

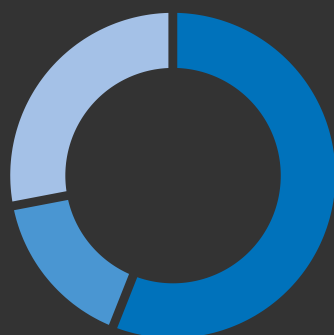
# Sustainability

For generations, the Bossard Group has attached great importance to sustainable corporate development. This sustainability report details the Bossard Group's activities and measures to achieve long-term, sustainable growth. The report explains the strategic and organizational anchoring of the topic of sustainability and the focus areas: Future Proven Solutions, Reduced Footprint, Empowered People and Fair Partnership.

AT A GLANCE

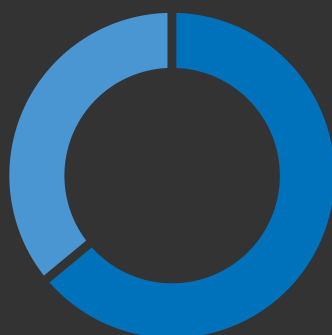
# Sustainability

Employees by region



- Europe (56%)
- America (16%)
- Asia (28%)

Employees by gender



- Men (64%)
- Women (36%)

71

Recycling rate of waste in percent  
(excluding waste figures of Bossard in America)

+13

Increase in percent of signed Supplier Code of Conducts  
(for 80% purchasing volume) in the reporting year

24,700

Total energy consumption in MWh

6,386

thereof renewable

10,677

Electricity consumption in MWh

5,746

thereof renewable

## SUSTAINABILITY AT BOSSARD

# Business model

As one of the largest global distributors of fasteners, Bossard itself represents a connecting element between manufacturers of fasteners and customers from a wide range of industries. The Bossard business model is complemented by logistics and engineering solutions as well as consulting services in the field of assembly technology.

Bossard is globally a leading partner providing industrial fastening and assembly solutions for companies in the electromobility, railway, mechanical construction, electronics and medical technology industries around the globe. Headquartered in Zug, Switzerland, the company has more than 3,000 employees in 33 countries. The company operates in Europe, America and Asia. Most locations are in Europe, where 58 percent of sales are generated ([→ Financial report](#)).

**Bossard’s business model consists of three core areas:**

### Product Solutions

Bossard helps customers find optimal product solutions by evaluating and using the best fasteners for each intended application. The standard range includes the catalog items, complemented by specialty items manufactured to meet specific customer requirements.

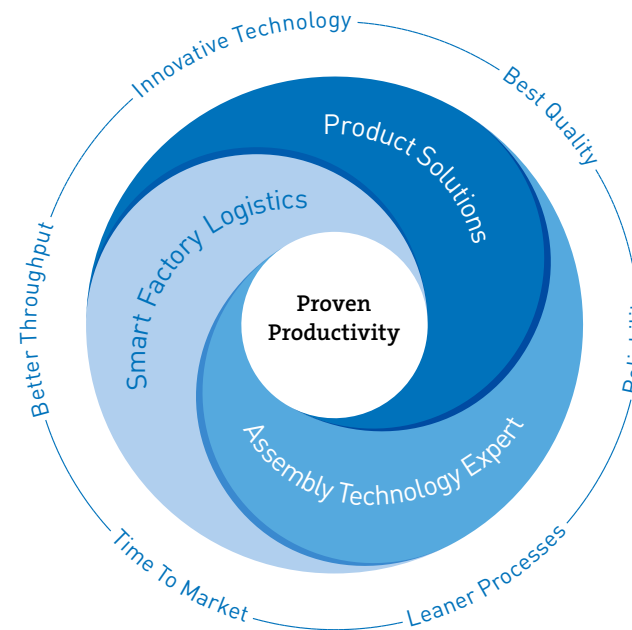
### Smart Factory Logistics

This area provides digital solutions for customer logistics to reduce procurement costs along the entire supply chain.

### Assembly Technology Expert

From the moment a customer starts designing a new product, Bossard’s application engineers provide the smartest solution for any given fastening challenge.

Bossard’s services cover a wide spectrum ranging from product design to the optimizing of supply chains and the digitalization of manufacturing processes. Bossard calls this overarching objective Proven Productivity. This is how Bossard describes the contribution to increasing productivity for its customers.



### **Global network of suppliers for optimal product solutions**

The Bossard product range consists of over 1 million different fastening elements, including screws, nuts, rivets, washers, and electrical fasteners. Bossard sources these products from approximately 5,200 suppliers worldwide. Most of the fasteners are purchased in Asia, with a smaller share purchased in Europe and the USA and reworked locally if necessary. This large network of suppliers helps minimize potential supply risks. Bossard stocks standard products in its own warehouses from where they are dispatched to customers. Specialty parts and products for specific requirements are made to order.

To meet special requirements, Bossard puts together customized product solutions. For example, purchased parts are coated or packed in suitable sets as required. Transportation and delivery to customers are mainly handled by external service providers on behalf of Bossard.

### **Precise and efficient logistics support**

For many customers, the products sourced from Bossard are just one of many elements they need to manufacture their own products. Bossard offers smart logistics solutions that digitalize and automate logistics so that customers can focus on their core business. For example, stock levels are checked in real time and replenished automatically. Thanks to Smart Factory Logistics, all deliveries from individual suppliers are received directly by Bossard. The material is then bundled and partially delivered straight to the assembly workstations. The digitalized procurement and delivery processes are paperless and faster, reduce errors in parts logistics, and make material handling easier for customers.

The Smart Factory Assembly software offers a digital assembly platform for digitalizing and connecting assembly processes. It supplements the digital logistics processes with real-time data collection, digital documentation of work instructions, and connection of smart devices. The collected data ensures maximum transparency and traceability, which is particularly important for customers when it comes to controllable processes and their optimization.

### **Consulting for professionals by professionals**

With its six Assembly Technology Expert services, Bossard provides support to its customers' product designers as well as engineers when designing and constructing suitable fasteners and optimizing assembly processes. Bossard analyses and optimizes production workflows and sustainably reduces production times and costs, which in turn boosts the competitiveness of its customers. In addition, Bossard conducts trainings for its customers to teach their employees the technical basics of fastening technology and to provide expertise in implementing digitalized production environments. With their multistage approach from design and optimization to training, Assembly Technology Expert services provide comprehensive support for process improvement, product reliability, and innovation.

## SUSTAINABILITY AT BOSSARD

# Strategic foundations of sustainability

**Bossard's products and services simplify and optimize processes across all fastening solutions. By targeting savings in materials, energy, and production capacities, they are increasingly helping customers achieve their sustainability goals. Bossard also endeavors to be known and valued as a sustainable supplier through strategic sustainability efforts and transparent communication.**

As a global company, Bossard recognizes its responsibility to address globally relevant issues in its sustainability strategy. For this reason, Bossard's sustainability ambitions are based on the United Nations Sustainable Development Goals (SDGs) and are in line with the ten principles of sustainable governance laid out in the United Nations Global Compact ([→ Global programs and frame of reference](#)).

### Identification and continuous review of material topics

Bossard's sustainability efforts are based on the topics identified as material. These were defined in 2022 in accordance with the principles of double materiality:

#### 1. Long list

The starting point for the materiality analysis was a comprehensive list of potentially material topics. These were compiled from topics defined as material by comparable companies as well as upstream and downstream partners in the value chain. Reporting standards and ratings were also included.

#### 2. Short list

Taking into account the findings from a previous strategy workshop, the list of potentially material topics was shortened to 13.

#### 3. Assessment

In an online survey, around 20 leaders in their respective field of expertise assessed the relevance of Bossard's impact in these areas (impact materiality) as well as the relevance of the impact these topics have on Bossard's business success (financial materiality).

#### 4. Validation by company management

Based on the mean values of impact and effect, a provisional materiality matrix was created, which then underwent final validation by the CEO, the CFO, and the ESG project team during a workshop.

#### 5. Acknowledgement by the board of directors (BoD)

The final materiality matrix and the list of material topics for Bossard were presented to the board of directors in 2022 and acknowledged accordingly by the members.

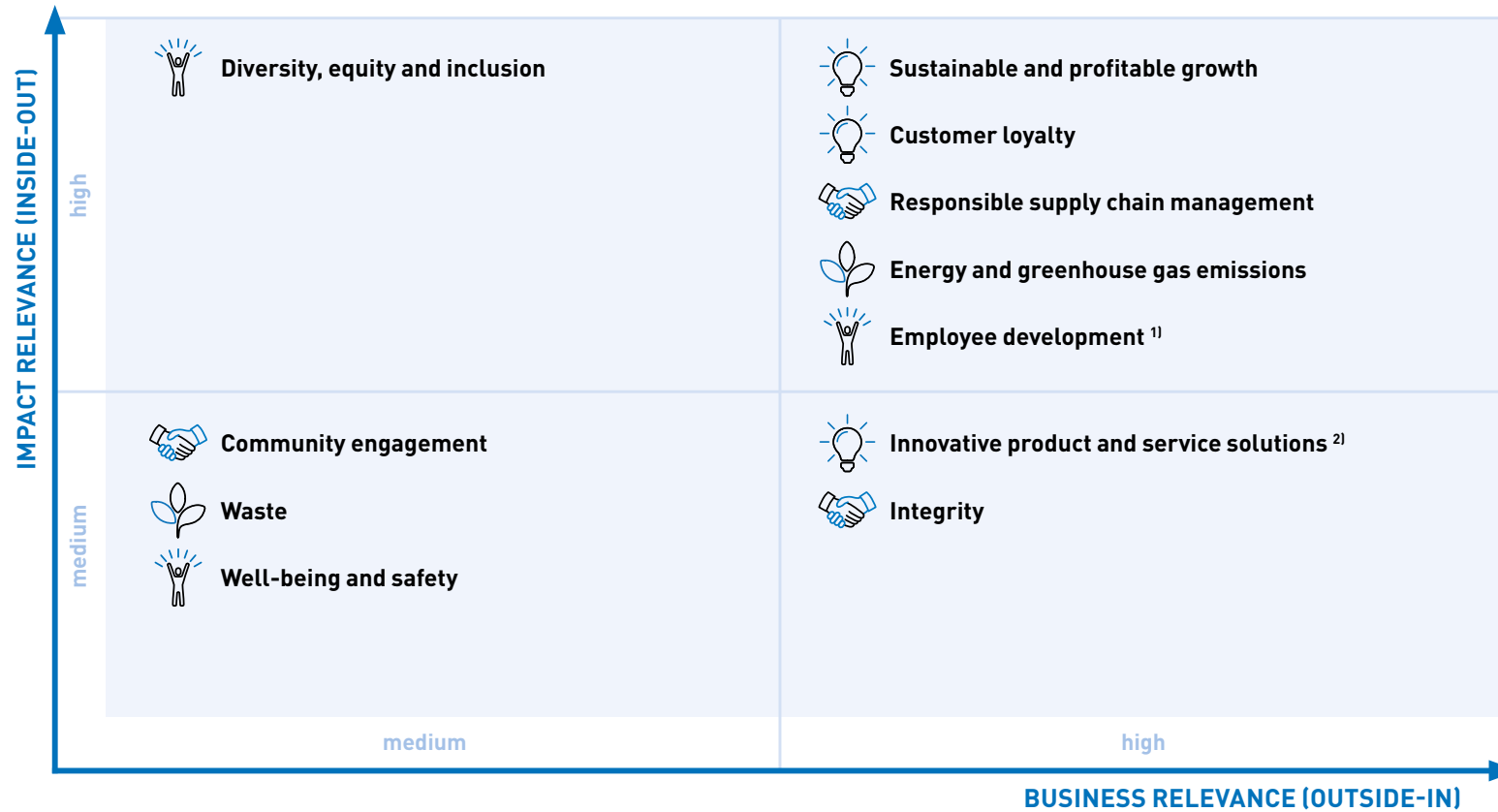
#### 6. Annual review

For the reporting year 2024, Bossard reviewed the material topics to ensure they are up-to-date and comply with Swiss legal requirements for non-financial reporting. As a result, individual topics with overlapping content were merged. This reduces the number of material topics from 13 to 11. The mapping of Bossard's material topics to the topics stipulated by Swiss law is listed in the CO reference table.

### Development of new double materiality analysis in accordance with the CSRD

In 2024, Bossard performed a new double materiality analysis in accordance with the EU Corporate Sustainability Reporting Directive (CSRD). It includes both external and internal stakeholders and is the basis for reporting beginning in 2026 for the financial year 2025.

## MATERIALITY MATRIX



Future Proven Solutions  
 Reduced Footprint  
 Empowered People  
 Fair Partnership

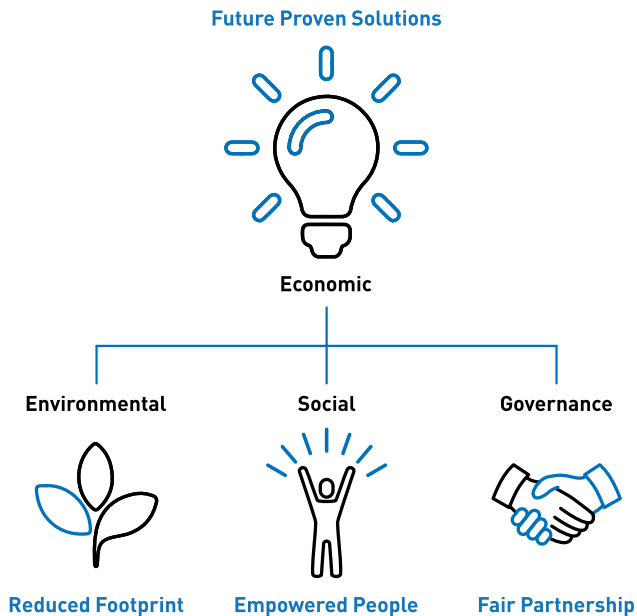
1) This material topic is made up of the material topics of "Employee development" and "Attractive employer".

