

Due diligence obligations

Human rights

(including conflict materials and child labour)

Policy declaration

Bucher Industries understands that its business dealings wherever it operates can have an impact on human rights, whether through its own activity or that of its business relationships along the supply chain. With our Human Rights Statement as well as a Human Rights Due Diligence Framework (HRDD Framework), we hope to lead the way as a role model in this respect and apply responsible business practices in accordance with internationally recognised human rights. This means that Bucher Industries continuously takes steps to identify, minimise and address risks and impacts. Responsible business conduct is gradually embedded into business processes, with monitoring and reporting on performance. Access to complaints and remedial action is facilitated, particularly for those who may potentially be affected.

The Human Rights Statement is based on the international frameworks listed in the section below. It also applies to all subsidiaries of Bucher Industries as well as the associated business activities and business relationships. The Human Rights Statement sets out our expectations regarding the prevention of child labour, forced labour and oppression, as well as occupational health and safety, freedom of association, the right to equality, the right to privacy, fair wages and working conditions, conflict minerals, and bribery and corruption.

We have set out internally binding instructions in our Code of Conduct, Environmental Policy, Employee Policy and Anti-Corruption Policy and implemented these accordingly. In December 2023, a policy on due diligence obligations in dealings with suppliers was also enacted.

General application of internationally recognised regulations

Bucher Industries places great emphasis on high standards in business ethics and integrity, including support and respect for internationally recognised human rights, as set out in the following international frameworks:

- The Universal Declaration of Human Rights
- The Ten Principles of the UN Global Compact
- Forced Labour Convention, 1930 (ILO Convention No. 29)
- Protocol of 2014 to the Forced Labour Convention, 1930 (ILO Convention No. 29)
- Abolition of Forced Labour Convention, 1957 (ILO Convention No. 105)
- Minimum Age Convention, 1973 (ILO Convention No. 138)
- Worst Forms of Child Labour Convention, 1999 (ILO Convention No. 182)
- ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015
- United Nations Guiding Principles on Business and Human Rights (UNGPs)
- Minamata Convention on Mercury of 10 October 2013 (Minamata Convention)

Conflict minerals

Bucher Industries and its divisions did not import or process any conflict materials (ores and concentrates containing tin, tantalum, tungsten or gold; metals containing tin, tantalum, tungsten or gold) in Switzerland and the EU over the course of the reporting period. In accordance with art. 4 of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO), we are therefore exempt from the corresponding due diligence and reporting obligations in Switzerland and the EU.

Application of internationally recognised child labour regulations

With respect to child labour, Bucher Industries abides by the following internationally recognised regulations and applies these in their entirety:

- Minimum Age Convention, 1973 (ILO Convention No. 138)
- Worst Forms of Child Labour Convention, 1999 (ILO Convention No. 182)
- ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015
- United Nations Guiding Principles on Business and Human Rights (UNGPs)

In accordance with art. 9 of the DDTrO, we are therefore exempt from the due diligence and reporting obligations relating to child labour as set out in the Swiss Code of Obligations and the DDTrO.

In this annual report, Bucher Industries reports on how we are addressing the topic of human rights, in accordance with art. 21 of the UNGPs. According to our risk assessment, there are no risks associated with Bucher Industries' activities or environment that would have serious implications for human rights as defined in art. 21 of the UNGPs.

Human Rights Due Diligence Management System

In the reporting period, Bucher Industries drafted and implemented a Human Rights Due Diligence Framework (HRDD Framework) and a policy on due diligence obligations in dealings with suppliers that includes the following main steps in accordance with the UNGPs:

Policy declaration See section on "Policy declaration"

Risk assessment Together with independent external experts, Bucher Industries conducted a risk assessment in the reporting period that looked at human rights along the value chain, and identified and prioritised potential risks to human rights. The prioritised salient human rights are listed in the Bucher Human Rights Statement: the prevention of child labour, forced labour and oppression, as well as occupational health and safety, freedom of association, the right to equality, the right to privacy, fair wages and working conditions, conflict minerals, and bribery and corruption. It has generally been established that we do not operate in critical sectors. This means that there is a higher likelihood of salient human rights either upstream or downstream in the supply chain, particularly beyond Tier 1 suppliers but a significantly lower likelihood of negative impacts in Bucher Industries' own operations.

Measures On the basis of this risk assessment, Bucher Industries has enacted a policy on due diligence obligations in dealings with suppliers. This policy, which is binding for the divisions, outlines the responsibilities and processes governing how we identify risks to human rights in the supply chain and bring to an end, prevent or minimise potential violations. The due diligence management system specified in this policy sets out the measures and tools (such as risk classification for suppliers, supplier screening and on-site audits, a code of conduct for suppliers and templates for contractual clauses, remedial measures, suspension and termination of supplier relations, monitoring and corrective measures, training). It also outlines the internal reporting, ad hoc reporting, documentation, processes with respect to conflict minerals, and the consequences associated with violations of this policy. As an early warning mechanism for identifying risks, Bucher Industries provides an online whistleblower system. See the section on "Complaints mechanism and remedial action".

Integration A human rights roadmap that covers the most important measures, goals and responsibilities has been approved by the board of directors and will be monitored by the Group Compliance Officer. The roadmap will be updated and revised annually and as required in order to address potential new risks to human rights and continuously improve Bucher Industries' HRDD Framework. Where possible, prevention and mitigation measures relating to human rights will be integrated into the divisions' processes, incentive schemes, training programmes, policies, management systems and decision-making mechanisms.

Monitoring and communication Implementation of the human rights roadmap will be monitored and tracked, e.g. on the basis of feedback from relevant internal and external stakeholders, which is used to inform and support continuous improvement and to ensure the effectiveness of Bucher Industries' HRDD Framework. We report on the results, progress and further measures relating to the HRDD Framework on an annual basis as part of our annual report and on our website.

Complaints mechanism and remedial action Bucher Industries places great emphasis on pursuing a culture of shared responsibility. Anyone with a concern relating to a possible violation of human rights may freely express this on a confidential basis, without any fear of reprisal. We maintain an online whistleblower system, which enables employees and potentially affected internal and external stakeholder groups to express their concerns about potential problems relating to compliance and human rights, including possible violations of the Bucher Human Rights Statement and the Bucher Code of Conduct. Should any negative impact on human rights be determined in relation to Bucher Industries' business activities or involvement in said business activities, we are committed to taking measures in a timely and transparent manner in order to fairly resolve these issues. Should Bucher Industries identify any impact that is directly associated with its business relationships, we will use our influence to encourage our business partners (and our suppliers in particular) to respect human rights, whether through collaboration and support, plans for corrective measures, suspension or termination of the business relationship in exceptional cases. In the reporting period, no concerns relating to human rights topics were reported or expressed.