

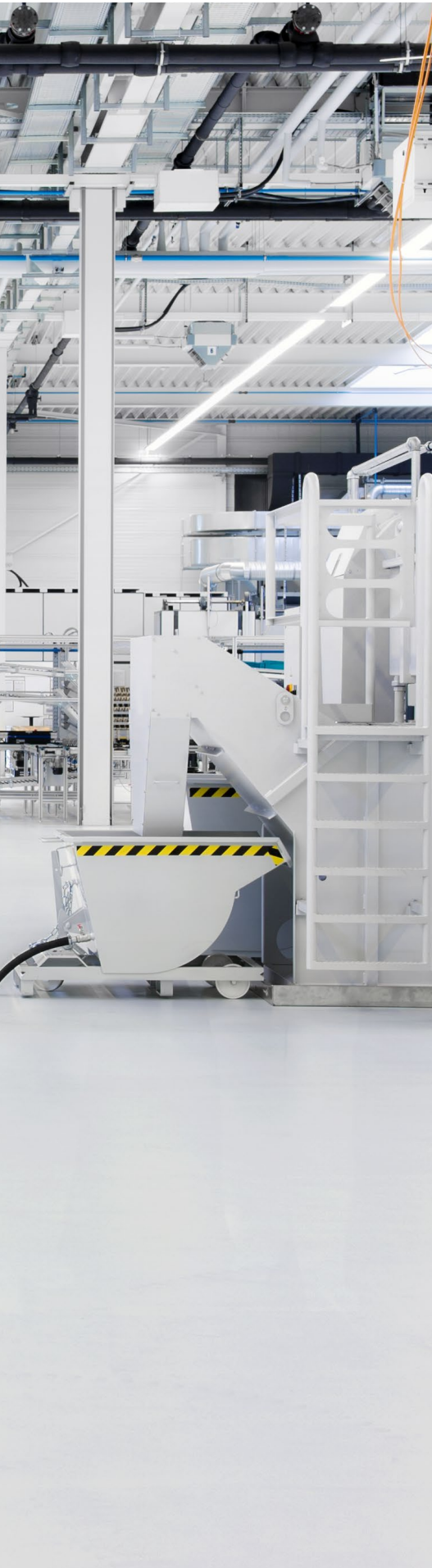
Sustainability Report 2013





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For Bucher, the concept of sustainability stands for corporate management with a long-term perspective. The present sustainability report and the 2011 and 2012 reports were prepared in accordance with the G3 standard of the Global Reporting Initiative (GRI), Application Level C. In the first part, we describe sustainability projects drawn from our broad range of activities. The “Key figures” section offers an at-a-glance presentation of the indicators relevant to the company, covering the environment, employees and suppliers.

On page 25, you will find the GRI Statement, which confirms verification of Application Level C of the G3 standard of GRI. The GRI Index is published as a separate document.

This can be downloaded, together with the sustainability report, from our website: www.bucherindustries.com.

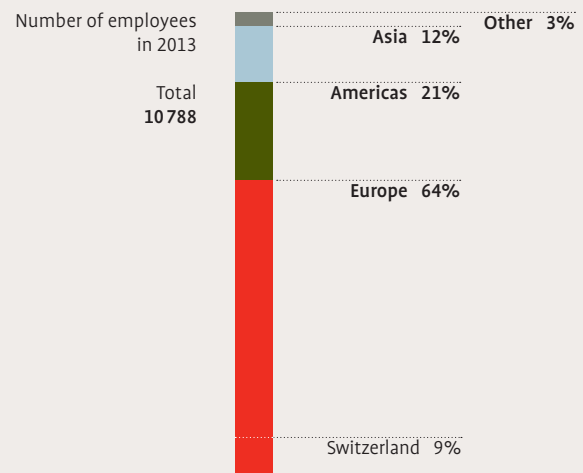
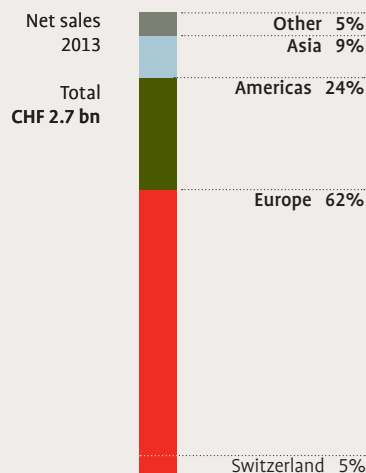
Annual report

Long-term orientation is the foundation of our company's success, and the guiding principle that governs all our day-to-day activities. The present report describes investments in buildings and new technologies that are not just about short-term improvements, but mainly designed to effect important changes with a longer perspective. The scope of these investments is not limited to the respective location, employees or customers, they are also aimed at improving operational efficiency and optimising operating costs. All our investments, including those relating to sustainability, have a solid, economic foundation. Underlying all our activities is the conviction that profitability and sustainability are not contradictory.

In 2013, we again collected production data for environmental indicators across the entire Group, standardised for 31 key production sites. Data for companies acquired in the reporting period was collected retroactively for 2012 to ensure comparability of the key figures at Group and divisional level.

Group energy consumption increased by 2% in 2013 – albeit on a 3% increase in net sales. The proportion of heating fuels in overall energy consumption was higher than the previous year because of the severity of the winter weather in Europe and North America in early 2013. Plants operated by Kuhn Group, Bucher Municipal and Bucher Hydraulics were the ones worst affected.

CO₂ emissions were 3% up on the previous year. The increase is slightly higher than that of energy consumption because the impact of increased output in countries with a generally higher level of CO₂ emissions could not be offset by successful energy-saving measures at other sites. Kuhn Group, which specialises in agricultural machinery, accounted for the biggest proportion of the total emissions with 48%, followed by Bucher Emhart Glass with 25%. At Kuhn Group the proportion of emissions corresponds to that of sales. By contrast, Bucher Emhart Glass accounts for a disproportionally higher share of emissions, which among other reasons can be attributed to the energy-intensive research centre in the USA.



Data source:
Bucher Group,
31 December 2013

In the reporting year, Bucher Industries experienced no environmental incidents involving releases of chemicals or emissions. The Group invested CHF 132 million in the maintenance, modernisation and expansion of its plants. The risk of accidental emissions was further reduced. At one site, the installation of a new paint production line substantially reduced the use of solvents.

Key figures relating to employees showed no significant changes across the Group. On average, the Group invested 2.5 working days per year in training for each employee. The strategic realignment of Bucher Emhart Glass led to an increase in the division's staff turnover rate, which was more than offset by the decrease in the

other divisions. The realignment of this division was also the reason for the decrease in the proportion of orders to suppliers in the same country.