2) This material topic is made up of the material topics of "Innovation" and "Sustainable product- and service solutions".



### Focus areas as strategic foundations for sustainability

Bossard's four focus areas provide the overarching strategic framework for both strategic sustainability efforts and this sustainability report:



These four focus areas cover the economic, environmental, social and governance dimensions of responsible governance at Bossard.

The **Future Proven Solutions** focus area encompasses the economic topics "Sustainable and profitable growth," "Customer loyalty," and "Innovative product and service solutions." Bossard's solutions not only lead to greater efficiency and productivity, but also enable the careful use of resources. With quality and efficiency in mind, Bossard endeavors to further expand the sustainability of the services and product solutions it offers.

The **Reduced Footprint** focus area includes all environmental issues which Bossard is able to influence and which affect Bossard's business activities. Specifically, these are the material topics "Energy and greenhouse gas emissions" and "Waste." Bossard endeavors to systematically identify and minimize the environmental impact associated with its business activities and the upstream and downstream processes in the value chain. Bossard uses natural resources sparingly and records key figures to identify strengths and weaknesses in terms of environmental performance.

**Empowered People** means that Bossard's employees are the driving force behind Bossard's business success. For this reason, a working environment that supports the physical and mental well-being of employees is key. Implementing a groupwide diversity and equal opportunities strategy, combating discrimination, and promoting training and professional development allows employees to realize their full potential and helps the company attract new talent and reduce employee turnover. The Empowered People focus area consists of the material topics "Well-being and safety," "Diversity, equity, and inclusion," as well as "Attractive employer," with the latter focusing on employee development.

**Fair Partnership** covers the material topics "Integrity," "Responsible supply chain management," and "Community engagement." Engagement in the Fair Partnership focus area goes hand in hand with transparent and fair governance and helps Bossard maintain its reputation with its stakeholders and ensure responsible cooperation with suppliers.

## Stakeholders and memberships

Bossard recognizes a growing interest in sustainability topics on the part of its stakeholders and therefore maintains a continuous dialog on the subject. These expectations also encourage Bossard to set ambitious goals and implement specific projects.

In addition to its employees, Bossard's most important stakeholders include customers, suppliers, business partners, investors, rating agencies, the media, and legislators. Continuous exchange, for example engagement meetings, interactions on various communication channels or direct collaboration, enable Bossard to understand needs, reconcile expectations, and build partnerships. This vehicle is primarily used for exchanges with investors and suppliers. When working with suppliers, exchange on sustainability issues is integrated into the audit process. This enables both parties to learn how to handle ESG challenges and make better use of synergies. Exchange with business partners and customers primarily takes place in the course of cooperation.

Bossard's stakeholder engagement also includes memberships and partnerships. They promote the transfer of knowledge, help Bossard become involved in the industry, and form the basis for new partnerships or innovations:

- Bossard is a member of the European Fastener Distributor Association (EFDA), with Bossard's Vice President (VP) of Supply Chain Management as its President. The EFDA represents the interests of fastener distributors at the European and global level; its mission is to defend free trade and promote the competitiveness of its members.
- Bossard Switzerland is a member of the Fachverband des Schrauben-Grosshandels (FDS), the trade association for wholesalers of screws. FDS is the platform and lobbying organization for wholesalers of screws, nuts, and other mechanical fasteners. It bundles the industry's knowledge and communicates with policymakers, the media, and society as a whole.
- Bossard Switzerland is also a member of procure.ch, the Swiss purchasing association, and Swissmem, the association for SMEs and major corporations in the Swiss technology industry.
- Bossard America is a member of the National Fastener Distribution Association (NFDA), a nonprofit trade organization focused on quality assurance and market expansion.
- Bossard Ireland is a member of the British & Irish Association of Fastener Distribution (BIAFD).

*“Continuous exchange with its stakeholders enables Bossard to understand their needs, align expectations and build partnerships.”*



### Global programs and reference frameworks

Bossard’s sustainability efforts are based on internationally recognized guidelines, objectives, and standards.

#### United Nations Global Compact

In 2021, Bossard’s CEO signed the Letter of Commitment of the United Nations Global Compact. Like more than 25,000 other companies, Bossard is committed to the ten global principles of sustainable governance in the areas of human rights, labor, environment, and anti-corruption. By joining the United Nations Global Compact, Bossard pledges to publish an annual Communication on Progress.

#### United Nations Sustainable Development Goals

The 17 United Nations Development Goals (UN SDGs) set out global ambitions for sustainable development. Bossard has identified five SDGs on which its own business activities have the most significant impact.

### SDG 7, “Affordable and clean energy”

Bossard strives to offer products and services with a low carbon footprint. Wherever possible, the company uses renewable energy and efficient processes.

### SDG 8, “Decent work and economic growth”

As an international company, Bossard creates jobs for employees regardless of gender, age, religion, ethnicity, disability, and sexual orientation. Bossard is committed to providing humane and non-discriminatory working conditions for its employees.

### SDG 9, “Industry, innovation and infrastructure”

Bossard’s business activities have the greatest impact on SDG 9, which aims to build resilient infrastructure and promote sustainable industrialization and innovation. Bossard’s solutions and services modernize the industry and support resource-friendly, efficient production processes.

### SDG 12, “Responsible consumption and production”

The efficient and responsible use of Bossard’s products and services is in line with SDG 12. Bossard contributes to SDG 12 by promoting the circular economy, reducing the consumption of resources and materials, and minimizing waste.

### SDG 13, “Climate action”

Bossard determines its environmental footprint and calculates carbon emissions, which helps the company define climate targets. Bossard is focusing primarily on promoting energy efficiency and the efficient use of electricity, as well as on implementing measures to reduce carbon emissions in transportation and packaging.

7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



SDGs: Bossard focuses on these five sustainability goals (source: www.globalgoals.org).

## SUSTAINABILITY AT BOSSARD

# ESG governance

**The board of directors bears comprehensive responsibility for the business activities of the Bossard Group. This applies to both financial and non-financial matters. Accordingly, the board of directors exercises overall management, supervision, and control of sustainability matters at Bossard. In particular, it is responsible for the ESG objectives and their monitoring.**

As the highest supervisory and management body, the board of directors is responsible for the overall management of Bossard ([→ Corporate Governance](#)). This also includes non-financial matters relating to environmental, social and governance (ESG) issues. Among other things, the board of directors is responsible for setting ESG targets and monitoring them. This has taken on greater significance in the reporting year 2024 since it is now linked to aspects of variable remuneration ([→ Compensation Report](#)).

The management of the business is delegated entirely to the executive committee. Within this body, overall responsibility for sustainability lies with the CEO. Bossard's VP of Sustainability, who reports to the CEO, is a member of the extended executive committee and thus part of Bossard's management team. The VP of Sustainability regularly reports to the board of directors and the executive committee on progress made on ESG issues.

### ESG competences at board of directors level

Bossard's board of directors values an overall body with balanced expertise in key areas ([→ Competence matrix](#)). This includes sustainability. At a board meeting held during the reporting year, the board of directors gained insight into the Corporate Social Responsibility Directive (CSRD), the European legislation on sustainability reporting, and took an in-depth look at double materiality. In addition, the board of directors and other members of management received a keynote speech on the topic of corporate culture. This presentation prompted an alignment with the existing core values and guiding principles.

### Multiple points of contact for critical concerns relating to ESG

For reporting compliance violations, Bossard has established an Integrity Team made up of representatives from the legal and ESG departments. The corresponding process is set out in the Integrity Policy and the Code of Conduct and is communicated to employees via internal communication channels or as part of training sessions. Critical concerns can also be reported to the local Human Resources (HR) department, via the local reporting offices, to trusted persons in management, or via the electronic Integrity Line, which allows for anonymous reports ([→ Integrity](#)). Critical concerns are processed with the involvement of other departments as appropriate and reported to the board of directors in anonymized form if necessary. No critical concerns were reported to the board of directors in 2024.

### Active ESG risk management

The board of directors and the executive committee review the risk landscape annually from a strategic and operational perspective ([→ Risk management](#)). In addition to financial risks, this also includes ESG risks, such as risks in the supply chain or environmental risks. Each risk is analyzed in terms of the potential (financial) loss and its probability of occurrence. Based on these findings, Bossard defines appropriate targets and risk mitigation measures for the risks deemed to be significant. This process is documented on an ongoing basis and its effectiveness is reviewed by the finance department. The climate-related risks and opportunities and their management are set out in the TCFD report ([→ TCFD reporting](#)).

## FUTURE PROVEN SOLUTIONS

# Sustainable and profitable growth

**Bossard's understanding of growth goes hand in hand with sustainable governance that has as few negative impacts as possible on its stakeholders or the environment. This understanding is firmly anchored in Bossard's corporate strategy. Through active product management and advancing a variety of projects, Bossard is driving the product portfolio forward with regard to economic and sustainable aspects.**

Bossard strives for sustainable and profitable growth, i.e. growth-oriented corporate development that combines sustainability goals with competitiveness and productivity. If the combination of sustainable governance and growth is successful, Bossard can achieve its goal of maintaining and expanding its position as an industry leader. From this position, Bossard can positively influence the upstream and downstream value chain through active product management. This should result in long-term, mutually profitable and trusting business relationships that provide security for all parties involved.

### Strategy 200

In 2021, Bossard developed Strategy 200, which includes a vision for the company's development up to its 200th anniversary in 2031. In concrete terms, this includes implementing a cultural transformation as well as optimizing product development, services, sales, and marketing. Strategy 200 is the expression of long-term thinking and acting within the company and among business partners.

To measure the strategic progress Bossard also set targets for products and services. Strategic success factors and metrics have been defined for the set targets. These are monitored using controlling and analysis measures as well as customer surveys and customer evaluations.

### Active product management

Bossard achieves sustainable and profitable growth through active product and category management. By continuously monitoring and adapting its product portfolio, Bossard is able to quickly react to market changes and offer innovative solutions. This includes Bossard increasingly diversifying its portfolio and offering its services to customers as comprehensive packages.

This should enable Bossard to stand out from its competitors, retain existing customers, and attract new ones. The aim is to promote not only the technical benefits of the products, but also the sustainable design of Bossard's products and services, which in turn helps customers achieve their own sustainability goals.

### Developments in 2024

In 2024, Bossard advanced a variety of projects to increase competitiveness and productivity. Active participation in the European 4.0 Transformation Center (E4TC) has enabled Bossard to gain additional expertise to increase the circularity of its products. In addition, Bossard has continued to develop its product portfolio with regard to economic and ecological aspects through continuous dialog with its customers and partners. This is supported by the organizational consolidation of the departments products and services, whose closer cooperation allows the company to respond to market needs and environmental requirements in a targeted manner ([→ Sustainable solutions through innovation](#)).

## FUTURE PROVEN SOLUTIONS

# Customer loyalty

**Customer loyalty and satisfaction are key aspects of sustainable governance at Bossard. They are based on high product quality and safety. Through constant dialog, Bossard aims to strengthen its relationships with customers in order to meet their requirements.**

As a distributor, Bossard depends on the sale of its products. For this reason, customer loyalty and satisfaction are key to the company's success. Bossard works at all levels with a strong focus on customers and seeks to collaborate with them in order to develop targeted products and services and continuously expand the company's know-how and expertise. This fosters innovative product solutions while creating a partnership network based on loyal customer-supplier relationships, which gives Bossard a higher degree of economic resilience.

### **Added value through a combination of standard products and customized solutions**

Bossard's products and services must ensure consistently high quality and safety and meet technical, legal, and customer-specific requirements. The product base consists of high-quality standard fasteners such as screws, nuts, rivets, washers, and electrotechnical fastening elements. Product lines such as ecosyn® and FASTEKS® go beyond standard solutions with smart fastening solutions tailored

to customer needs. This allows customized solutions and engineered parts to be produced according to the customer's specifications, establishing Bossard as a comprehensive partner for high-quality standard products and customized solutions, opening up room for innovation, and creating added value on both sides.

By offering new services such as Smart Factory Assembly, Bossard is strengthening its network of customers and their loyalty to the company. Smart Factory Assembly also promotes interaction and integration of assembly workers, reinforcing their sense of playing an active role in the company's success.

### **Satisfied customers through constant dialog**

Bossard uses a variety of tools to strengthen partnership relationships. These include co-creation workshops designed to identify challenges and develop solutions in collaboration with customers. Value Discovery Workshops are conducted to find areas that offer the greatest potential for increasing productivity.

Bossard frequently holds personal meetings that give customers the opportunity to provide feedback, discuss problems and concerns, and offer their own suggestions. In addition, Bossard uses Net Promoter Score surveys to measure customer satisfaction. In the reporting year,

Bossard also conducted its first user survey regarding its interactive digital supply chain platform, ARIMS. To obtain direct feedback and input on pilot projects, Bossard presents product innovations at conferences or in customer webinars. For its Smart Factory Logistics area, Bossard has developed a Proven Productivity Report, which regularly highlights the tangible value that Bossard generates for its customers. All results are systematically incorporated into Bossard's work.

### **Product safety**

Product safety is a prerequisite for marketability. Bossard observes all relevant guidelines and laws regarding product quality and safety and ensures the compliance of the products sold with existing processes and controls; consistent documentation is of central importance in this context. Potentially hazardous products make up only a very small share of Bossard's portfolio (less than 2 percent). Nevertheless, Bossard optimized hazardous goods labeling and the associated declaration and system maintenance processes in the reporting year. In addition, the company launched several certifications, including global certification for the SmartBin Cloud scales. Certification of the SmartLabels and AccessPoints were completed in the reporting year.

## FUTURE PROVEN SOLUTIONS

# Sustainable product and service solutions

**Fastening technology is often equated with tried-and-tested standard solutions. Bossard's innovative strength and the comprehensive impact of its service solutions are demonstrated at all levels: Innovative products, processes, and services conserve resources, improve the technical performance of products and customers, and place Bossard in an excellent competitive position. For this reason, Bossard considers innovation to be essential for economic activity.**

Innovative products and services can expand Bossard's portfolio or make existing products, processes, and services more efficient, technically better, more durable, and less resource- and energy-intensive – in other words, more sustainable. Leaner work processes, for example in assembly, are part of innovation as well. Bossard's customers also operate in a market characterized by constant product innovation. Bossard believes that the future economic success of the company can only be ensured by actively participating in this dynamic. For Bossard, innovation is therefore an essential component of sustainable governance.

