide policy for due diligence in the supply chain, which in particular included recording and evaluating all relevant suppliers.

Social

Bucher Industries sees itself as a long-term industrially oriented company and a fair partner for all stakeholders. Its success is due to the employees' expertise and high level of commitment. The company offers a working environment that motivates, inspires, encourages and challenges its employees according to their skills and interests. Great importance is likewise attached to protecting the health and safety of customers. Bucher Industries also works closely with its suppliers to ensure respect for human rights.

Social

– Employee development and well-being
– Safety of customers
– Human rights in the supply chain

General information

Bucher Industries' success is based on the dedicated work of its employees around the world. Their involvement is ensured through employee surveys, regular appraisal interviews as well as targeted information, training and development opportunities. This promotes a diverse and inclusive leadership culture and supports the proactive exchange of views and constructive feedback between employees and management. At the same time, Bucher Industries maintains an active social dialogue with its employees and employee organisations. Employees are kept up to date on business performance at regular meetings. Freedom of association, collective bargaining and effective labour relations are always guaranteed in compliance with the applicable local laws and regulations.

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.

Employees and third parties can submit complaints via a whistleblower system. Reports made in good faith do not lead to any disadvantages for the person submitting the report.

Number of employees as at year-end

			Change
	2025	**2024**	**%**
Regulars	12'268	12'414	–1.2
Trainees	397	416	–4.6
Defined period and temporary staff	1'533	1'277	20.0
Employees	**14'198**	**14'107**	**0.6**
Turnover rate of average regulars	12.4%	11.6%	

The number of employees increased slightly at the end of the year. While in France, temporary and defined period staff were increasingly hired to meet the rise in order intake, in the USA in particular, the workforce was adjusted to reflect the lower capacity utilisation. Further information on the regional distribution of the employees can be found in the divisional reports. The number of trainees declined slightly, but remained stable as a percentage of the regular employees.

Employees by gender

		Gender[1)]		
%	Male	Female	Male	Female
		2025		**2024**
Regulars	84.5	15.5	84.5	15.5
in senior management	95.9	4.1	95.7	4.3
in group management	85.7	14.3	85.7	14.3
Board of directors	66.7	33.3	80.0	20.0

[1)] No further genders have been reported

Gender distribution remained virtually unchanged year on year. This was the case for regular employees and senior management, as well as group management. The low proportion of women overall 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.

Key indicator and target	2025	2024
Skill development		
Employees are invited to participate in an employee survey every four years	Met	Met
Over 22 hours of further training per employee per year	32 hours	28 hours
Health and safety of own workforce		
Reduce the lost workday rate (LWR) by 10% by 2030 compared to the base year 2025	n. a.	n. a.

Skill development

Material impacts, opportunities and risks

It is important to Bucher Industries to employ optimally qualified personnel and staff for the various roles and duties. Employees are encouraged and challenged according to their interests and abilities. This boosts the Group's performance and the loyalty of the employees. At the same time, employees acquire relevant skills and remain competitive on the labour market.

Management approach and policies

Bucher Industries attaches great importance to the training and further development of its employees as well as to strengthening their professional and personal skills, all while adopting a non-discriminatory approach. Bucher Industries also offers a working environment with fair conditions and appropriate remuneration that respects human rights and promotes employee motivation, satisfaction and long-term retention. A performance-oriented culture, regular appraisals and the assumption of additional or new responsibilities support the targeted development of in-house talent and future leaders. An important management tool is the annual appraisal meeting, during which the appraisal itself, further training and development opportunities, and the employment relationship more generally are discussed. In addition, in-house and external training as well as development opportunities and leadership trainings are available. At 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 team spirit within the Group.

Annual developments and measures

Bucher Industries conducts employee surveys in all divisions and at various locations on a rotating basis each year. In 2025, more than half (2024: one-third) of regular employees were invited to participate in surveys. The surveys achieved a satisfactory response rate and showed high satisfaction levels. The findings from the surveys are used to implement targeted and site-specific measures to further increase employee satisfaction.

Investments in employee training and development opportunities continued to be an important issue in the reporting period. At 32 hours (2024: 28 hours), the number of training hours actually completed per regular employee once again exceeded the target value of over 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.

Health and safety of own workforce

Material impacts, opportunities and risks

Protecting the occupational health and safety of employees is important to Bucher Industries. Health and safety have a significant impact on well-being, employee performance and loyalty to the company.

Management approach and policies

Bucher Industries complies with all occupational health and safety laws and regulations that apply in the respective countries and guarantees an appropriate working environment to protect the health of its employees and prevent occupational accidents. Health risks arising from the use, maintenance, handling, storage and transport of machinery, goods and materials are monitored systematically.

Occupational health and safety officers and coordinators train and support employees at the locations to raise awareness of potential risks. Dedicated management systems are used for this purpose. Regular internal and external inspections ensure the correct implementation of health and safety regulations. Tasks posing an increased health and safety risk are automated wherever possible. Following an acquisition, a new sites is gradually brought up to the standards of Bucher Industries.

The principles listed above are anchored in the Group-wide Code of Conduct, the Group-wide Employee Policy, and division- and location-specific policies.

Annual developments and measures

In the reporting period, a total of one third of all employees worked in accordance with occupational health and safety management systems that are certified according to ISO 45001. Occupational health and safety training in the reporting period was at the same level as in the prior year.