In the coming year, Bucher Industries will base its sustainability reporting on the new G4 guidelines of the Global Reporting Initiative (GRI). The switch from GRI G3 to GRI G4 involves an important change: in future, greater emphasis will be placed on the aspects that are really important for the company (materiality analysis).

Niederweningen, 30 June 2014



Philip Mosimann
CEO Bucher Industries AG

CHF million	change in				
	2013	2012	%	% ²⁾	% ³⁾
Order intake	2 718.2	2 490.4	9.1	9.0	6.6
Net sales	2 690.8	2 609.0	3.1	3.0	0.8
Order book	850.4	795.3	6.9	6.5	3.3
Operating profit (EBITDA) ¹⁾	371.1	306.9	20.9		
As % of net sales	13.8%	11.8%			
Operating profit (EBIT) ¹⁾	287.1	231.7	23.9		
As % of net sales	10.7%	8.9%			
Profit/(loss) for the year ¹⁾	196	156	25.8		
As % of net sales	7.3%	6.0%			
Average number of employees during year	10 788	10 383	3.9		0.7

Data source:
Bucher Group,
31 December 2013

¹⁾ 2012: retrospective restatement owing to first application of IAS 19 "Employee benefits (revised)".
²⁾ Adjusted for currency effects. ³⁾ Adjusted for currency, acquisition and disposal effects.

Sustainability the key to quality management

Everything at Kuhn Group revolves around a single question: How can we do things even better? This question is also at the core of ONE, a Group project for continuous improvement that this world-leading manufacturer of agricultural machinery is running over a period of several years. In 2013 Kuhn Group tried out a new approach as part of the ONE project: a sustainable approach to quality assessment applied to a company unit. The aim is to improve anticipation and management of environmental risks and social challenges.

Kuhn Centre for Progress (KCFP), the modern communications and training centre in Saverne, France, was chosen as a pilot project. Every year the centre hosts over 2 000 technical training sessions for customers and employees as well numerous sales presentations. Customers are reacting with increasing sensitivity to environmental issues relating to the use of agricultural machinery and the conduct of the manufacturer. KCFP was a natural choice as pilot for deployment of the new strategic tool, which will further strengthen corporate social responsibility (CSR) at Kuhn Group.

In retrospect, the realisation of this concept was a complex project that could only be brought to a successful conclusion if tackled by a broad-based team supported by external experts. A key success factor was the selection of essential quality criteria and the relevant indicators in accordance with international sustainability standards and norms. In addition to environmental issues, economic and social aspects were also covered.

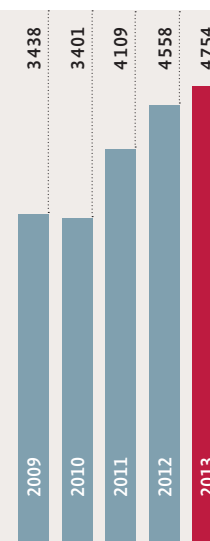
The assessment concentrated primarily on processes, fair practice and governance structures, the structure and functionality of the building, as well as response to training and marketing activities as central communication tasks of the KCFP. One fact that emerged was the importance of having a very detailed insight into customers' requirements. Relations with the local community also play an increasingly significant role when it comes to issues of sustainability. Kuhn Group also analysed environmental data on energy consumption and emissions. All in all, 35 criteria were examined.

The project provided Kuhn Group with important findings: the Group performs well with regard to organisation, environmental commitment, transparency and external communications. The assessment also showed there is still room for improvement in the formalisation of certain voluntary CSR commitments and in determining specific indicators. Without a clear assignment of key performance indicators there can be no sound measurable results. The project attained its goal: a process of continuous improvement has been initiated, while CSR has been strengthened.

KCFP: facts and figures at a glance

5 700 m ² floor area, 1 500 m ² exhibition space
2 halls for practical training, several rooms for instruction, convenient infrastructure
Central energy monitoring and control of air conditioning: More than 60% of energy requirements from renewable sources (geothermal, solar) resulting in savings of 33 t CO ₂ p.a. compared with gas heating.
Lighting management in the building, excluding LED lighting

Average number of employees during year





Development on all levels

A long-term approach facilitates recognition and optimisation of environmental risks and social challenges.



1
More than 60% of energy requirements are covered from renewable sources.

2/3
The Kuhn Centre for Progress has a number of rooms available for training, with space for up to 100 clients and employees.





Sophisticated environmental concept
Intelligent use of resources and materials benefits
the environment and the plant.



1
In addition to solar panels on the roof, the building is fitted with two solar heat sinks. These make it possible to conduct stored heat into the interior of the building where it can be reused.

2/3
Thanks to state-of-the-art dosing pumps, paint colours can be formulated with great precision, keeping waste to a minimum.



A world-class site the new production building in the UK

Structural design, energy consumption and emissions, production processes, logistics and working conditions – Bucher Municipal's new production building in Dorking, UK, scores top marks in every category. The project is known as Trump, a name that stands for what is currently the world's most modern manufacturing plant for municipal vehicles. Here in Dorking everything is planned and implemented under the banner of efficiency. It is not for nothing that Trump was awarded BREEAM certification (Building Research Establishment Environmental Assessment Method). What does that mean in practice?

Up to the end of 2013, Bucher Municipal had three sites in Britain. Construction of the new factory in Dorking coincided with the closure of the other sites in Sittingbourne and Ash Vale, which went ahead without reduction of employment levels. On the contrary: before the new factory was built, Bucher Municipal had 483 employees in the UK; 23 positions were vacant. Since the merger, the number of employees has risen to 494, with a further 43 positions vacant. Anyone joining the company now will find modern factory and office workplaces, equipped with amenities that include a first-aid post, showers and well-appointed rooms for meetings and training sessions.

The energy generation and usage concept of the 6 670 m² building relies on renewable energies. Solar panels are installed on the roof and the external walls are fitted with south-facing heat sinks to warm the interior of the building. The lighting system has motion detectors and light sensors which allow it to adjust to the available daylight and to switch off completely, if required, after a delay of five to fifteen minutes.

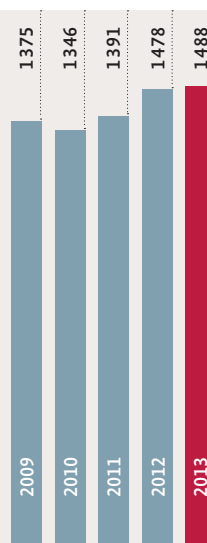
The architecture of the building makes skillful use of the sloping site. The production area is completely level and the lower part of the structure is raised on stilts, with the ground level beneath occupied by parking spaces. This design paid off in the very first winter, when the area was hit by flooding. Only a few cars were damaged and the production facilities were not affected at all.