### **Innovation as a strategic goal**

Bossard is committed to being the technology leader in the industry. This goal is also anchored in its Strategy 200, which describes Bossard's development up to 2031, the 200th anniversary of the company. Innovation through increased research and development is part of the strategy: At the Bossard Exploration Lab operated in collaboration with ETH Zurich, ideas from Bossard employees are reviewed and refined by a team from ETH. Another factor in strengthening Bossard's innovative power is the co-creation of products and services in collaboration with key customers. This will be supported by a digitalization program designed to optimize internal operational processes at Bossard and its customers. Smart Factory Logistics, for example, help reduce carbon emissions, while Smart Factory Assembly has a positive impact on quality standards and provides safe working conditions for employees because they can be deployed more flexibly thanks to documented processes.

Bossard has set up its own project team to firmly anchor the focus on innovation within the company. Because Bossard pursues a bottom-up approach, responsibilities for innovation and digitalization can be found at various levels of the company, divided into process and system innovations, service and product innovations, and digitalization.

### **Artificial intelligence as an innovation factor at Bossard**

Artificial intelligence (AI) promises to speed up product development. Bossard has already created the first prototypes as part of the Smart Factory Lab project and is in the process of developing additional solutions. Currently, AI testing is focusing on evaluating use cases and answering holistic questions about Smart Factory Assembly. Another Smart Factory Logistics project centers on the automatic recognition and processing of delivery notes. Bossard thus achieves scaling of its own services. In the field of AI-supported automation and monitoring of assembly processes, Bossard operates as an investor in the start-up Sentinus AG and supports the company. Sentinus intends to significantly advance development in this area. The company operates with the flexibility of a start-up and is helping boost AI expertise in Switzerland – a key element in strengthening the country's role as a business hub.

### Sustainable solutions through innovation

National and international regulations require Bossard and its customers to calculate and reduce the carbon footprint of their products. Digitalization across as many steps of the value chain as possible will help determine key performance indicators and identify potential for improvement. Smart Factory Logistics and SmartOrdering make it possible to plan logistics processes and analyze and optimize order quantities and times in a way that shortens transportation routes and minimizes waste or express orders. In 2024, 63 percent of Smart Factory Logistics customers were using SmartOrdering and 106,000 items were processed through the system, reducing express orders by 30 percent.

Assembly Technology Expert services help optimize assembly processes, making them leaner and lowering emissions. In 2024, Bossard started the evaluation phase for the disassembly service developed in 2023, which is intended to enable faster, tool-free disassembly and maintenance. In the materials technology field, Bossard

is investigating the development of fasteners made from new materials or composites. This includes the option for customers to select different green steel variants for direct screw fittings while maintaining complete cost transparency. To this end, the MultiMaterial-Welding® technology introduced in 2022 was refined in the reporting year ([→ Success story](#)). This technology makes it possible to use fewer fasteners and components, which reduces costs and energy requirements.

Bossard is involved in the E4TC in order to actively contribute to shaping a circular economy. The E4TC calls its vision Re-X: Each product is disassembled at the end of its life and any suitable parts are reused in new products. The parts must be designed from the ground up in such a way that this becomes possible. In 2024, Bossard launched a project in collaboration with RWTH Aachen University as part of the Design-to-Recycle initiative, which aims to help customers develop products that can be recycled. The E4TC has been using Bossard's Smart Factory Assembly solution ELAM in a pop-up remanufacturing line.

*“For Bossard, innovation is an essential component of sustainable governance.”*



## SUCCESS STORY

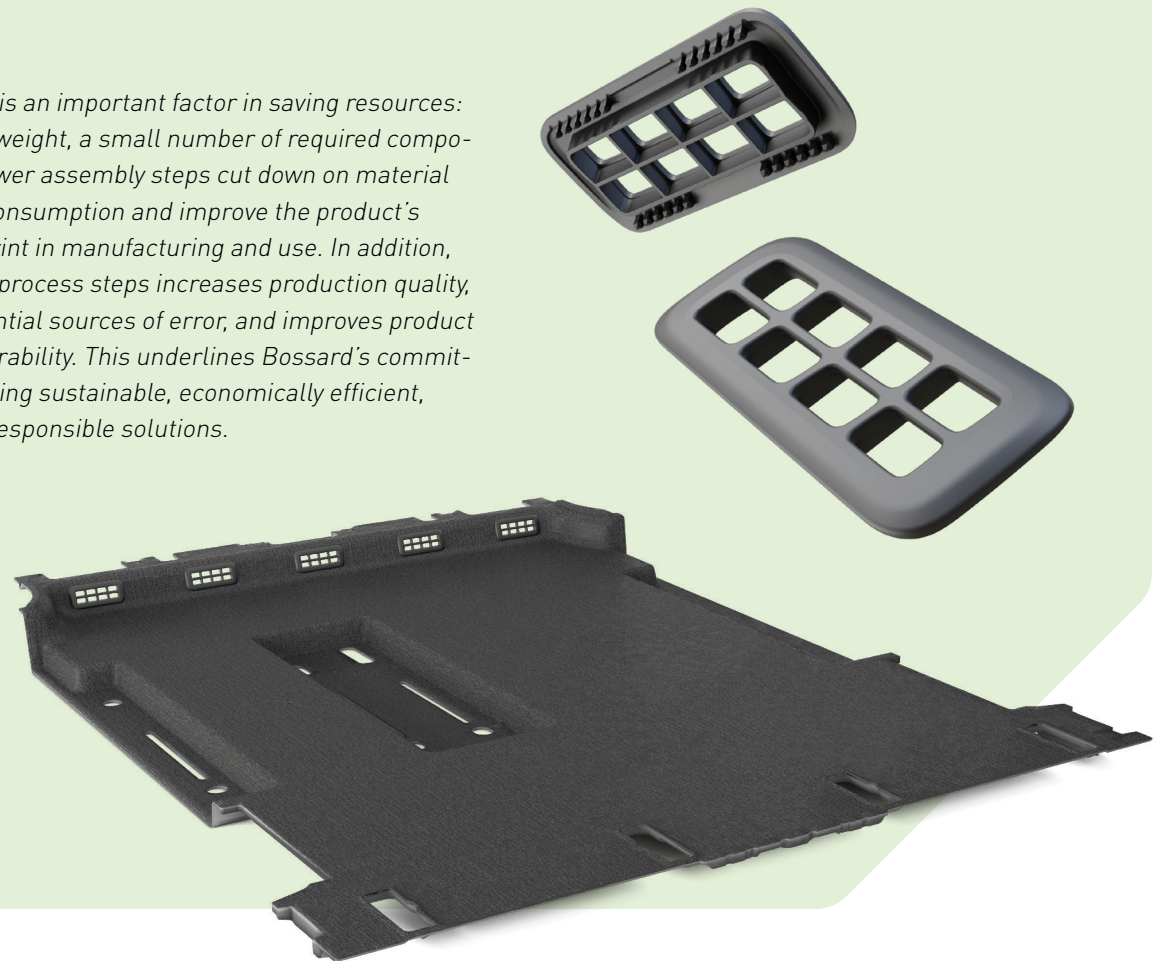
### Future Proven Solutions

#### Strengthening expertise through innovative services

With its Assembly Technology Expert services, Bossard is continuously expanding its expertise beyond the sale of product solutions to promote sustainable innovation. One prime example is the MultiMaterial-Welding® process, which offers tailor-made solutions developed in close cooperation with customers.

Bossard collaborates with the Adler Pelzer Group on developing floor carpets with ventilation lattices for the Volkswagen ID Buzz. The innovative LiteWWeight® Lotus technology is used in the MultiMaterial-Welding® process in functionally integrated parts (FIPs) to create a fast and resource-efficient solution. This process ensures the necessary strength, even with flexible components, while allowing for functional and aesthetic design. Ultrasound is used to achieve partial liquefaction of the lotus teeth, which creates an exceptionally strong and durable bond with the textile structure – without the use of additional adhesives, fasteners, or energy-intensive processes.

This solution is an important factor in saving resources: Low product weight, a small number of required components, and fewer assembly steps cut down on material and energy consumption and improve the product's carbon footprint in manufacturing and use. In addition, streamlining process steps increases production quality, reduces potential sources of error, and improves product safety and durability. This underlines Bossard's commitment to creating sustainable, economically efficient, and socially responsible solutions.



## REDUCED FOOTPRINT

# Energy and greenhouse gas emissions

**Energy and greenhouse gas emissions management is a top priority for the Bossard Group. It designs its own processes and operating procedures to be as environmentally friendly as possible and aims to influence the entire value chain in favor of climate protection. Comprehensive carbon footprint accounting helps the company define climate protection measures.**

### Commitment to climate protection along the value chain

The Bossard Group designs its own processes and operations to be as environmentally friendly as possible. At a distributor like Bossard, the majority of greenhouse gas emissions are generated in the upstream supply chain for the production and provision of purchased goods and services. Bossard intends to take targeted measures to make not only its own operations, but the entire value chain climate-friendly. The Bossard Group's Code of Conduct and Supplier Code of Conduct stipulate specific requirements to ensure that Bossard's employees and business partners act in an environmentally friendly manner. At the Group level, Bossard's VP of Sustainability is in charge of climate-related issues. In the business units, the general managers, finance managers, or environmental managers are responsible for climate and energy issues, depending on the size of the location.

In order to lend additional relevance to climate protection efforts at Bossard, the Group plans to integrate the achievement of greenhouse gas reduction targets into the remuneration system for general managers.

### Environmental management system

In all larger and some smaller business units, the Group's environmental management system is ISO 14001-certified. Each individual location is responsible for its own ISO certification. Regular internal audits serve to ensure quality. In the future, Bossard plans comprehensive certifications for those locations which together generate 90 percent of sales. In 2024, three business units in Singapore, China and the Netherlands were ISO-certified. As of the end of 2024, Bossard has achieved a rate of 62 percent ISO 14001-certified sites, which account for 74 percent of the Bossard Group's sales.

*“62 percent of business units are ISO 14001 certified.”*

### Carbon footprint, measures and targets

Bossard regularly calculates Scope 1 and 2 carbon emissions and identifies the largest emission sources. The results show where emission reductions are possible. A data portal ensures consistent data quality on energy and resource consumption as well as waste and greenhouse gas emissions. Based on this data, environmental protection measures can be designed and implemented. The data portal is revised quarterly to ensure that it remains up to date and helps optimize Bossard's reporting. For data collection and management, the company uses an app and linked business intelligence reports that enable emissions to be calculated at the location level and analyzed for monitoring and comparison purposes. The emissions are then consolidated and validated globally. To date, updating the questionnaire in the app, training sessions, and experience from the business units have helped to further improve data quality and transparency. The environmental indicators were published in the following year's report. Up-to-date data is becoming increasingly important as it helps Bossard define targets and shorten response times by implementing measures. For this reason, the frequency of data collection was changed from annual to quarterly.

Submitting and validating data regularly makes the process more intuitive and efficient, which in turn improves data quality. Recurring analysis of the data also increases the likelihood of identifying any potential for optimization.

In the reporting year, Bossard again used the data from the data portal to submit climate-related information for the CDP questionnaire. In addition, the questionnaire was submitted as public, which represents progress over the previous year's questionnaire. Moreover, this data was used to identify the main levers for reducing greenhouse gas emissions in the company's own operations.

In the reporting year, Bossard developed a reduction path for Scope 1 and Scope 2 emissions based on the targets from the previous year. By 2031, these emissions are to be reduced by 50 percent compared to 2023 and the net zero target is to be achieved by 2040. The sound data foundation provided by the data portal is a prerequisite for identifying meaningful reduction potential and implementation measures at the location level. Bossard has provided the general managers with a template for calculating location emissions under various selectable reduction scenarios.

This makes it possible to test various scenarios and ultimately compare the effectiveness and costs of different measures. The individual reduction plans were collected centrally and an action package based on these plans was approved by the executive committee. Instead of relying on rigid global transformation regulations to achieve its 2031 interim target, Bossard is allowing for regional flexibility to define optimized measures for each location.

Since Bossard is a growing company, reducing energy consumption and emissions in absolute terms is a major challenge, but specific measures and climate targets are expected to help reduce Bossard's own greenhouse gas emissions on an ongoing basis and minimize energy and emissions-related risks ([→ TCFD reporting](#)). Bossard believes that the adopted action package offers opportunities for implementing its climate ambitions. In particular, this includes measures such as on-site production and purchase of renewable and low-emission energy, replacing consumption-intensive equipment, processes and infrastructure, upgrading the heating technology in buildings, and converting the vehicle fleet ([→ Success story](#)).

*“By 2031, the Scope 1 and 2 emissions are to be reduced by 50 percent compared to 2023 and the net zero target is to be achieved by 2040.”*

## SUCCESS STORY

### Reduced Footprint

#### Increased energy efficiency thanks to electric vehicles

One of Bossard's key measures to mitigate climate change is converting the company's vehicle fleet to electric vehicles. This makes it possible to use low-emission energy for passenger transportation while taking advantage of the increased efficiency of the vehicles' electric motors.

Progress has already been made at some locations: In China, Bossard has ten electric vehicles and four chargers on the company premises. A newly installed supercharger offers shorter charging times and encourages other employees to switch to electric vehicles as well.

In Switzerland, five new chargers were set up for the company's vehicle fleet. In addition, 14 chargers are now available for visitors of the Zug site and the Bossard Academy. Following the switch to sourcing 100 percent electricity from hydroelectric power, the vehicles can be charged using low-emission energy.



**Charging infrastructure: Bossard Switzerland** – The visitor parking lots now offer charging infrastructure that is powered by 100 percent renewable electricity.