			Change
	2025	**2024**	**%**
Number of occupational accidents	258	296	–12.8
Accident frequency rate (AFR)	10	11	

Calculation methodology

The accident frequency rate (AFR) is calculated as occupational accidents per one million standard annual working hours (8 hours per day) resulting in more than one day of absence. The lost workday rate (LWR) is calculated as days lost per 200’000 standard annual working hours resulting from occupational accidents resulting in more than one day of absence.

The number of occupational accidents was again reduced, as reflected in a lower accident frequency rate. However, there was one fatality due to a work-related accident in the year under review. The tragic accident occurred while loading a machine onto a truck.

Safety of customers

Key indicator and target	2025	2024
Health and safety of customers and end-users		
Number of incidents currently under investigation	1	1
Number of incidents deemed to have been caused by Bucher Industries' failure to comply with safety regulations	–	1

Calculation methodology

The number of incidents with significant potential or actual negative impacts on the health and safety of customers in connection with Bucher Industries' products and services. The number of incidents represents the total number. It includes cases from the respective year as well as cases from previous years that are currently under investigation.

The number of incidents deemed to have been caused by a failure on the part of Bucher Industries was acknowledged as such by Bucher Industries or the failure was confirmed in legal proceedings.

Material impacts, opportunities and risks

The health and safety of customers and consumers using Bucher Industries' products should be protected as far as possible and risks should be minimised. Accidents should be avoided as far as possible.

Management approach and policies

Bucher Industries attaches great importance to customers' health and safety, right from product development through to product manufacture and operation.

The 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 the commitment to respecting human rights.

The topic of cyber security also has high priority as 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 of the Cyber Security Policy. The data protection obligation is also anchored in the Group-wide Code of Conduct.

Annual developments and measures

In the reporting period, there were no new incidents with a significant negative impact on the health and safety of customers in connection with Bucher Industries' products and services that are currently under investigation, nor were any failures to comply with safety regulations identified. As at year-end 2023, there was one incident with a significant negative impact on customer health and safety. This is currently under investigation. As a precautionary measure, a recall was instigated and the critical component replaced.

Human rights in the supply chain

Key indicator and target	2025	2024
Human rights in the supply chain		
Introduction of a supplier due diligence system	In progress	Initiated

Material impacts, opportunities and risks

Workers in the supply chain may be exposed to human rights abuses. Good collaboration with suppliers can improve product quality and promote ethical procurement, thereby reducing negative impacts on stakeholders.

Management approach and policies

The Code of Conduct sets out Bucher Industries' principles of conduct: propriety, fairness, integrity and professionalism. In addition, the Human Rights Statement defines policies for respecting human rights and complying with labour law standards. This includes respect for human rights as set out in the fundamental international conventions. Bucher Industries is committed to respecting these as well as the laws that apply in the countries in which the Group operates. 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. Bucher Industries expects its suppliers to apply the same standards and makes them aware of its expectations. These include, in particular, the prohibition on child labour, forced labour and oppression, 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".

Annual developments and measures

In the reporting period, work began on the implementation of the Group-wide policy for due diligence in the supply chain, which in particular included recording and evaluating all relevant suppliers.

Governance

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 its excellent reputation.

Governance
– Responsible business conduct

Responsible business conduct

Key indicator and target	2025	2024
Resilient and sustainable corporate culture		
No material incidents regarding compliance with laws and regulations	Met	Met
Affected employees have completed compliance training	Met	Met

Material impacts, opportunities and risks

A strong corporate culture with sustainable practices that are based on fundamental principles and policies and comply with laws and regulations prevents fines, sanctions and reputational damage, and has a positive impact on employees and other stakeholders.

Management approach and policies

The 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. Bucher Industries' business activities comply with all applicable laws and binding regulations in all of the countries in which it operates. Managers at all levels keep themselves informed about any relevant legal and regulatory frameworks and pass on any required instructions. 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 internal guidelines, Bucher applies 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 as well as divisional and local compliance officers. These officers help the divisional and local management to implement policies, record compliance cases and conduct training, and serve as points of contact for employees.

Training During the induction process, all employees receive the 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 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 regulations Employees are obliged to comply with the Code of Conduct and the applicable directives and instructions. The division president 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 “No material incidents regarding 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 and that there are no material deviations from the Group-wide internal control system. With regard to “All affected employees have completed compliance training”, the aim is for all relevant employees to complete full compliance training.

Whistleblower system Employees may report any breaches of the 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 a whistleblower system. It is ensured that compliance reports are investigated and decided by impartial persons.

Anti-corruption The Code of Conduct prohibits all forms of bribery and corruption. No employees or intermediaries such as agents and distributors may use corrupt practices in any countries where they operate. The Anti-Corruption Directive 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 The Code of Conduct states the guiding principle of adhering to fair competition, which ensures fair pricing and customer and consumer protection in particular. The Competition Law Directive explains the basic provisions of competition law and provides guidance on how to avoid anti-competitive behaviour.

Trade controls In accordance with its Code of Conduct, Bucher Industries complies with all applicable trade control laws. The Group operates in a global business environment with numerous local and international import and export regulations. The 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 The Code of Conduct states that Bucher Industries collects and stores the personal data of employees and third parties in accordance with all applicable laws and regulations. The Data Protection Directive implements the EU General Data Protection Regulation (GDPR) and defines tasks and responsibilities. The Group also complies 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 dealings with suppliers See the sections on “Human rights in the supply chain” and the annex on “Due diligence obligations”.

Annual developments and measures

There were no material incidents regarding compliance with laws and regulations. No significant findings or significant deviations from Group-wide requirements regarding risk controls were discovered during the internal audits. The affected employees have completed full compliance training.