The investment in state-of-the-art production technologies is another outstanding feature, resulting in reduced use of environmentally harmful materials and cleaning agents, and lower waste output. One example is the option to reduce the bake temperature in paint application from 80° to 60° Celsius and recirculate heat back into the process. In addition, the electrostatic spray guns now deployed require much smaller quantities of powdered pigment. In terms of logistics, the merger also saves resources: previously, intra-company shipments and supplies accounted for about 110 000 kilometres a year, which are now no longer necessary.

Sustainability features of the new building

Compressed air usage reduced by 22% through controlled supply geared to demand for the paint shop
Paint loss reduced from 60% to 10%
Bake temperature reduced by 20%
Emissions of volatile organic compounds reduced by means of a closed paint-spraying system requiring no additional thinners

Average number of employees during year



Recognising risks is the key to safety at work

Force of habit is the most frequent cause of accidents.

Those responsible at Bucher Hydraulics had this in mind when they initiated a reorganisation of occupational safety procedures at the plant in Klettgau, Germany, at the beginning of 2013. They set themselves two main targets: To significantly reduce the number of occupational accidents and the resulting days lost. And to use the concept as a preparation for certification in accordance with ISO 14 001 – in other words to develop an environmental management system.

Occupational safety measures were not new for the Klettgau site. But this world-leading supplier of hydraulic drive and control systems had good reasons to order a comprehensive reassessment of the issue. A new production building with 9 000 m² of floor space was commissioned in Klettgau at the beginning of 2013. More than 5 300 m² is used for logistics, auxiliary operations, basic machining, paint spraying and series production. An industrial accident at the beginning of the year was an added motivation.

The project began with a risk assessment inventory.

After assessing the current status against the stringent quality and environmental standards applied, as well as all legal requirements, a roadmap was developed setting out the concrete measures needed to improve the level of industrial safety. Each operational unit in the new production building was examined in turn and a roadmap for the period up to mid-2014 drawn up. The first step was to review the training documentation. Bucher Hydraulics then instructed all the senior managers, followed by the extended management team and finally the whole workforce. The package of measures also included installing a first-aid room and clearly marking escape routes. Pedestrian and vehicle paths for floor conveyors were marked on the floors. And protective grilles were installed on machinery to prevent accidental crushing or cutting.

In the end all the effort paid off. The number of lost days dropped significantly. In 2012, there were eight accidents in all, some with aftereffects that lasted into the first part of the following year. The total for 2013 – starting from the second quarter, i.e. the period in which the industrial safety measures were fully implemented – was only three. The planning proved spot on. Since then, there has been greater awareness of potential dangers. And old habits have changed.

Improved safety at work

Several training and instruction sessions

Days lost due to accidents before the programme
(Jan 2012 to Mar 2013): 226

Days lost due to accidents since the programme
(Apr 2013 to Dec 2013): 13

Average number
of employees
during year





Safety every step of the way

Systematic implementation of the package of safety measures significantly reduces incidents and days lost.



1/2

To minimise the risk of industrial accidents, machines are fitted with protective grilles and have fewer danger points for crushing or cutting injuries.

3

Separate paths for vehicles and pedestrians ensure safety. The plant has an evacuation plan and clearly marked escape routes in case of emergencies.





Responsibility for air and water

The state-of-the-art paint-spraying facility is part of the sustainable production system.



1
Exhaust gas emissions from the system meet the most exacting standards.

2
After processing, wastewater from the installation fulfils the highest possible effluent discharge standard.

3
During paint application, up to 98% of the paint component in the atomised spray is returned to the spraying process.



New paint-spraying line in China High environmental standards achieved

Bucher Emhart Glass has already received a range of awards for outstanding entrepreneurial achievement in China. At its Sanjin production site in Zibo (Shandong province), the manufacturer of glass-forming and inspection machines has placed technological innovation and quality at the centre of all its operations. Bucher Emhart Glass established a new paint production line at the Sanjin site in 2013. The new paint shop was the most significant investment in environmental terms.

Paint is applied to 2 100 different parts at the Sanjin plant – a total of 28 000 parts per month. The project, launched in mid-2013, has been beneficial in a number of ways. Firstly, because it has brought a big improvement to the quality and durability of the paint finish. Secondly – and this was the most important goal – because the new paint production line meets the latest international environmental standards. That means a higher level of industrial safety for the workforce of roughly 1 100 employees.

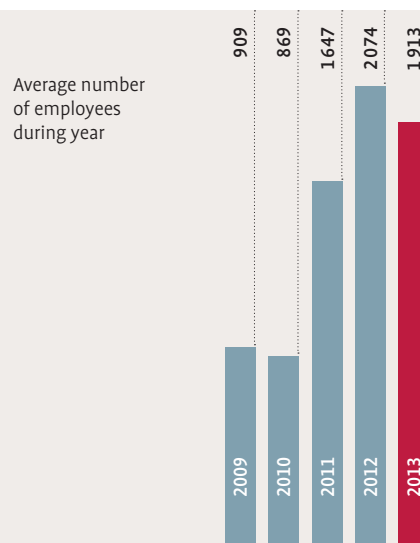
The improvements in environmental standards focused on reducing emissions and the quantities of industrial effluent produced. A number of innovative technologies were deployed in the new paint shop to achieve these improvements, including equipment for after-treatment of exhaust air and wastewater. The paint rooms are also fitted with a rotating system that filters the atomised spray and returns the paint component to the spraying process – with a 98% level of efficiency.

The wastewater treatment system installed by Bucher Emhart Glass complies with the country's highest environmental standard (the first-level standard of sewage discharge in accordance with GB8978-1996). As well as stipulations concerning the quantity of discharge, this Chinese norm specifies maximum values for various indicators of water quality.

With regard to emissions Bucher Emhart Glass has achieved the second-highest level. In effect, this is the highest possible reduction of emissions, as the so-called primary standard (GB16297-1996) under Chinese regulations is equivalent to emission-free operations. A further improvement was a significant shortening of the overall painting process, particularly drying.