**New charging stations: Bossard China** – One of the four newly installed charging stations

The implementation of some measures is under review, including switching to heat pumps or district heating for air conditioning in buildings, while other measures were already completed in the reporting year. For example, additional solar panels have been installed at some locations ([→ Success Story](#)), and in Switzerland, electricity is now being sourced from hydroelectric power instead of nuclear power plants. Additional business units are now procuring low-emission electricity, and the use of electric vehicles is increasing. Overall, Bossard used 4.32 percent less electricity in the reporting year, 53.82 percent came from renewable sources. In addition, on-site production of renewable energy, e.g. through photovoltaic systems, reduces dependence on the electricity market, which is characterized by fluctuating, and generally rising prices.

## KEY FIGURES: ENERGY AND GREENHOUSE GASES

Energy in MWh <sup>1)</sup>	2024 <sup>2), 3)</sup>	2023
<b>Energy consumption</b>	<b>24,700</b>	<b>25,650</b>
thereof renewable	6,386	3,569
<b>Electricity consumption</b>	<b>10,677</b>	<b>11,159</b>
thereof renewable	5,746	3,042
<b>District heating</b>	<b>639</b>	<b>527</b>
<b>Heating fuels</b>	<b>4,869</b>	<b>5,406</b>
Oil	186	249
Gas	4,667	5,143
Liquified petroleum gas (LPG)	16	14
Wood	-	-
<b>Motor fuels</b>	<b>8,515</b>	<b>8,558</b>
Diesel	6,459	6,473
Petrol	2,056	2,085

- 1) The energy consumption figures include all business units with more than five full-time equivalents. Business units with five or less than five full-time equivalents are not included because of their relatively low impact on energy consumption.
- 2) Acquisitions during the financial year 2024 are not included.
- 3) The energy consumption data for the first three quarters are based on actual data collected from business units, while the data for the fourth quarter have been extrapolated based on the average energy consumption of the first three quarters.

Greenhouse gas emissions in tCO <sub>2</sub> e <sup>1)</sup>	2024 <sup>4), 5)</sup>	2023
<b>Total emissions (Scope 1 and 2)</b>	<b>6,143</b>	<b>6,550</b>
<b>Scope 1 <sup>2)</sup></b>	<b>3,252</b>	<b>3,389</b>
Oil	48	65
Gas	933	1,047
Diesel	1,744	1,744
Petrol	523	530
LPG	4	3
<b>Scope 2 <sup>3)</sup></b>	<b>2,891</b>	<b>3,161</b>
Electricity	2,776	3,071
District heating	115	90

- 1) The greenhouse gas inventory was calculated in line with WRI/WBCSD Greenhouse Gas Protocol guidelines.
- 2) Scope 1: emissions from fuels and flammable substances.
- 3) Scope 2: emissions from the generation of electricity and district heating purchased by the business units. The 2021 IEA emission factors and the current DEFRA emission factors were used for Scope 2 emissions. When possible, the market-based method was applied; otherwise, the location-based method was used.
- 4) Acquisitions during the financial year 2024 are not included.
- 5) The greenhouse gas emissions for the first three quarters are based on actual data collected from business units, while the data for the fourth quarter have been extrapolated based on the average energy consumption of the first three quarters.



## SUCCESS STORY

### Photovoltaic systems

#### Global initiatives to expand photovoltaic systems

The use of renewable energy is a central component of Bossard's sustainability strategy. As an innovative distribution company, Bossard focuses on photovoltaic systems in all global regions to meet a larger share of its energy needs with solar power, thereby significantly reducing greenhouse gas emissions. To this end, photovoltaic systems continue to be installed and expanded at various locations around the world.

Two of the new photovoltaic systems commissioned in Europe in 2023 will be instrumental in supplying the respective locations with solar power. Of particular note is the reduction in emissions achieved by these systems: In the Netherlands, carbon savings of approximately 380 tons were achieved. In Poland, Bossard's contribution to environmental protection was particularly remarkable given the size of the location. Moreover, the existing solar installation in Germany was expanded by over 1,000 additional panels at the beginning of 2024. This allows the site to cover more than half of its energy needs on its own, making it less dependent on external power sources.

Following the successful completion of a large photovoltaic system in China in 2022, the reporting year brought another important step toward sustainable energy supply in Asia. In October, an additional rooftop photovoltaic system was installed at Bossard India, which is expected to generate in total more than 750 MWh of solar energy in the coming year.

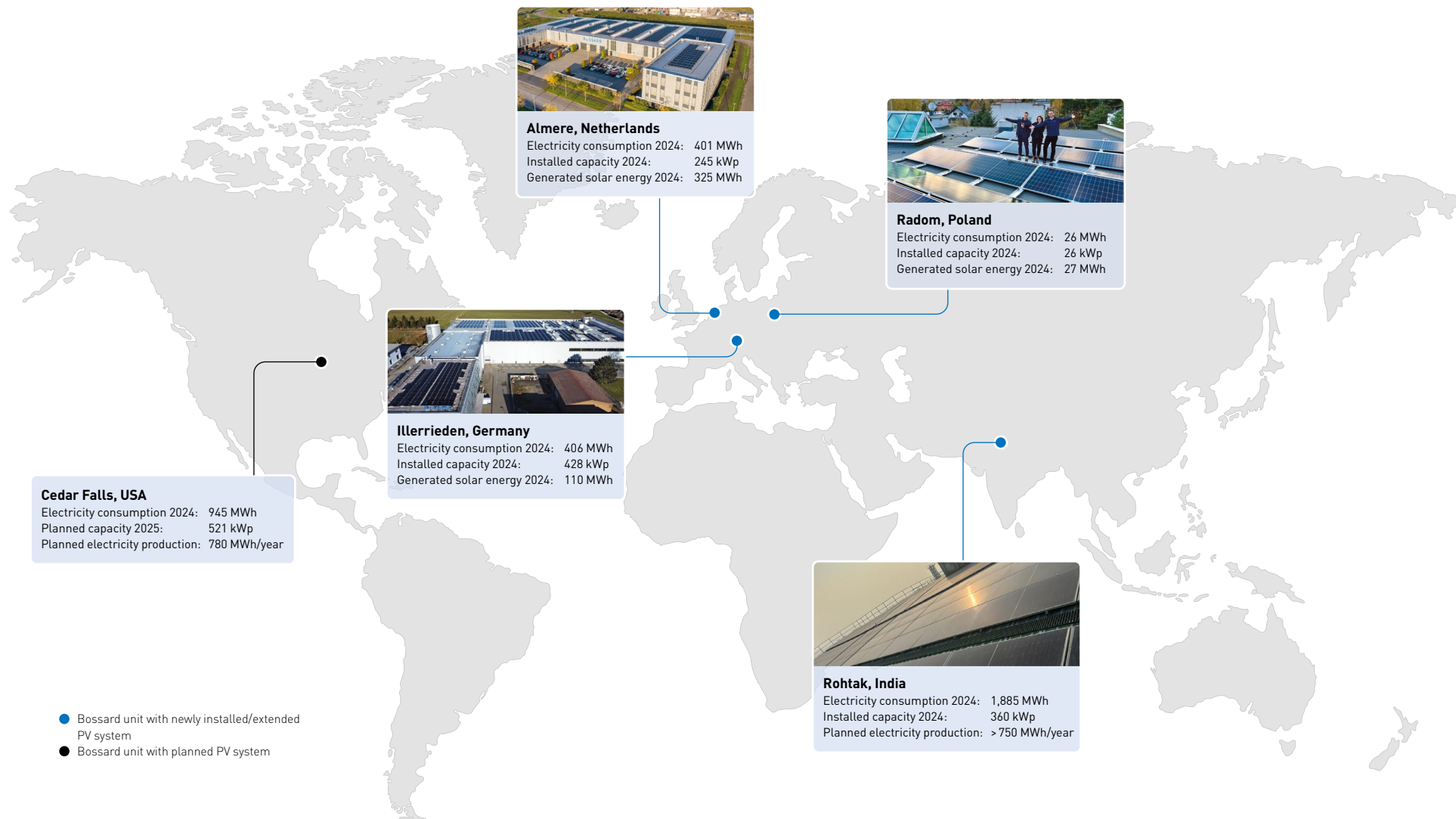
A look at Bossard's subsidiaries in America shows that Bossard will continue to work on the installation and expansion of solar power systems around the world. For example, a project in Cedar Falls is planned for 2025. It will include the installation of a large photovoltaic system with the capacity to produce over 750 MWh annually.

Expanding solar power systems to supplement the company's energy supply, or switching completely to solar energy, remains an important priority at Bossard.



## GLOBAL INITIATIVES FOR THE EXTENSION OF PHOTOVOLTAIC SYSTEMS

BOSSARD ANNUAL REPORT 2024



- Bossard unit with newly installed/extended PV system
- Bossard unit with planned PV system

## Challenges in the upstream and downstream value chain

The biggest challenge for Bossard is reducing emissions caused indirectly by all business relationships along the company's entire value chain (Scope 3 emissions). To achieve this, the company relies on the commitment of its business partners and suppliers. For effective climate protection, the entire industry must move towards climate action. Awareness-raising measures for the stakeholders involved in the business processes can make a difference here. Bossard's Supplier Code of Conduct defines environmental protection requirements for the upstream supply chain. Suppliers, especially new suppliers, are required to analyze and reduce their own greenhouse gas emissions and focus on recycling and reusing materials. This supplier commitment represents an opportunity for Bossard to build resilience to stricter legislation in the area of greenhouse gas emissions.

A screening of Scope 3 emissions in 2023 revealed that more than 90 percent of Bossard's greenhouse gas emissions can be attributed to the "Purchased goods and services" category. In particular, upstream steel production from primary raw materials such as iron ore and coking coal and the processing of steel into fasteners are extremely energy-intensive processes. In the reporting year, Bossard refined the analysis of these emissions to gain a better understanding and provide a basis for future targets, and reviewed various tools to further improve the scope and

level of detail of existing data. In addition, the EU's Carbon Border Adjustment Mechanism (CBAM), which has affected Bossard since 2023, was identified as a reliable source of data. In the transition phase between October 2023 and 2026, the company is required to report on the imported emissions attributable to purchased products. Bossard has launched a project to use this data to track the effectiveness of reduction measures.

For Bossard as a global distributor, exerting influence on these Scope 3 emissions is challenging. Nevertheless, Bossard is endeavoring to make its suppliers more accountable and, whenever possible, give purchasing preference to low-emission products. Eligible goods include those that have been produced and transported with a lower carbon footprint, be it through energy-efficient and low-emission manufacturing processes, the use of renewable energy, or the use of recycled resources, which are increasingly available for plastics and metals. While the savings potential varies greatly, it is particularly significant for steel (up to 75 percent less energy required) and aluminum (up to 95 percent less energy required). In this context, Bossard is exploring the introduction of a product range with a reduced carbon footprint ("sustainable product lines"). Bossard's Assembly Technology Expert services help save material by optimizing the design to reduce the number of fasteners required or use more eco-friendly products or adhesives.

In addition to upstream production processes, the transportation of purchased goods and sold products is a significant source of emissions in Bossard's value chain. Suppliers are located all over the world and deliver their goods over long distances, mainly by sea and road. This is where the majority of transportation-related emissions occur. Most of the finished products are distributed regionally. With its Smart Factory Logistics services and consolidated deliveries, Bossard is helping minimize transportation-related emissions.

The assembly and use of Bossard products have no significant impact on emissions. Nevertheless, Bossard's Assembly Technology Expert services help customers be as efficient as possible in this area ([→ Business model](#)).

## REDUCED FOOTPRINT

# Waste

**Bossard reduces waste through responsible procurement, optimized packaging, reuse, and recycling. Groupwide harmonized approaches help decentralized waste management determine and minimize the carbon footprint of each location. Smart use of materials and waste avoidance are at the forefront, supplemented by a circular economy for materials that can no longer be recycled directly in production and logistics.**

### **Awareness of waste generation along the value chain**

The largest amount of waste associated with Bossard's business activities is generated in the production and processing of purchased goods (e.g. extraction of raw materials from iron ore, metal waste, offcuts, packaging materials), i.e. in the upstream value chain. These effects can be minimized through responsible procurement. Because Bossard has very few production processes of its own, non-hazardous municipal waste makes up the largest share of the company's waste volume, followed by cardboard and wood from packaging. In addition, metal scrap may result from incorrect orders and unused stock, which should be avoided wherever possible. Waste management at Bossard focuses on proper waste separation and lawful disposal as well as avoiding packaging waste through proper material selection and packaging design. All of these are factors relevant for Bossard's customers as well.

### **Challenges and development of groupwide concepts**

Even though Bossard, as a global distributor, does not have a large volume of waste, stakeholders are paying more and more attention to this issue. Competitors within the same market are responding by introducing sustainable packaging concepts. Even if the volume itself is not large, packaging waste is highly visible and therefore germane to the company's image. Given Bossard's decentralized corporate structure, the company could face reputational risks and, as a result, competitive disadvantages if it fails to make a groupwide commitment in this area. Appropriate measures can also reduce the burden on Bossard's waste management and lead to cost savings.

Groupwide systematic guidelines for waste reduction do not exist at present because of the rather decentralized organizational structure. Each business unit has its own concept for avoiding and separating waste and promoting recycling. Waste management is the responsibility of the general managers or the designated environmental managers. To ensure waste management standards and systematic data collection across the entire Group, Bossard is striving to achieve ISO 14001 certification for the business units which together generate 90 percent of sales ([↪ Energy and greenhouse gas emissions](#)).

Irrespective of certification, Bossard will be focusing on Groupwide guidelines going forward. Additional concepts and measures were implemented in the reporting year to standardize data collection at all locations, even if they operate under very different regional or national conditions. In the reporting year, Bossard's American locations were for the first time able to provide disclosures on the waste generated that can be used for reporting purposes.

In order to standardize the individual waste management concepts in the Group, Bossard distributed a best-practice brochure on handling packaging materials to all warehouse management offices during the reporting year. One particular goal is to increase the reuse of packaging materials. At the end of its life cycle, packaging can be shredded and used as filler material. To promote a circular economy, packaging materials should be made of recycled plastic, paper or cardboard wherever possible; plastics can also come from renewable sources and be biodegradable.