Environmental commitment at a glance

Wastewater: first-level standard (integrated discharge wastewater standard, China)
Emissions: secondary standard (integrated emission standard for air pollutants, China)
Reduction in heating energy by 17% compared to 2012



Favourable climate

New building with sophisticated environmental concept

The fact is that the conditions for the realisation of this building project were far from favourable: a limited budget, extremely tight deadlines for planning and construction, numerous restrictive specifications, not to mention ambitious targets for optimum operational flexibility combined with maximum energy savings. With framework conditions like these, Bucher Specials' new factory building in Niederweningen, Switzerland, was a great challenge. In the end, a comprehensive environmental concept proved successful. The new building that went up in 2013 is a flagship for sustainable construction.

However, the highlight of the production building is not its impressive range of energy-saving measures, but the solution for draining water from the roof. Previously, rainwater was channelled directly into the sewage system. Now, it is collected on the roofs both of the new factory and an adjacent building and then channelled into a small waterway, the River Surb, for the benefit of the fish. That may sound straightforward, but cleverly thought-out technology is needed to drain a roof 60 metres in length, with a gradient of at least 1.5%. The quantity of water falling on the two roofs when it rains is about 230 000 litres per hour.

The result is equally beneficial for people and fish. The roofs are coated with a special granular material that supports an extensive covering of vegetation. The planned greening with a variety of flowering herbs not

only looks good, it also contributes to biodiversity and ensures that the rainwater does not get too hot, even in summer. This is an important point because the trout in the Surb are not comfortable in water temperatures over 20 degrees Celsius, and anything over 25 degrees is life-threatening.

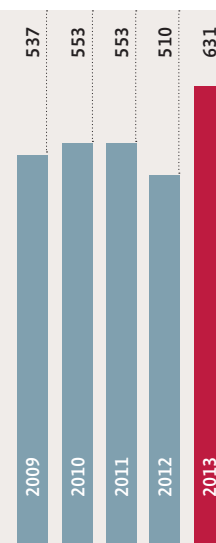
As far as the energy efficiency of the building is concerned, Bucher Specials paid particular attention to thermal insulation of the walls and the U values (coefficient of heat transfer) of the glazing. The use of solar control glass has the advantage that in the summer there is no need for any additional external light protection, which would make the rooms dark and require electric lighting. The U values achieved by the glazing are actually higher than those stipulated by the Swiss Minergie standard. The glass and window profiles used are also of a higher quality than the Minergie specification.

As a result, the workers inside have an uninterrupted view of their surroundings outside, without having to put up with high temperatures during the summer. The factory can be heated using the works' own woodchip furnace equipped with a heat-recovery system; the building also has an air-conditioning system which controls the temperature by means of air exchange. That ensures a pleasant climate in summer and winter, while keeping energy consumption to a minimum.

Main advantages

Building design in accordance with SIA 380/1
Temperature sensors at various heights and in different zones; automatic opening of windows when temperature rises
Preheating of fresh air supply using a heat-recovery system
LED lighting with motion sensors to save electricity
Recyclable building materials

Average number of employees during year





Sustainable building

The factory building meets exacting environmental standards thanks to a large number of individual measures.



1/2

The granular roofing material and the vegetation it supports regulate the temperature of the rainwater. This prevents additional warming of the River Surb and preserves it as a habitat for the native trout.

3/4

Whatever the season, the factory building offers a pleasant working environment, while keeping energy consumption to a minimum.



Key figures Production

Production sites

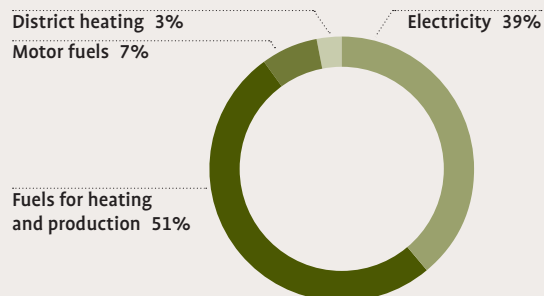
Total 5 continents 41 sites

Data source: Bucher Group, 31 December 2013



Energy consumption by activity

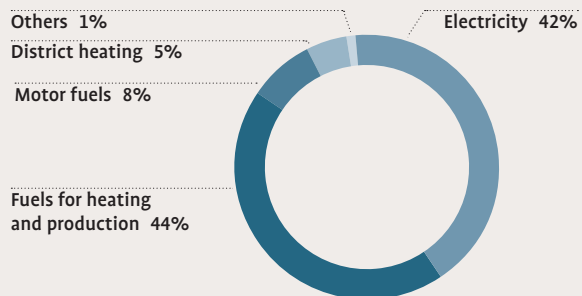
Total: 365 700 MWh



Data source: 31 production sites of the Group

Greenhouse gas emissions by activity

Total: 90 700 tCO₂e



Bucher Industries records data for environmental indicators across the entire Group in standardised form. Newly included are the sites of Gmeiner GmbH (D) and Bucher Hydraulics Erding GmbH (D). Sustainability performance data for these sites was collected retroactively going back to 2012 to ensure comparability at Group and divisional level. The survey focused on energy data and thus implicitly on greenhouse gas emissions.

Data source 31 production sites, which account for about 80% of Group sales and more than 90% of all employees

Bucher Group environmental indicators

	in %	2013	in %	2012 ¹⁾	Change
Energy consumption in MWh total		365 670		358 240	+2%
Electricity	39%	141 275	40%	142 369	-1%
District heating	3%	9 573	3%	10 524	-9%
Heating fuels total	51%	187 710	50%	178 525	+5%
Heating oil		10 946		9 346	
Natural gas		164 254		159 431	
LPG/propane		11 651		9 145	
Wood		535		282	
Diesel (emergency power)		324		320	
Motor fuels total	7%	27 112	7%	26 822	+1%
Diesel		15 053		15 649	
Petrol		5 578		5 321	
LPG/propane		6 175		5 524	
Biodiesel		31		69	
Bioethanol		275		258	
CO₂ emissions in tCO₂e total		90 650		88 318	+3% ²⁾
Scope 1 total	53%	47 690	52%	45 687	+4% ³⁾
Heating fuels		39 651		37 578	
Motor fuels		6 830		6 777	
Volatile gases (e.g. refrigerants)		936		941	
Process emissions (e.g. welding processes)		273		391	
Scope 2 total	47%	42 960	48%	42 632	+1% ⁴⁾
Electricity		38 061		37 024	
District heating		4 899		5 608	
Biogene CO₂ emissions		298		199	
Third-party sales of energy		-780		-681	
Water consumption in m³ total		370 190		341 650	+8%
Drinking water		199 491		209 708	
Process water		79 143		69 386	
Collected rainwater		91 556		62 556	
Waste water in m³ total		352 900		327 668	+8%
Communal wastewater treatment plant		338 680		310 830	
Seepage water		1 050		1 918	
Release into water bodies		360		852	
External processing		12 810		14 068	

¹⁾ 2012: retrospective adjustment due to expanded data set

²⁾ Greenhouse gas inventory: calculated in accordance with the Greenhouse Gas Protocol and ISO standard 14064

³⁾ Scope 1: emissions from direct energy usage

⁴⁾ Scope 2: emissions from indirect energy usage

Divisional environmental indicators

Kuhn Group					Bucher Municipal				
		2013	2012 ¹⁾	change		2013	2012 ¹⁾	change	
Energy consumption in MWh	total	219 980	214 425	+ 3%	Total MWh	27 430	25 347	+ 8%	
Electricity		79 642	81 886	– 3% ²⁾		8 802	8 907	– 1%	
District heating		–	–			–	–		
Heating fuels		121 507	113 859	+ 7% ³⁾		14 067	11 909	+ 18% ⁶⁾	
Motor fuels		18 831	18 680	+ 1%		4 560	4 531	+ 1%	
CO₂ emissions in tCO₂e	total	43 183	41 305	+ 5%	Total tCO₂e	8 474	8 007	+ 6%	
Scope 1		29 894	28 410	+ 5%		4 968	4 440	+ 12% ⁶⁾	
Scope 2		13 289	12 895	+ 3% ⁴⁾		3 506	3 567	– 2%	
Water consumption in m³	total	201 802	179 184	+ 13% ⁵⁾	Total m³	35 358	22 424	+ 58% ⁷⁾	
Waste water in m³	total	197 934	179 184	+ 10%	Total m³	33 830	21 591	+ 57%	
Bucher Hydraulics					Bucher Emhart Glass				
		2013	2012 ¹⁾	change		2013	2012 ¹⁾	change	
Energy consumption in MWh	total	39 855	36 540	+ 9% ⁸⁾	Total MWh	68 069	72 127	– 6%	
Electricity		26 592	24 810	+ 7%		22 925	23 887	– 4%	
District heating		417	375	+ 11%		9 156	10 149	– 10%	
Heating fuels		11 420	10 152	+ 12%		35 487	37 578	– 6%	
Motor fuels		1 426	1 203	+ 19%		501	514	– 3%	
CO₂ emissions in tCO₂e	total	13 703	12 534	+ 9%	Total tCO₂e	23 081	24 352	– 5%	
Scope 1		3 172	2 814	+ 13%		7 715	8 136	– 5%	
Scope 2		10 531	9 720	+ 8%		15 366	16 216	– 5%	
Water consumption in m³	total	32 929	35 353	– 7%	Total m³	95 684	100 047	– 4%	
Waste water in m³	total	21 081	23 334	– 10%	Total m³	95 639	98 916	– 3%	
Bucher Specials									
		2013	2012 ¹⁾	change					
Energy consumption in MWh	total	10 336	9 801	+ 5%					
Electricity		3 315	2 880	+ 15% ⁹⁾					
District heating		–	–						
Heating fuels		5 228	5 027	+ 4%					
Motor fuels		1 793	1 894	– 5%					
CO₂ emissions in tCO₂e	total	2 209	2 120	+ 4%					
Scope 1		1 941	1 886	+ 3%					
Scope 2		268	234	+ 14% ⁹⁾					
Water consumption in m³	total	4 416	4 643	– 5%					
Waste water in m³	total	4 416	4 643	– 5%					

¹⁾ 2012: retrospective adjustment due to expanded data set

²⁾ Decrease in power consumption – despite increase in capacity utilisation – thanks to energy saving measure at individual sites.

³⁾ Increased heat requirement due to the harsher winter in Europe and North America and higher output.

⁴⁾ The rise in Scope 2 emissions, despite lower power consumption, was due to rising output in countries with generally higher CO₂ emissions from power generation.

⁵⁾ Higher water consumption was covered mainly by collected rainwater.

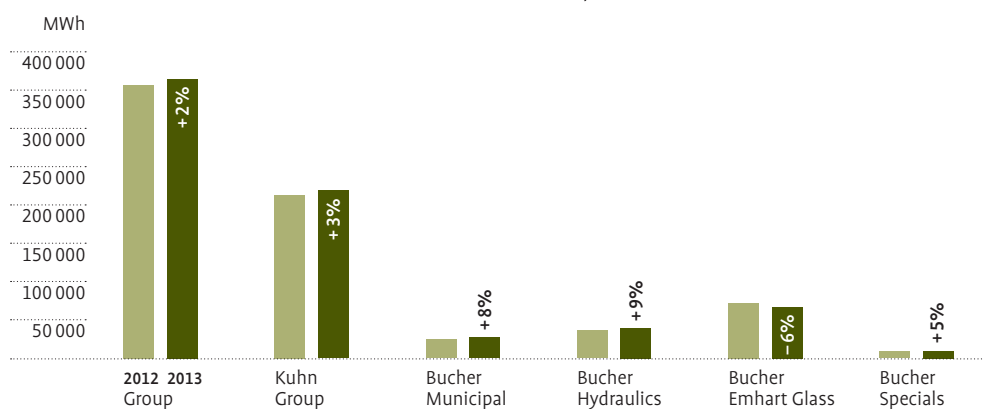
⁶⁾ Increased heat requirement due to the harsher winter in Europe and North America.

⁷⁾ Marked increase in water consumption resulting from an underground leak.

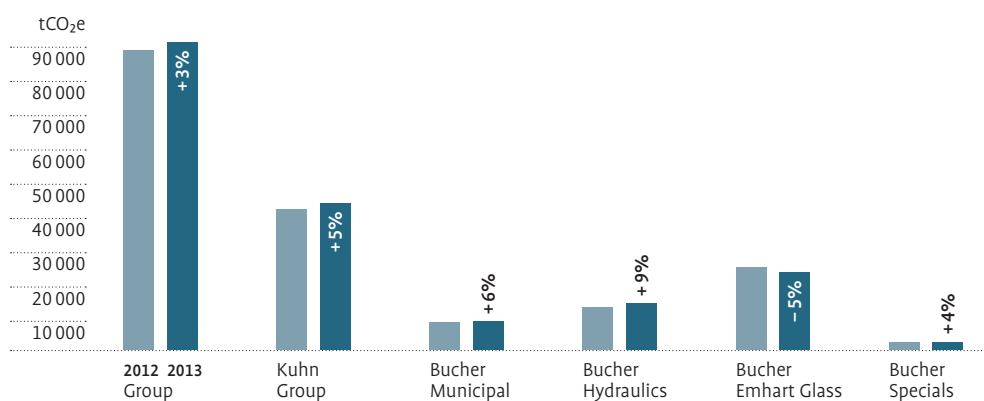
⁸⁾ Increase in output and harsher winter in Europe and North America.