The quality, durability and recyclability of Bossard products are aspects that matter when it comes to environmental protection. High-quality fasteners help customers reduce screw wear. The mostly metallic products are easily recyclable, and future products made from recyclable materials will go even further in this respect. Procurement plays an important role because of the significant impact in the upstream value chain. Innovative processes can open up new applications for such recycled materials: In the reporting year, Bossard worked on a pilot project to advance a MultiMaterial-Welding® process for post-consumer recycled content that could previously only be used in simpler products.

**Services that promote the circular economy**

The circular economy and the economical use of resources are not just issues of materials technology, but also involve supporting or developing processes and services. Bossard offers a range of services to this end. Bossard’s Smart Factory Logistics calculate deliveries to customers in a way that minimizes waste. Assembly Technology Expert services provide support for designing applications and optimizing processes and offer training to ensure the efficient use of fasteners. At the end of the product life cycle, material separation is often crucial for recyclability. Bossard leads the way in this area with its disassembly services.

**KEY FIGURES: WASTE**

Waste in t <sup>1)</sup>	2024 <sup>3) 5) 7)</sup>	2024 <sup>3) 6) 7)</sup>	2023 <sup>4) 6)</sup>
<b>Commercial waste <sup>2)</sup></b>	<b>1,896</b>	<b>1,221</b>	<b>1,454</b>
Incineration or landfill	889	280	218
Recycling	1,007	941	1,236
<b>Hazardous waste</b>	<b>111</b>	<b>111</b>	<b>121</b>

- 1) The figures for commercial and hazardous waste include all business units with more than five full-time equivalents. Business units with five or less than five fulltime equivalents are not included because of their relatively low impact on waste volume.
- 2) Some commercial waste data from three European business units and Bossard in America is partially based on estimations. The data quality will be improved over the next few years in collaboration with these business units.
- 3) Acquisitions during the financial year 2023 are not included.
- 4) Acquisitions during the financial year 2022 are not included.
- 5) Including waste figures of Bossard in America.
- 6) Excluding waste figures of Bossard in America.
- 7) The waste figures for the first three quarters are based on actual data collected from business units, while the data for the fourth quarter have been extrapolated based on the average waste consumption of the first three quarters.

## EMPOWERED PEOPLE

# Well-being and safety

**The physical and mental well-being of employees is a top priority for the Bossard Group. As a family business, Bossard feels a special responsibility for its employees. Bossard wants its employees to be safe at work while remaining healthy and motivated. In return, it benefits from highly productive employees and low levels of absence. Bossard performs regular workplace safety reviews and complies with all legal requirements. In addition, Bossard offers its employees global and individual health promotion opportunities at its various locations.**

General health risks and occupational hazards in the workplace are not just a personal issue for employees. Absences, poor working conditions or low work motivation also represent a business risk. In addition, well-being and safety risks involve ethical principles. Loss of production resulting from accidents or illness also affects the way the company is perceived by employees and external stakeholders, including customers. At the same time, evidence has shown that in a supportive and healthy working environment employees perform better and increase the company's efficiency.

### Locally coordinated concept for well-being and safety

Bossard makes every effort to create a healthy working environment for all employees. Bossard's locations are spread around the world and therefore operate in different legal and cultural contexts. Local approaches to well-being and safety may differ, but are generally subject to the company's guiding principles. Bossard maintains a structured concept for well-being and safety and follows corresponding policies.

Primary responsibility for well-being and safety rests with the local HR departments and the local safety officers; they maintain safety committees and working groups and organize training courses. The People & Organization department is the global point of contact for these issues. Because managers bear responsibility for the well-being and safety of employees, Bossard Switzerland, for example, includes resilience topics as part of leadership training.

At the global level, the People & Organization department has launched individual courses centered on well-being and safety.

### Promoting safety

The greatest accident hazards occur in the warehouse. The main risks are working with forklifts and pallet trucks and manually lifting loads. Other health risks arise from one-sided strain, which can cause long-term health problems. Bossard identifies all hazards in the logistics processes (delivery, goods receipt, repacking, storage, retrieval, and shipment) and classifies them according to severity. Each work step is classified and evaluated based on ten possible main hazards (e.g. mechanical hazards, fires) and various subcategories (e.g. falls, explosives). For office work, the focus is on the ergonomic design of workstations; employee requests that go beyond this are taken into account wherever possible.

To minimize accident hazards and health risks, Bossard primarily relies on technical measures to minimize risks, followed by organizational and behavior-based safety measures.

## Health management and certifications

In addition to Bossard's headquarter, the locations in India and China are also certified in accordance with the ISO 45001 standard for occupational health and safety management. Investigations into hidden dangers and standardized inspection reports serve to systematically identify risks, monitor measures, and support the continuous improvement of occupational safety. The QLogbook describes the legal and standards-related requirements that have been identified. At the Swiss site Compliance records are audited annually by the Swiss Association for Quality and Management Systems (SQS).

The contact persons for well-being and safety receive ongoing training to ensure they are familiar with the latest insights. Regular evacuation training prepares for emergency situations. In the technology and logistics center in Zug for example the routes are clearly marked, safety instructions are signposted, and employees are given high-visibility vests and safety shoes. In-house company paramedics are on site to provide first aid if necessary. Company paramedics receive annual training by external experts. Safety training courses are held on a regular basis for employees at the technology and logistics center. Internal audits are performed to check the effectiveness and professional implementation of safety measures. At the Swiss location, for example, several inspections of the company premises take place each year in order to mini-

mize hazards. They are conducted by the company's own quality, environment, occupational health and safety (QUAG) team as well as external experts, including the fire police and the Swiss Safety Center. The Swiss Safety Center assesses hazards and evaluates figures related to occupational health. It issues reports and checks whether potential hazards are eliminated in accordance with regulations. Work-related illness and accident statistics are discussed at management meetings and necessary measures are initiated if patterns are identified.

## Promoting well-being

For several years, Bossard has been offering the option of working from home as well as flexible working models. While these models have many benefits, they also harbor new risks for well-being and safety. For example, workplace ergonomics are not necessarily guaranteed. Employees working from home may have an increased workload, work even when ill, or take less time for adequate rest. With less direct contact, physical or mental health problems may not become apparent as quickly. Bossard is committed to sensitizing all employees to these issues. Virtual coffee breaks and regular stand-up meetings have proven useful in maintaining contact and identifying problems at an early stage. Equally successful was the global launch of the "We talk real" program, which includes a module on mental health aspects and encourages employees to address any problems openly.

Digital "SharePoint News" regularly address topics such as resilience, physical activity, and boundaries in order to raise employee awareness. Employees have the option of seeking advice from the HR department or at some sites an external social counseling firm in the event of psychological stress and can report grievances within the company or via the Integrity Line. In the event of long-term absences, case management is called in to provide support and facilitate reintegration.



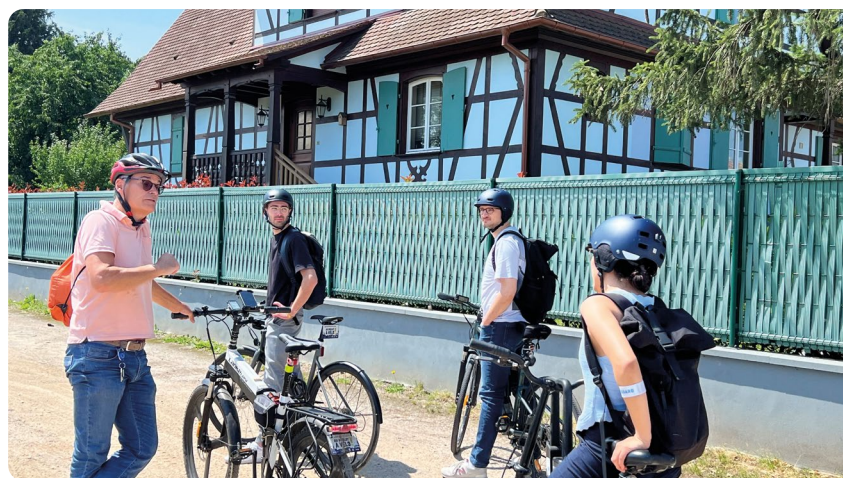
### Local initiatives for well-being and safety

Bossard has already implemented numerous initiatives and measures in the area of health and well-being. Therefore, only smaller projects were completed in the reporting year. At the Zug location, the local HR department performed a “pulse check” to assess the well-being of employees. The teams will discuss the results and define appropriate measures. Another health campaign at headquarters was the “Bike to Work” initiative, which motivates employees to ride their bicycle to work. Similar initiatives also take place every year at the locations in France and Denmark. In addition, Bossard Switzerland and Germany promote the health of their employees with company runs and company fitness programs. In China and France, annual medical check-ups are available to employees.

### KEY FIGURES: OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety <sup>1)</sup>	Unit	2024	2023
Total effective hours worked	Hours	4,725,831	4,867,478
Total absences <sup>2)</sup>	Hours	144,292	121,213
Absence rate <sup>3)</sup>	%	2.6	2.2
Absences due to illness	Hours	142,201	116,979
Absences due to accidents at work	Hours	2,091	4,234
Number of fatalities at work	No.	0	0

- 1) The occupational health and safety figures include all business units with more than five full-time equivalents. Business units with five or fewer full-time equivalents as well as acquisitions in the corresponding reporting year are not included.
- 2) Excl. vacation and other absences not related to illness or accidents.
- 3) For the calculation of the absence rate, the approach suggested by GRI of 2,000 hours per FTE was used.



**Sustainable mobility: Bossard France** – Employees receive financial support to promote their sustainable mobility.

## EMPOWERED PEOPLE

## Attractive employer

**For Bossard to achieve its strategic goals, it is crucial that all locations and levels are staffed with qualified and committed employees. In order to retain employees and attract new talent, Bossard must prove itself as an attractive employer in an increasingly tight labor market. Excellent working conditions and competitive pay are the foundation for Bossard's employer branding. This is complemented by contemporary communication methods, the way the company presents itself in public, and most importantly, employee development and advancement.**

Bossard's employees are crucial to the company's success. It is vital that Bossard is perceived as an attractive employer. By actively promoting the professional development of its employees and fostering a dynamic and appreciative corporate culture, Bossard aims to maintain employee commitment and satisfaction while increasing performance and innovation. In addition, training and continuing education opportunities for employees strengthen their employability, which can lead to individual financial security. By creating jobs in the regions in which Bossard operates, the company can enhance the attractiveness of its locations.

### Attracting talent for Bossard

As a growing company, Bossard is dependent on new talent for a wide variety of positions. Bossard must make great efforts in a labor market characterized by a shortage of skilled workers. Excellent working conditions and competitive pay are only part of what Bossard offers its employees. The company already has flexible working models, which are constantly being reviewed and will be expanded where possible. In the reporting year, the option of buying extra vacation time was introduced at the Zug location. The principles of inclusion, diversity and equal opportunities are applied consistently in order to appeal to the widest possible group of applicants and to communicate the company's values to the outside world. In addition, the company is increasingly recruiting female talent. Unconscious bias awareness workshops held in 2023 with the top 80 of Bossard's managers were extended to the HR departments in 2024. The aim is to familiarize both HR departments and management with potential subconscious prejudices in order to be able to eliminate them in recruitment processes. Unconscious bias awareness can help facilitate fairer hiring, promotion and development decisions, ultimately strengthening the corporate culture and team dynamics and enabling holistic business decisions.

Bossard's corporate communications and employer branding are of exceptional importance when competing for talent. Employer branding is designed to strengthen brand awareness and position Bossard as a sustainable, inclusive, innovative, and secure employer. To attract new talent, Bossard has increased its presence on social media and participation in job fairs; storytelling videos by employees also hold promise as a useful tool. A newly designed global careers page on the company's website will make it easier for interested parties to quickly find comprehensive information about vacancies at all locations.

## SUCCESS STORY

### Attractive working environments

#### Investing in flexibility and employee satisfaction

Bossard designs attractive and healthy working environments that meet the needs of today's society. Increasing flexibility and the possibility of working from home can pose a challenge to the desired cohesion and sense of community among employees. To counteract this, Bossard's business unit in France has invested in an extensive renovation of its offices. The new offices offer employees a place for regular exchange and personal contact, while also providing an attractive alternative to working from home.

The new workspaces cover 2,000 m<sup>2</sup> on two floors. Employees particularly appreciate the work café. It has become a popular meeting point and place for exchanging ideas and is lauded as an example of successful workplace renovation.



**Modern office space: Bossard France** – The new offices and lobby were completed in May 2024.



## Employee development

Employee development is an important means of retaining ambitious employees and supporting their commitment to the company by offering them opportunities for professional development within Bossard. Bossard is continuing to work on its talent ecosystem which helps employees proactively shape their own career path. This program also includes on-the-job coaching for managers and succession planning, with internal candidates given special consideration.

Bossard integrates continuous learning into day-to-day work. New technologies, new personal qualifications and topics of relevance to the future are taught in training sessions and on the job: Learning in virtual environments, projects, coaching, and job enrichment are just as much a part of this as in-person events and conferences with learning segments, workshops, or group sessions. In addition to professional and technical knowledge, Bossard promotes social and management skills such as conflict management and communication. As a rule, learning content is tied to current projects in order to create a strong practical connection and ensure learning success.

Bossard's Learning Hub offers an overview of all learning content from the specialist departments. E-learning modules in various languages facilitate flexible, personalized training for employees worldwide. Local offerings address the individual training needs of the business units.

At the global level, the People & Organization department is in charge of the ongoing development of managers and employees. It works across functions to ensure employee development within large projects. In the reporting year, the focus was largely on ongoing development programs for managers. In addition, the individual business units work with local development programs and tools for employees and line managers. In the units, either the human resources department or the general manager is in charge of employee development.

In the reporting year, Bossard began developing the new Bossard 5x5 learning concept. The goal of this concept is to train the sales organization in areas such as products and services and to strengthen cooperation between the expert groups and sales. The focus is on creating simple and efficient e-learning modules that are accessible to all employees and easy to integrate into their everyday work. The concept also enables various functions in the organization to create their own learning content using standardized templates. For example, internal Code of Conduct training is rolled out this way every year.

In addition, Bossard supports external education. Employees interested in completing part-time degree programs, training courses or seminars on topics which also benefit the company, receive financial support and are partly given time off.

## Employee appraisals as the basis for ongoing development

Regular discussions form the basis for the ongoing development of employees. In 2023, Bossard launched the Employee Talk app developed in-house to make appraisal interviews with employees even more effective. After the introduction at the Zug site, it is intended to use the app at other sites as well. Digitalizing such meetings is intended to strengthen contact between employees and their supervisors and facilitate the documentation and tracking of development goals and measures. In the reporting year, 91 percent of Bossard's employees received performance appraisals.



### Leadership development

Bossard’s global talent development program includes identifying and strengthening the next generation of managers for key positions. The Leadership Accelerator Program boosts leadership skills and prepares current and potential managers for future challenges. It was first implemented for a cohort in September 2024. In 2025, participants will have access to a range of versatile modularized training courses to complement the Leadership Accelerator Program. This is intended to support the integration and modeling of Bossard’s guiding principles in the day-to-day behavior of managers. The program also aims to promote a deeper understanding of Bossard’s strategy and value proposition as well as the ongoing development of business acumen and interpersonal skills.

In addition, the 360° Feedback app developed in-house offers extensive opportunities for feedback from different perspectives and directly references Bossard’s management principles, ensuring their practical relevance. Leadership development at Bossard is highly personalized and provides individual coaching through mentoring systems. One example is the Sales Buddy Coach Program introduced in the reporting year in the sales organization. This program allows experienced employees to share their expertise.

### Bossard guiding principles – a vibrant corporate culture

The five guiding principles are the branches on Bossard’s corporate culture tree. They are guidelines for a vibrant corporate culture and goal achievement and give employees guidance and a sense of security. At the heart of these principles are transparency, open communication, courage, and cooperation. This gives employees plenty of room for initiative, creativity, and ownership. The Bossard intranet has content for each guiding principle. A learning module focused on corporate culture is aimed at new employees and shall ensure that all employees worldwide receive the same information. This learning module covers the topics of strategy and the strategy process and introduces the Bossard culture tree with its values and guiding principles. In the reporting year, the board of directors took an in-depth look at the topic of corporate culture and passed its conclusions on to the People & Organization department for further action.



**Bossard’s corporate culture:** Bossard’s corporate culture is represented by a tree with five values as its roots and five guiding principles as its branches.

## BOSSARD GUIDING PRINCIPLES



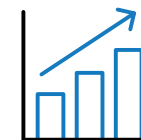
### We empower

Bossard is convinced that all employees are willing and able to contribute to the company's success. For this reason, leaders are encouraged to delegate tasks. Trust in Bossard's employees and their motivation is strengthened when leaders primarily communicate why Bossard and its employees do things and not how.



### We collaborate

Bossard believes that the equation  $1+1 = 3$  may very well be correct. Because together, one achieves more. That is why the Group wants to work together even more closely and intensify the collaboration and exchange of knowledge between all regions, functions, and hierarchies.



### We deliver value

Bossard's primary objective is to create added value for its stakeholders. Bossard must not lose sight of that. That is why Bossard always want to keep in mind the purpose of an activity – regardless of whether it is a product innovation or an internal meeting.



### We experiment

All too often, ideas are stifled before they even have a chance to succeed. Bossard wants to be open to unconventional ideas, because new things are created when Bossard and its employees simply try things out. If we end up rejecting an idea after all, then the involved persons will certainly have learned something. And that, at the very least, is just as valuable.



### We talk real

Sometimes one thinks that addressing problems is a sign of weakness – yet in that one is completely wrong. To combat this mindset, Bossard wants to conduct open conversations, listen to each other, and value feedback. Only with this approach can everyone continue to develop and learn from each other.



### **Respectful and solution-oriented working environment: talking real**

Bossard's Code of Conduct focuses on ethical behavior, transparency, and openness. It is binding for all employees and hierarchical levels. Management is responsible for ensuring that it is observed and practiced throughout the company. All employees receive regular training on the Code of Conduct. Violations are reviewed and sanctioned if necessary. If an employee suspects misconduct, they can contact their supervisor, local management, the executive committee, human resources, or the global Integrity Team.

"We talk real" is a principle that applies both internally and externally. In the reporting year, Bossard continued to roll out the global We Talk Real program introduced in 2023 to anchor this guiding principle more firmly in the organization and strengthen the corporate culture. This program consists of a half-day workshop which focuses on developing the relevant skills. Key topics in 2024 included psychological security, dialog traps, active listening, and providing feedback. The program is based on a train-the-trainer concept that enables local employees to lead the training sessions at their respective locations. Around 450 employees have completed the program since its launch.

### **Low turnover thanks to joint company development**

Bossard values a global sense of community and identification with Bossard as a brand. Bossard benefits from the loyalty of its employees. One reason why employees identify with Bossard is that, despite its global orientation, Bossard has remained a family business with a CEO and a management team which are close to its employees. Similarly, it is part of the company's values to ensure that the voice of each and every individual be heard, both in the employee's work environment, at the locations around the world, and in the company as a whole. On the Clubhouse platform, employees can share their ideas on improving the company, provide feedback on strategic initiatives, and form project teams.

This positive company spirit helps Bossard minimize employee turnover. This, in turn, avoids negative effects, including the loss of knowledge as well as the loss of time and money associated with filling open positions, ensuring that employee workloads are kept within reasonable limits. In order to monitor and improve employee turnover, Bossard implements measures tailored to each business unit which are based on the findings of employee surveys. In the reporting year, Bossard noticed a decrease in employee turnover. It can therefore be assumed that the employee retention measures are effective.

### **Employee surveys confirm satisfaction**

Local and regional surveys have repeatedly affirmed employee satisfaction. According to the Swiss Employer Award, Bossard Switzerland was one of the top employers in Switzerland in 2024. In Asia, Bossard India has been certified as a "Great Place To Work." These awards demonstrate clearly that Bossard maintains a positive corporate culture. In 2024, employee surveys were conducted at the local level, for example in Switzerland, the USA, and Asia.

*“Bossard values a global sense of community and identification with Bossard as a brand.”*

## KEY FIGURES: EMPLOYEES

Composition of workforce <sup>1)</sup>	Unit <sup>5)</sup>	2024			2023		
		Total	Female	Male	Total	Female	Male
<b>Workforce by employment contract</b>							
Permanent	HC	2,865	1,025	1,840	2,878	994	1,884
Temporary (agency/lease workers)	HC	117	n/a	n/a	42	n/a	n/a
<b>Workforce by employment type</b>							
FTE total	FTE	2,773	n/a	n/a	2,791	n/a	n/a
Employees total <sup>2)</sup>	HC	2,865	1,025	1,840	2,878	994	1,884
Full-time	HC	2,649	878	1,771	2,653	854	1,799
Part-time <sup>3)</sup>	HC	216	147	69	225	140	85
Number of apprentices/trainees/interns	HC	62	n/a	n/a	101	n/a	n/a
<b>Workforce by age</b>							
< 30 years	HC	444	166	278	447	166	281
30–50 years	HC	1,659	632	1,027	1,718	629	1,089
> 50 years	HC	762	227	535	713	199	514
<b>Management</b>							
Employees in management positions	HC	354	96	258	369	85	284
<b>Other</b>							
Qualification dialogues/annual appraisals <sup>4)</sup>	No.	2,599	n/a	n/a	2,321	n/a	n/a
Pulse checks or employee satisfaction surveys done on unit level	No.	822	n/a	n/a	324	n/a	n/a

1) The HR figures include all business units with more than five full-time equivalents. Business units with five or fewer full-time equivalents as well as acquisitions in the corresponding reporting year are not included.

2) This value is inclusive of apprentices, trainees and interns and exclusive agency/lease workers.

3) All employees working less than 90 percent or 90 percent.

4) Excluding apprentices and trainees, employees joining and leaving the company during the year and employees with long-term absences. In such cases, individual conversations and reviews take place that are adapted accordingly to the case.

5) HC means headcounts and FTE means full-time equivalents.

Hires & fluctuation in HC <sup>1)</sup>	2024				2023			
	Entries	Natural departures	All departures	Fluctuation rate <sup>2)</sup>	Entries	Natural departures	All departures	Fluctuation rate <sup>2)</sup>
<b>Total</b>	370	117	311	6.8 %	525	135	468	11.6 %
<b>Total by gender</b>								
Male	208	75	196	6.6 %	328	86	293	11.0 %
Female	162	42	115	7.1 %	197	49	175	12.7 %
<b>Total by age</b>								
< 30 years	126	34	80	10.4 %	181	42	132	20.1 %
30–50 years	217	55	177	7.4 %	291	63	255	11.2 %
> 50 years	27	28	54	3.4 %	53	30	81	7.2 %
<b>Total by region</b>								
Europe	185	65	187	7.6 %	319	41	236	11.9 %
America	34	19	34	3.4 %	70	62	87	5.8 %
Asia	151	33	90	7.0 %	136	32	145	13.9 %

1) The figures for hires and fluctuation include all business units with more than five full-time equivalents. Business units with five or fewer full-time equivalents as well as acquisitions in the corresponding reporting year are not included.

2) For the calculation of the fluctuation rate, the number of employees as of December 31, was taken.

## EMPOWERED PEOPLE

# Diversity, equity, and inclusion

**Bossard promotes diversity and inclusion and is committed to equal opportunities for all employees, regardless of origin, gender, age, religion, sexual orientation, physical ability, or other factors. Mutual respect is essential in an international company with a multicultural workforce. As an open, inclusive company, Bossard has the ability to be a positive influence on social stability, not only within the company, but also in society as a whole.**

### Respect and tolerance as core values

Diversity, equity, and inclusion are core values of the Bossard Group. They play a key role in the company's success. In 2022, Bossard developed a global vision for this area and rolled it out within the organization: "As an inclusive employer we create an environment where every employee is accepted and empowered to contribute to the company's success." Out of conviction, Bossard strives to create an environment in which all employees are accepted and heard and can make their own contribution to the

company's success. Continuous growth requires recruiting new employees who want to make a difference in the company, as well as contributions and innovative ideas from employees with different strengths and perspectives. Fair and inclusive working conditions are essential for the company's success. They allow employees to get involved in the company without being disadvantaged in any way.

In addition, Bossard is committed to fighting discrimination. Harmonious cooperation makes it possible to fully unleash the potential of all employees. Bossard's Code of Conduct leaves no room for misconduct. By developing a strategy focused on diversity, equity and inclusion, Bossard also combats unconscious discrimination.

### Strategy for diversity, equity, and inclusion

Bossard employs information campaigns based on uniform values to raise employee awareness of diversity, equity and inclusion and create a common understanding.

### The key principles of this strategy can be summarized as follows:

- The internal parameters such as guidelines, Code of Conduct, and working models will be reviewed and adapted where necessary.
- The recruitment process is open, and the process from the advertisement to the interview is designed to be inclusive.
- Managers act as role models and apply clear guidelines to make equity a reality.
- The introduction of mentoring and sponsorship programs for minorities is being considered.

In the reporting year, a video on the current status and next goals of the initiative was published on the intranet to keep the organization up to date. In addition, a one-pager was created that summarizes what Bossard understands by diversity, equity, and inclusion, which KPI was defined, and what the individual employee's contribution to an inclusive working environment could be. Subsequent steps will include making training concepts available to middle management and all other employees ([→ Attractive employer](#)).

### Promoting diversity

Bossard strives to apply the principle of equity to the greatest extent possible. An ongoing challenge is the fact that Bossard has fewer female employees than male employees – a circumstance that is primarily due to the nature of the industry. The company continues to work on helping women advance in the company, especially in management positions. Bossard is committed to increasing the number of women in management positions in order to achieve the same gender ratio on the management team as in the entire Group by 2031. This was a focal point of this year's discussions within the Global Talent Program as well a key factor in the nominations for the Leadership Accelerator, a new program for managers, with women thus far making up 50 percent of participants. In addition, a Women in Leadership network was set up for the entire Group, which will continue to be enhanced. Some of the preliminary goals are a groupwide connection between female managers for mutual support and inspiration and a voluntary mentoring program.

In addition, there is room to make working hours more flexible for employees and trainees alike. Bossard hopes that this will attract new applicants who are reliant on such flexible working hours, while also creating the best

possible working conditions for existing employees in order to balance their professional and private lives. Currently, about 7.5 percent of employees work part-time.

Bossard is aware that shaping a diverse workforce is a long-term task. The groupwide initiatives have inspired units to implement local measures and align them with the objectives of the global strategy. The Zug location, for example, has set up a diversity team to create synergies through regular exchanges.

### Fair pay for all

Bossard subscribes to the premise that work of equal value should be remunerated with equal pay. To ensure compliance with this guideline, an equal pay analysis was carried out at the Zug location in 2023. An external review of this analysis by an independent auditor confirmed compliance with the applicable rules under the Swiss Gender Equality Act. In the same year, Bossard Germany conducted an equal pay analysis, which revealed no deviations from the principle of equity. Currently, there are no groupwide guidelines to ensure equal pay. Remuneration practices may vary from region to region because of differences in wage levels or cost of living.

Bossard has taken note of the EU Pay Transparency Directive that went into effect in May 2023 and will act in accordance with the directive's requirements. It requires employers with 250 or more employees to publish information on the gender pay gap beginning in 2027 and every year thereafter. On the basis of the directive, employers must provide more transparent information and communication on the subject to employees and applicants. This could lead to more claims for damages in the event of violations of employee rights to equal pay for equal work or work of equal value.