⁹⁾ The result reflects improved quality of data on electricity usage.

Energy consumption — Group and divisions In the 2013 reporting period, the Bucher Group's energy consumption totalled around 367 GWh. This corresponds to an increase of 2% over 2012, i.e. lower than the increase in net sales, which was 3.1%. Heating fuels and electricity usage accounted for about 90% of the Group's overall energy consumption. The proportion of heating fuels in overall energy consumption increased year on year amongst other reasons because of the cold spring in Europe and North America in 2013. Renewable energy was used only in isolated cases: individual Group companies power vehicles with biofuels and make use of waste wood to fuel a combined heat and power station.



Greenhouse gas emissions – Group and divisions Greenhouse gas emissions rose by 3% compared with 2012, i.e. slightly higher than energy consumption. The increase in output in countries with a generally higher level of CO₂ emissions negated the effect of energy-saving measures at other sites. Kuhn Group accounted for the biggest proportion of the total emissions with 48%, followed by Bucher Emhart Glass with 25%.



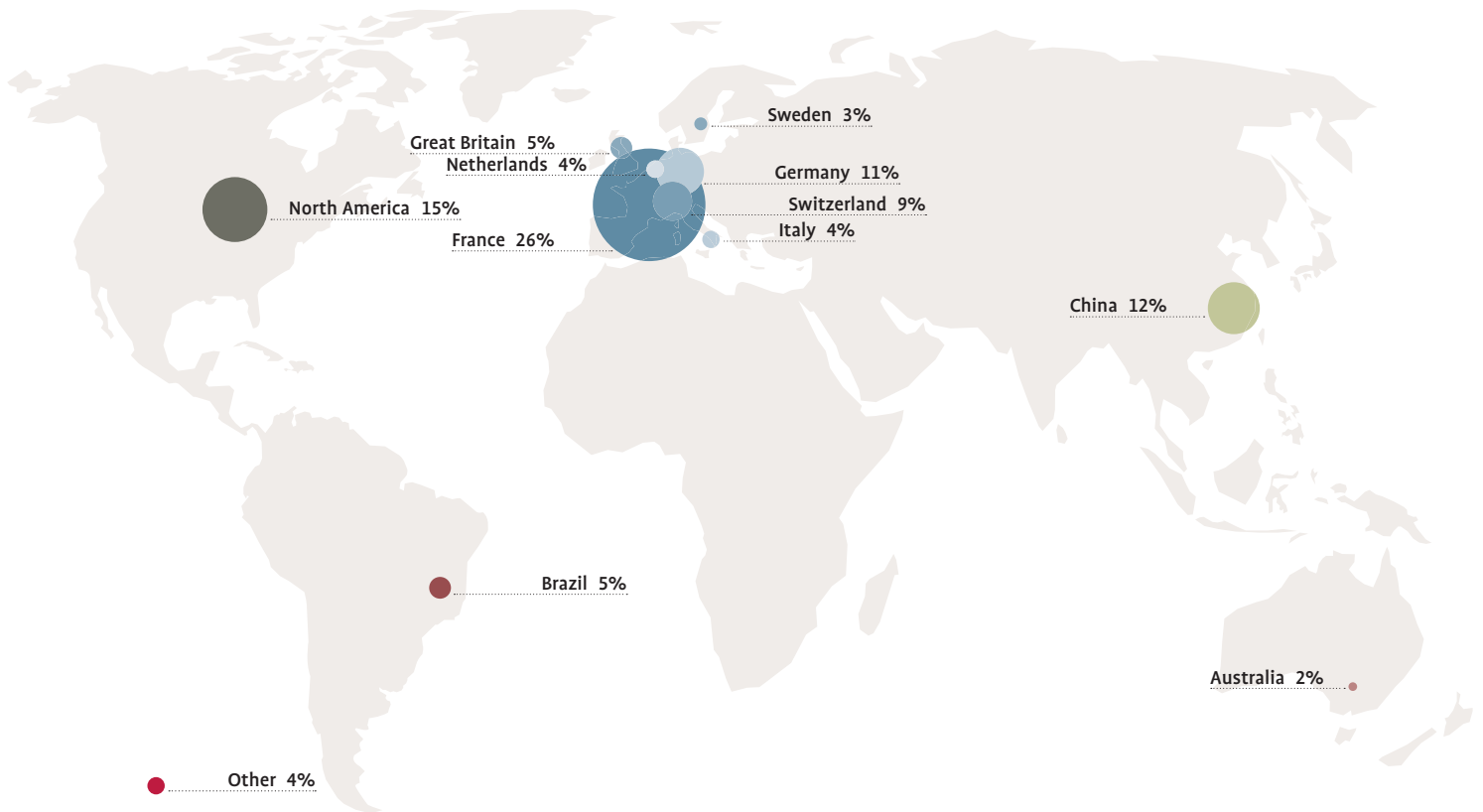
Environmental incidents In 2013, there were no incidents involving significant releases of chemicals or emissions. Bucher production plants are constantly being modernised to protect the environment and further reduce the risk of such releases. At one site, the installation of a new paint production line reduced the use of solvents by 95% (see p. 13). No company faced legal action for possible infringements of environmental regulations or legislation in 2013.

Key figures Employees and suppliers

Number of employees 2013 by region

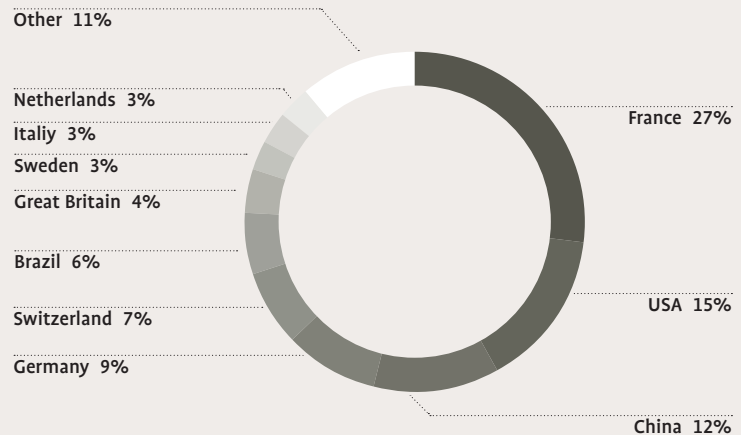
Total 10 788 (Group)

Data source: Bucher Group, 31 December 2013



Top ten nationalities of employees

The ten top nationalities account for a total of 89% of the employees in 31 production facilities. The Group's French workforce, the majority of whom work for Kuhn Group, represented the biggest overall percentage, with 27%.

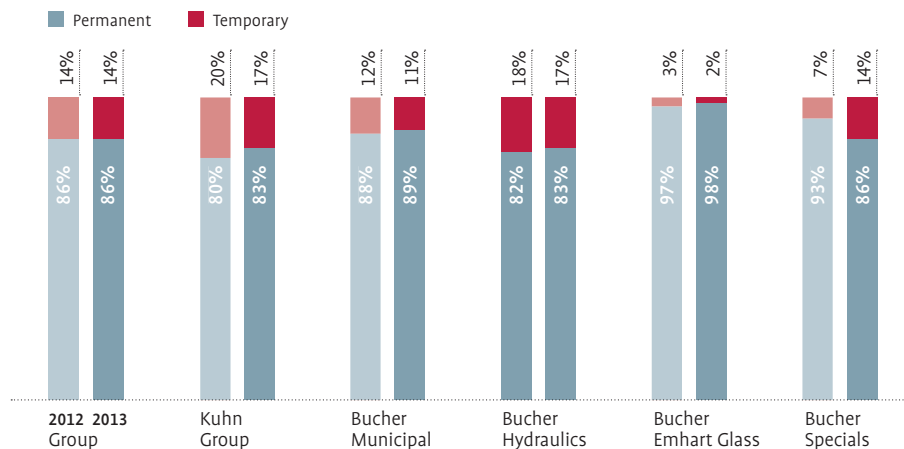


The know-how and experience of our employees is the key to business success. That is what we are building on, and we offer our employees attractive jobs with prospects for advancement and a broad range of training opportunities.

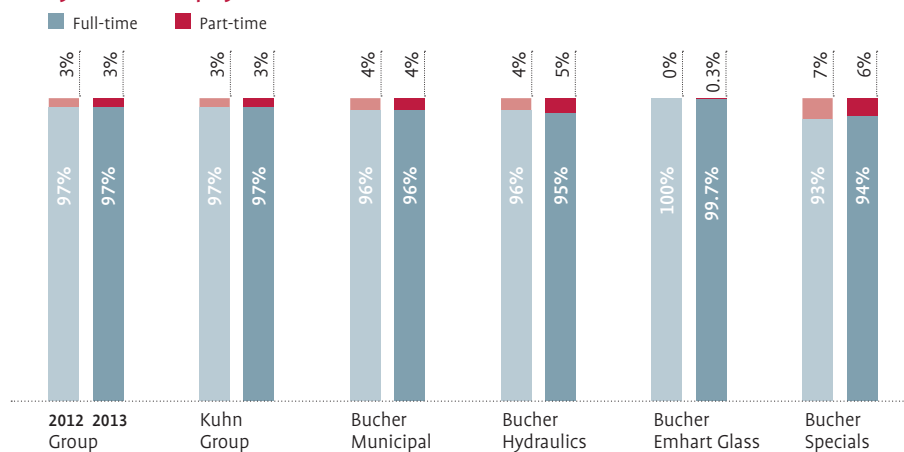
Key figures – employees All key figures for employees relate to annual averages. In 2013 the Group's the average headcount for the 31 key production sites was 9 867 employees (Group average: 10 788); in 2012 it was 9 726 employees (Group average: 10 383).

At Group level, the figures broken down in terms of different employment contracts (permanent, temporary), working-time models (full-time, part-time) or gender showed no significant changes. The total for the under-30 age group declined in the reporting year by one percentage point compared with the 30–50 age group.