### Jobs for people with disabilities

Some business units offer people with disabilities the opportunity to return to the labor market. People who have difficulties in the labor market because of physical or mental disabilities are given the opportunity to perform basic tasks at Bossard. This gives them new opportunities. These working arrangements represent a win-win situation. Bossard retains employees, and those affected are given a new perspective and the ability to get back to work. They could provide further insights into ways to make working conditions even more inclusive.

## FAIR PARTNERSHIP

# Integrity

**Bossard considers integrity and ethical behavior to be the basis for long-term corporate success. For this reason, Bossard has enshrined integrity and responsible conduct in a company-wide Code of Conduct and a separate Supplier Code of Conduct. The goals guiding Bossard's ambitions for operating with integrity and the measures designed to ensure their implementation are continuously reviewed and adjusted.**

In Bossard's understanding, the minimum standard regarding integrity in corporate governance and employee behavior means compliance with legal regulations at every level. Bossard also addresses ethical standards that may go beyond regulatory requirements; these ethical standards are formulated in the Code of Conduct and the Supplier Code of Conduct. Preventing corruption, promoting fair competition, avoiding or resolving conflicts of interest, and respecting human rights are key issues. Non-compliance with legal regulations would expose Bossard to legal risks and, consequently, to financial risks, reputational risks, and business risks. This could cause direct or indirect damage to business relationships with customers or suppliers, which in turn could affect product sales and procurement in equal measure. For its customers,

Bossard is part of the supply chain subject to ESG criteria. At the same time, legally compliant and ethical corporate governance can strengthen the reputation of both customers and suppliers, keep sales and procurement channels open, and enable long-term, trusting business relationships that have a positive impact on business success.

### **Integrity – a fundamental value at Bossard**

At Bossard, integrity, respect, and fairness underpin all business activities. Maintaining Bossard's values and respectful interpersonal relationships are essential for the well-being of employees and their performance. Bossard values integrity when working with business partners, conducts business according to objective economic, social and environmental criteria, and complies with local and global laws and guidelines. This prevents anti-competitive behavior and corruption and strengthens the stakeholders' trust in Bossard. Bossard believes that long-term growth can only be achieved through integrity. Every single employee and every business unit bears responsibility for acting with integrity and adhering to Bossard's global values. The Group's legal department is responsible for implementing new guidelines and processes relating to integrity.

### **Code of Conduct and integrity training**

In 2022, Bossard introduced a new Code of Conduct developed by an employee group consisting of representatives from various geographical regions, functional areas, and levels. Using practical examples, it clearly and comprehensively describes the expectations placed on employees to implement a corporate culture based on integrity and firmly enshrines ethical business practices within the company. The Code offers guidelines on respecting human rights, protecting intellectual property, data protection, anticorruption, promoting fair competition, and transparent reporting. In 2024, the Sustainability chapter of the Code was updated and expanded.

To ensure that employees understand and apply the Code, Bossard offers specialized training for specific functions as well as regular introductory and refresher training on Bossard's online Learning and Management System (LMS). The training sessions are held in the language of the respective location; the range of languages was expanded to 13 in the reporting year. The Code of Conduct and the Supplier Code of Conduct for Suppliers have been available in these 13 languages since 2023.

Training content and frequency are based on demand. For example, a Code of Conduct Refresher Training was planned for 2024. It was rolled out in December 2024. As at December 31, 2024, 49 percent of employees have completed the training. Bossard aims to achieve a participation rate exceeding 90 percent. In addition, specialized training courses were held for data protection officers as well as contract management training for sales employees with a focus on Bossard's Anti-Bribery Policy. Management-level employees had the opportunity to attend bribery and Integrity Line webinars for general managers (GM) and finance managers (FM).

### **Corruption risks and Anti-Bribery Policy**

To protect Bossard's reputation and build stable business relationships, Bossard prohibits money laundering, corruption, and bribery. The company's legal department supports employees if they have questions relating to the prevention of corruption. In 2023, Bossard introduced a global Anti-Bribery Policy that provides a framework for dealing with bribery and corruption risks and gives instructions on how to handle gifts. Violations of the Anti-Bribery Policy must be reported. As part of the refresher training on the Code of Conduct, employees were acquainted with the content of the Anti-Bribery Policy.

Bossard uses internal control systems and financial audits in the business units to determine whether there are any corruption risks. In the reporting year, there were no legal proceedings arising from the formation of cartels or monopolies.

### **Integrity in the supply chain**

The extensive international supply chain poses a number of risks, in particular to Bossard's reputation. Given the high level of public awareness of violations of human and labor rights and environmental damage in the supply chains of large companies, such violations could have an impact on Bossard's operations.

Bossard has established a Supplier Code of Conduct that references the legal framework and Bossard's corporate values. The Supplier Code of Conduct sets out principles for fair cooperation and, in particular, the avoidance of corruption in the supply chain. Suppliers are called upon to prevent any form of corruption or bribery. It is prohibited to offer or accept payments, gifts or remuneration with the aim of gaining an unfair or improper business advantage or influencing the behavior of the recipient. Bossard prohibits price fixing, bid rigging, customer/market collusion, exchange of price information, and engaging in other unfair practices ([→ Responsible supply chain management](#)).

### **Handling conflicts of interest**

Conflicts of interest occur when conflicts arise between the personal interests of single employees and the interests of Bossard. Bossard expects employees to recognize actual or potential conflicts of interest and report them immediately. Where possible, such conflicts of interest should be avoided; if they do arise, they must be resolved. If members of the board of directors or executive committee are faced with conflicts of interest, the affected decision-makers must recuse themselves.

### **Integrity Line for reporting violations**

Under the guiding principle of "See something, say something" set out in the Code of Conduct, Bossard's employees are encouraged to report actions that jeopardize the integrity of the company. To make it easier to report violation, Bossard set up a whistleblowing hotline, the Integrity Line, in 2023. In doing so, the company is aligning itself with the new EU Whistleblowing Directive. In the reporting year, the Integrity Line established in 2023 was expanded and translated into additional languages.



The Integrity Line allows employees worldwide to report critical concerns or breaches of the principle of integrity using an online tool. Employees were informed of this new option as part of the online training on the Code of Conduct conducted across the company. Reports received are forwarded to the Group's Integrity Team consisting of representatives of the legal and ESG departments. If necessary, they are investigated according to a standardized process by other internal or external resources. Currently, the Integrity Line is only available to employees, but there are plans to extend it to external stakeholder groups. Employees can also submit reports via local reporting lines known as Trusted Leaders. Individual business units, departments or countries can also set stricter local requirements.

In the reporting year, several compliance reports were received by Group Integrity. There was no material case of corruption. No cases of conflicts of interest and discrimination were reported. Four cases were received regarding other integrity issues. After analyzing the facts and talking to the persons concerned, the cases were clarified and closed with the cooperation of all those involved.

### Human rights

Bossard supports and respects the United Nations Guiding Principles on Business and Human Rights and complies with globally recognized human rights principles such as the international labor standards of the International Labor Organization (ILO). Compliance with same standards is expected from business partners. Key issues in this context include the prohibition of harassment or mistreatment, the ban on direct or indirect involvement in forced or child labor, as well as recognizing the freedom of association. If contractual partners violate human or labor rights, their contractual relationships with Bossard may be terminated. For more information on safeguarding human rights and the ban on child labor, see [\(→ Responsible supply chain management\)](#).

### Updating and expanding company policies

In 2024, the company tackled the expansion of policies in order to cover the requirements of various levels in a comprehensive and effective manner. This included the introduction of the new ad hoc Reporting Policy, the Regular SIX Reporting Policy, and the Competition Law Policy as well as revising the Insider Trading and Information Policy and the Bossard Group Data Protection Policy. All of these policies focus on ESG issues or touch on them in a significant way.

*“At Bossard, integrity, respect, and fairness underpin all business activities.”*

## FAIR PARTNERSHIP

# Responsible supply chain management

**Bossard's more than 5,200 suppliers are of central strategic importance for providing unique customer solutions and services. The Group takes environmental and social criteria into account when selecting and working with suppliers. The Supplier Code of Conduct stipulates requirements regarding sustainability and legal compliance. Bossard's Supplier Relationship Management (SRM) tool helps manage a wide range of information and ensure high quality.**

### Supply chain management as the basis for business success

Bossard's qualified and certified suppliers are a cornerstone of the company's business success and customer satisfaction, enabling Bossard to make on-time deliveries of more than 1 million high-quality products to customers worldwide and to help them implement innovative processes. Specialized industrial companies produce the standard products listed in the catalog in accordance with ISO standards or manufacture special parts. The raw materials needed to manufacture fasteners are purchased by the suppliers in compliance with Bossard's Supplier Code of Conduct.

Bossard's supplier network covers Europe, America, and Asia. The Supply Chain Management team is responsible for building and maintaining long-term relationships of trust and ensuring professional and fair conditions.

### Challenges and opportunities for supply chain management

Risks for Bossard, which must be addressed in supply chain management at every level, arise from non-compliance with standards as defined by various regulations and the associated requirements Bossard imposes on suppliers. Reputational damage, e.g. as a result of human rights violations, can significantly impair the sale of products and cause Bossard economic damage. Non-compliance with technical standards harbors quality risks that can impair Bossard's reputation and market position. Conversely, placing strict requirements on companies in the supply chain that operate under less regulated regional conditions and have few resources of their own can overburden these companies, limiting the circle of potential suppliers, and making it impossible to purchase goods at competitive prices. Bossard identifies these risks and addresses them as outlined on the following pages.

Integrating new locations or companies of different sizes and from different countries poses a challenge for Bossard's supply chain management in terms of sustainability. The consistent application of sustainability requirements can lead to increased costs if suppliers do not yet meet the requirements. Of course Bossard recognizes the challenges that can arise for SMEs because transparency requirements may vary from country to country. The solution is a gradual alignment with Bossard's mechanisms and standards.

In general, the legal requirements for supply chain management have increased in recent years, particularly in the EU. Bossard, with its global supplier network, is subject to anti-dumping duties for trade with China, for example, and was faced with sanctions against Russia in the reporting year. Because products imported into the EU may not contain any materials from Russia, Bossard is obligated to provide detailed information on the origin of these products to meet the EU's transparency requirements.

As a global distributor of goods subject to EU regulations, Bossard must meet the reporting obligations defined by the Carbon Border Adjustment Mechanism (CBAM). The CBAM mechanism requires that importers document and report the carbon emissions of certain imported products. The regulation aims to improve the competitive conditions for environmentally sustainable goods produced in the EU by imposing additional tariffs on carbon-intensive imports.

Bossard has taken proactive steps to ensure compliance while simplifying the process for its suppliers. As a member of the European Fastener Distributor Association (EFDA), Bossard has co-founded a working group that focuses on compliance with CBAM provisions. This collaboration has led to the development of a standardized methodology allowing suppliers to accurately calculate and report product-specific carbon emissions. The tool, and guidelines for its use, can be accessed on Bossard's Supplier Helpsite, making it easier for suppliers to meet regulatory expectations.

To date, Bossard has identified approximately 200 key suppliers whose data is essential for compliance and has actively worked with them to ensure supplier data submission. In addition to meeting Bossard's own obligations under CBAM, this approach benefits the entire supply chain by reducing the administrative burden on suppliers and increasing transparency.

Supply chain management that effectively covers a broad spectrum of environmental and social aspects is increasingly expected by Bossard's stakeholders. Due to the complexity and intensity of the administrative work that Bossard has to do to fulfill all these requirements, Bossard initially considers full compliance with all legal requirements without losing its own competitiveness to be a sufficiently demanding goal for sustainable supply chain management.

### **Supplier Relationship Management system**

Bossard has been using the SRM tool since 2022 to systematically review suppliers and assist them in refining their ESG management practices. Suppliers can access

the tool to conduct self-assessments. Starting in the reporting year, they can also use it to enter data for the Carbon Border Adjustment Mechanism. Likewise, Bossard's risk management and supplier evaluation processes were integrated into the SRM tool in the reporting year. In addition to capturing a wide range of technical information on purchased goods, the tool allows Bossard to safeguard systematic processes, incorporate sustainability aspects, and at the same time improve quality and risk management in the supply chain. The SRM tool represents a major effort on Bossard's part. It is used not only for documentation purposes, but also to evaluate and manage the supply chains to ensure comprehensive inclusion of sustainability aspects while promoting compliance with legal standards.

### **Supplier Code of Conduct**

As a global distributor, Bossard has the power to influence to a certain extent the way suppliers work by specifying sustainability standards and requirements. As a result, Bossard is able to exert a positive effect on the upstream value chain while reducing its own risks.

One instrument is Bossard's Supplier Code of Conduct, which companies in the supply chain must commit to as part of the selection process. Bossard's Code requires suppliers to comply with all applicable laws and international standards on human rights, labor rights, and environmental protection and to strive for continuous improvement in all aspects set out in the Code. The Code was revised in 2023 and approved by the board of directors. It is published on the Bossard website. The Code is based on international laws and standards and covers a broad range of ESG criteria. These include the United Nations Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child, the international labor standards of the ILO, the principles of the United Nations Global Compact, the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act on dealing with conflict minerals, the REACH regulation, and international industry best practices.

Bossard's Supplier Code of Conduct contains requirements on emissions, water, waste, chemicals, and hazardous substances. Suppliers are required to reduce emissions by recycling and reusing materials and products and by using environmentally friendly technologies. Suppliers also commit to handling waste responsibly, minimizing the use of critical chemicals and hazardous substances,

and fully complying with national and international legislation. The Code of Conduct also includes guidelines on avoiding corruption, bribery, and money laundering and requires business activities to be conducted in accordance with the principles of fair competition. In addition, suppliers must ensure that their upstream suppliers also deliver ethically sound products and services.

In 2024, the percentage of suppliers who signed the Code of Conduct increased from 54 percent to 67 percent. Bossard has met its target of increasing this percentage and has reached the maximum degree of coverage that the company's ability to influence its supply chain currently allows. Bossard reviews the Code on an ongoing basis and adapts it to new requirements as necessary.