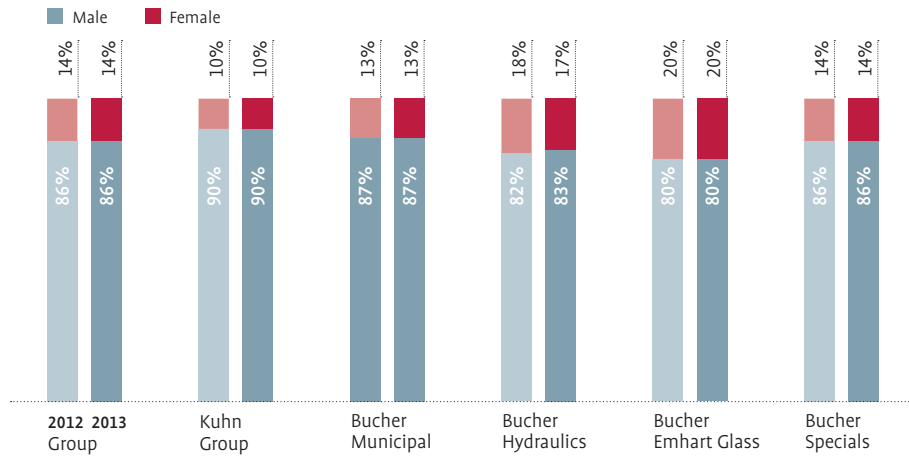
By type of contract



By terms of employment

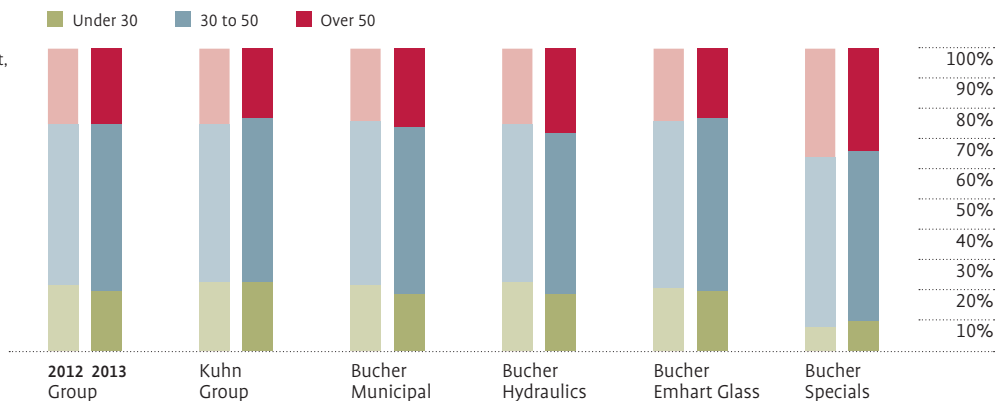


By gender



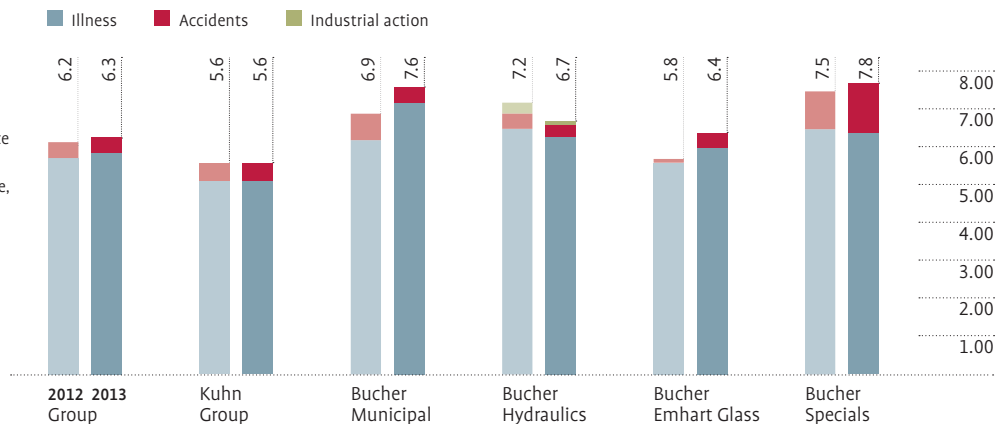
By age group

The figures for terms of employment, gender and age group relate to employees, excluding apprentices, trainees, interns and temporary agency workers. By contrast, the four latter groups are included, in addition to employees on temporary contracts, in the figures for type of contract.

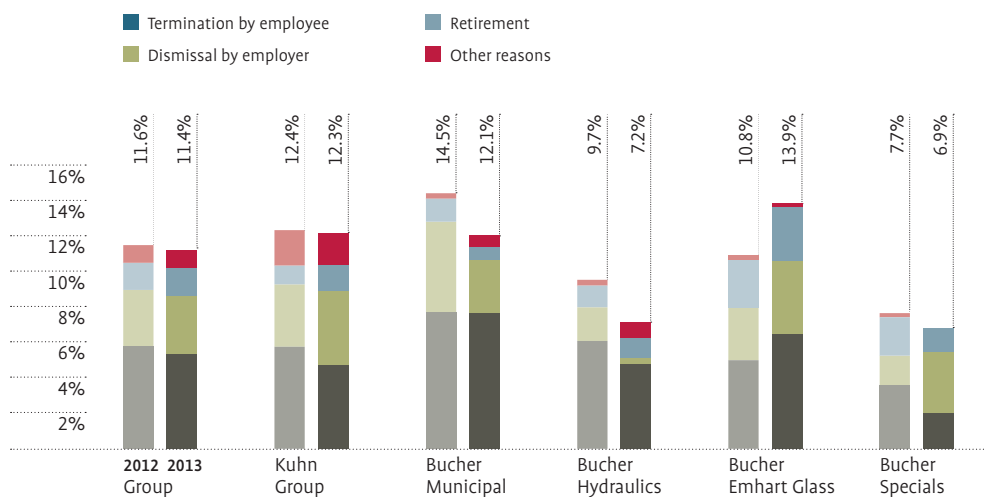


Days lost per employee Following the decrease of more than 1500 in days lost per employee due to accidents in 2011 and 2012, days lost per employee in 2013 remained almost unchanged year on year. Comparing 2012 and 2013, overall days lost per employee rose only slightly from 6.2 to 6.3. Individual cases of long-term illness increased the proportion of days lost through illness per employee.

The figures for lost days per employee relate to the entire workforce. The figures for days lost per employee are collected in accordance with the customary practice at the respective site. As a general principle, the US sites only record days lost through occupational illnesses.



Turnover rate The 2013 turnover rate for the Group as a whole was slightly lower than the previous year. The transfer of production capacity from Europe to Asia led to an increase in the turnover rate at Bucher Emhart Glass. The turnover rate at Kuhn Group remained stable, while other divisions saw a significant decrease year on year.

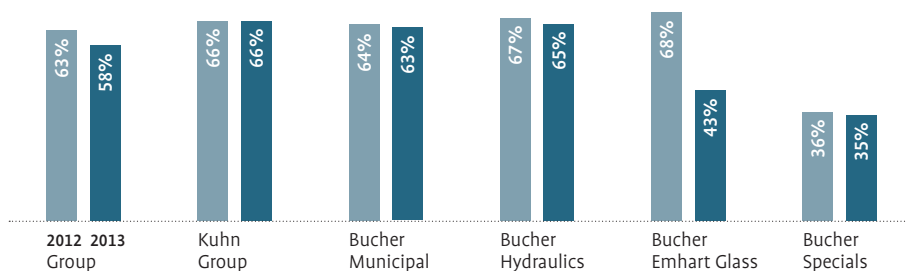


The turnover rate relates only to employees on permanent employment contracts (based on the annual average number of employment contracts).

Average training per employee The number of hours of training provided in 2013 fell compared with the previous year. In 2012 the figure for training hours per employee was higher than average, particularly at Bucher Emhart Glass, which recorded a lower level in 2013, comparable with that of the other divisions. On average, the Group invested 2.5 working days per year in training for each employee in 2013.

Key figures – suppliers The Group practices active supply chain management based on fairness and aimed at building long-term relationships.

In the reporting year, the share of orders to suppliers based in the relevant country decreased by 5 percentage points to 58%. The expansion of production capacity at Bucher Emhart Glass in Asia led to a marked reduction in the share in spending on locally based suppliers because of increased sourcing of machine parts abroad.



About this report

The third sustainability report from Bucher Industries draws on data from the 2012 and 2013 reporting years. Since 2012, the reports have presented key data relating to production, employees and suppliers from the divisions as well as from the Group. For the 2013 reporting year, the basis for data collection was extended by two further important production sites from 29 to 31 overall. These sites account for about 80% of Group sales. To ensure comparability of the data in the 2012 and 2013 reports at divisional level, the sustainability key figures for both new production sites were collected retroactively for 2012.

Bucher has compiled this report on the basis of the G3 standard of the Global Reporting Initiative (GRI). It is planned to publish the next report, which will be based on the new G4 standard, at the end of June 2015. GRI is the world's leading index. More information can be accessed at www.globalreporting.org. GRI verified and confirmed that this report and the complementary GRI Index, which is published as a separate document, fulfil the requirements of GRI, Application Level C. This report and the GRI Index are available exclusively online at <http://www.bucherindustries.com/en/node/558>.

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GRI-C-Level Statement



Statement GRI Application Level Check

GRI hereby states that **Bucher Industries AG** has presented its report "Sustainability Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 27 June 2014

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 16 June 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