### Supplier screening

Bossard's Supplier Code of Conduct ensures that its values are honored not only within the company, but also in the supply chain. Potential new suppliers are evaluated based on social criteria and their environmental protection efforts. They undergo a multi-stage qualification process and must provide access to relevant certificates and submit information on sustainability and quality management. The selection process also includes audits in the plants to examine the production environment and the manufacturing processes.

Bossard also evaluates existing suppliers for compliance with the requirements of the Code of Conduct; the criteria for supplier selection include sales, product range, and market position. All audits are performed on site by trained auditors. Suppliers not meeting the requirements are requested to submit an action plan for compliance. Bossard monitors progress on an ongoing basis.

In the year 2024, 61 suppliers were audited with regard to compliance with human and labor rights. This corresponds to more than half of all suppliers who together account for 50 percent of the procurement volume. Bossard did not identify any deficiencies during these audits. Therefore, no improvement measures were defined. Nor did any cooperation have to be terminated. In addition, Bossard audited 47 suppliers with regard to ecological criteria. It was found that they comply with the requirements of the Code of Conduct for Suppliers, which is why no further measures were necessary.

### **Compliance with human and labor rights**

In Bossard's supply chain, suppliers in Asia are subject to special public scrutiny with regard to human and labor rights. Critical views concern child labor as well as forced labor in conjunction with the oppression of ethnic or political groups. For Bossard, increased focus on these issues harbors reputational and sales risks in the event that violations occur in the supply chain. To eliminate these risks, Bossard undertakes the efforts described below.

Bossard supports and endorses the tenets of the United Nations Guiding Principles on Business and Human Rights and other internationally recognized human rights principles. This also includes instructions on respecting children's rights and avoiding forced labor. Suppliers are required to prevent any child labor and to implement the standards of the ILO. Forced and compulsory labor is explicitly prohibited. Among other things, suppliers are required to promote equal opportunities for their employees, comply with relevant legislation regarding working hours, and pay fair wages. Bossard's risk management with regard to human rights violations and child labor is essentially based on three principles: requiring suppliers to comply with the Code of Conduct and disclose information via self-assessments in the SRM tool, as well as performing audits and screening processes.

In the reporting year, Bossard classified its suppliers into different categories based on their country of origin using the UNICEF Child Labor Index to systematically assess the risk of child labor and found that 54 percent of the purchasing volume of suppliers comes from countries in the "Enhanced" risk category, which means there is an increased risk of child labor. In addition, Bossard examined the documentation of previous audits for evidence of child labor. No suspected cases were identified. One reason is the high level of machine production, which requires a certain level of technical qualification and therefore offers less potential for child labor. Based on these solid findings, Bossard concludes that for 2024 it was exempt from reporting on human and labor rights in accordance with article 964j of the Swiss Code of Obligations (CO).

### **Conflict minerals and metals**

Bossard's suppliers are committed to keeping the supply chain free of conflict minerals. Such minerals from conflict and high-risk areas are associated with risk of armed conflict, post-conflict situations, or lack of governance and security. Bossard's suppliers must comply with the relevant OECD guidelines regarding the origin of these minerals.

In the reporting year, Bossard performed an inventory of imported products. The relevant minerals and metals were analyzed and the tin content of all major products was calculated. In addition to tin, gold is used in the coatings of fasteners. The calculations for tin resulted in values that are significantly below the mandatory reporting threshold. The gold content in coatings is even lower, which is why Bossard concludes that for 2024 it was exempt from reporting on conflict minerals and metals in accordance with article 964j of the Swiss Code of Obligations (CO).

## FAIR PARTNERSHIP

# Community engagement

**Through its locations and the people who work for Bossard, the company is part of the local economy and society. Providing good, secure jobs is part of Bossard's contribution to the communities. The Group and its employees also get involved in other areas. Bossard seeks and shapes cooperation with local organizations and initiatives that align with its values. Through its business activities and social commitment, Bossard aims to create added value for local communities.**

Companies are not only part of the economy, but also part of society, and in an ideal case, they contribute to its well-being. But no matter what they do, they must never harm society or the environment. Good neighborliness and involvement in the local communities help a company earn a positive reputation and boost its employer branding. Joint engagement by the company and its employees helps employees identify with the company and supports the anchoring of employees in their communities. This, in turn, has a positive impact on the working environment and employee satisfaction.

### **Community engagement as part of the corporate culture**

Community engagement is an integral part of Bossard's corporate culture. In addition to the positive economic impact generated by jobs in each community and region, Bossard aims to promote the social development of local communities through community engagement. This includes sponsoring, donations, and volunteer work. Bossard supports volunteer work by giving employees paid time off. Bossard works with civic organizations that share Bossard's values. This is how Bossard anchors its values along the entire value chain.

Since Bossard is a rather decentralized company, there are different local implementations of volunteering concepts. At Bossard in America, for example, all employees are given one paid day per year to devote to a charitable activity of their choice. Bossard Poland has a similar concept, with employees given two days to volunteer. A pilot project for voluntary blood donation is currently being examined with several business units.

### **Donations with added value**

Bossard makes donations to officially recognized organizations that are politically neutral. These organizations are carefully selected, and Bossard makes every effort to ensure that the donated funds reach the target group. At the 2021 annual general meeting of shareholders, the company decided to make a donation to charitable organizations instead of providing giveaways for shareholders and to let the shareholders vote on which organization the donation should go to. In 2024, the donation went to Childhood Cancer Switzerland.

Some donations are made by the country organizations in accordance with Bossard's policy of engaging in local communities. In 2022 to 2024, Bossard donated to the Blue Hearts Embassy, a Polish aid organization that helps Ukrainian refugees in Poland in a variety of ways to manage their lives in the labor market and beyond.



### Determining the impact

Bossard and its employees strive to create added value for society and make a positive contribution to the environment and society through community engagement. In order to determine the impact of Bossard's community engagement efforts, information is collected annually on the activities performed and the donations made.



**Blue Hearts Embassy Engagement:** Once again this year, children had the opportunity to take part in various activities.

### SUCCESS STORY

## Blue Hearts Embassy

### A cause dear to our hearts

Bossard has supported the Blue Hearts Embassy in Poland since it was founded in 2022. This community hub is a unique place for Ukrainian refugees. The focus is on children and their mothers, who are provided with basic necessities such as hot meals, conversations, and language courses. New weekly activities for

children included music, theater and creative lessons as well as yoga and breathing classes for teenagers and adults, promoting creativity, relaxation, and physical activity. During the winter break, children were able to participate in special activities such as a visit to the Rynek Underground Museum, a LEGO® workshop, and a magic show with audience participation. In total, Blue Hearts Embassy supported more than 200 children and 150 adults throughout the year. Bossard continues to sponsor the activities of Blue Hearts Embassy and has pledged CHF 70,000 in financial support for 2025.



www.heartyfoundation.com

**Community engagement: Bossard Poland** – Members of the Polish-Ukrainian Community Hubs support the Blue Hearts Embassy.



**BLUE HEARTS EMBASSY**  
POLISH-UKRAINIAN COMMUNITY HUB

Organized by:



Sponsored by:



## SUSTAINABILITY AT BOSSARD

# TCFD reporting

In 2024, Bossard once again in-depth implemented the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In a multi-stage process, both known and new climate-related risks and opportunities were analyzed and their impact on the business strategy was examined. In addition, they were evaluated as part of climate scenarios. At Bossard, climate-related risks are integrated into the risk management process. From the company's perspective, its exposure to climate-related risks remains moderate, with the opportunities for sustainable business areas outweighing the risks. Scenario analysis helps Bossard anticipate possible future developments at an early stage and act accordingly.

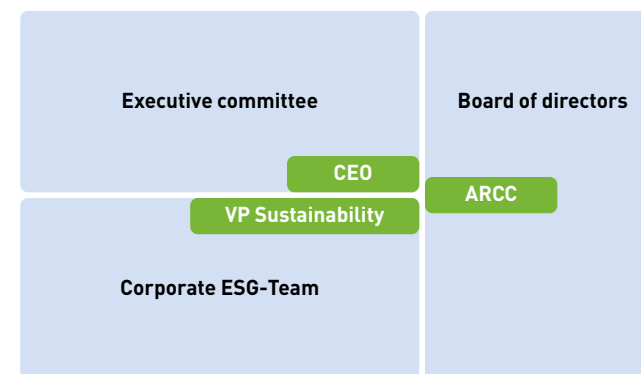
### Governance

The Bossard Group's organizational structure is based on a clear delineation of tasks, competencies, and responsibilities. Climate-related issues are integrated into the company's strategic focus. The Corporate ESG team has grown since the last reporting year as a result of increasing requirements. It manages the operational implementation

of the groupwide sustainability strategy and regularly reports to the Group executive committee on climate-related risks and opportunities. At these meetings, the Group executive committee and Bossard's VP of Sustainability jointly discuss the budget allocation for climate protection measures and their design.

Bossard's VP of Sustainability is also the Group's General Counsel and serves as Head of the Legal Department, reporting directly to the CEO in this dual role. Together with the Group executive committee she is responsible for integrating climate-related opportunities and risks into the corporate strategy and ensures compliance with the legal framework. The executive committee approves climate protection measures and defines strategies for dealing with these opportunities and risks.

The board of directors (BoD) has overarching responsibility for ESG issues. The Audit, Risk & Compliance Committee (ARCC) has responsibility for monitoring climate-related matters and acts as the preparatory body for the board of directors. The committee identifies potential risks and chances that could have a significant impact on the Bossard Group's financial situation ([→ ESG governance](#)).



**Organization:** Diagram illustrating Bossard's organizational structure for climate-related issues

## Strategy

In accordance with the requirements of the TCFD, Bossard distinguishes between physical and transitory climate risks and opportunities.

Physical risks arise from direct climate events such as extreme weather conditions (e.g. storms, floods, heat-waves) or longer-term climate changes (e.g. rising temperatures, changes in precipitation patterns). These risks can have a direct impact on Bossard’s operating activities, for example through supply chain interruptions, damage to infrastructure, or increased resource costs. For example, some locations in South East Asia were affected by typhoons in the reporting year and measures were taken to keep the supply chain intact.

Transitory risks and opportunities result from the transition to a low-carbon economy. This process results in changes to the legal, social, economic, and technological conditions. In this context, early adaptation to stricter environmental regulations such as carbon taxes, increasing demands on

energy and resource efficiency, and growing pressure from investors and consumers for sustainable products play a key role. For example, Bossard collaborated with the EFDA in a working group to simplify the way the law is applied, resulting in efficiency gains. Supplier calculations were simplified and made easier to understand, making figures more accurate and eliminating the use of default data, which saves costs.

















The main climate-related physical and transitory risks for Bossard are described in detail in the Tables 1, 2 and 3. Each risk and opportunity is characterized according to time horizon, probability, financial impact, and affected part of the value chain. The tables also contain descriptions of each risk/opportunity and Bossard’s approach.

Bossard seizes transitory chances and adapts – as a Group and in corporate partnerships:



*“In accordance with the requirements of the TCFD, Bossard distinguishes between physical and transitory climate risks and opportunities.”*

**Table 1: Physical risks**

Physical risk (acute/chronic)	Characterization				Description and potential impact	Bossard's approach
	Time frame	Value Chain	Probability	Financial impact		
Cyclones, hurricanes, typhoons (acute)	 short-/medium-term	 upstream/ own operations/ downstream	 very likely	 medium impact	Some of Bossard's locations (e.g. South-East Asia) are exposed to severe weather. Extreme events could cause damage to buildings.	Location-specific risk assessment and tailored emergency plan. Diversification of the supply chain.
Flooding (acute)	 short-/medium-term	 upstream/ own operations	 very likely	 medium impact	Natural disasters such as flooding could interrupt Bossard's supply chain and restrict production. This could reduce production volumes, thus leading to a drop in sales.	Location-specific risk assessment and tailored emergency plans as well as diversification of the supply chain.
Water shortage (chronic)	 medium-/long-term	 upstream/ own operations	 probable	 low impact	Water scarcity results from an imbalance in the local water supply, e.g. due to climate-related absence of rain or overuse of water. Water shortages can disrupt cooling or rinsing processes in production and at suppliers.	Increasing water efficiency and evaluating the supply chain with regard to water scarcity risks.
Rising temperatures and heat (chronic)	 short-/medium-/long-term	 upstream/ own operations	 very likely	 medium impact	Rising temperatures and more frequent occurrence of heat increase the cooling needs of production processes and workspaces, requiring additional cooling and making heat-related productivity losses more likely.	Improving the cooling infrastructure: replacing older equipment which needs more cooling with modern alternatives. Stepped-up installation of ventilation and air conditioning systems as well as energy-efficient retrofits, including insulation of storage/work rooms.

**Table 2: Transition risks**

Transition risk	Characterization				Description and potential impact	Bossard's approach
	Time frame	Value Chain	Probability	Financial impact		
Regulation (e.g. carbon price or product and service requirements)	short-/medium-term	upstream/own operations/downstream	very likely	high impact	The European Union's Carbon Border Adjustment Mechanism (CBAM) will make Bossard's products more expensive. Stricter regulations could make purchasing more difficult for suppliers outside the EU, thus affecting Bossard's business.	Projection of expected costs and corresponding financial planning. Decarbonization of Bossard's own production and supply chain. Coordination in specialist organizations to establish efficient standards for legally compliant implementation.
Technology	short-term	own operations	probable	low impact	Switching to renewable energies and new, more efficient means of production requires high initial investment, which pay off in the long-term but represent an additional financial burden in the short-term.	Clear economic transition plan for energy, including means of production, aimed at achieving a long-term technological advantage.
Market	short-/medium-term	upstream/own operations	probable	high impact	Higher energy and raw material prices increase the purchase prices of materials in the supply chain. New and rapidly changing customer requirements.	Cost control through diversification of the supply chain. Gradually adapting production processes and products to market requirements and striving for a proactive market position as a "climate-neutral producer" with matching products and services. In the future, Bossard examines approaches for sustainable product lines and ways to ensure product transparency (PCF).
Reputation	medium-term	own operations	low probability	low impact	There is considerable pressure from customers and society to reduce emissions, set ambitious targets and disclose relevant efforts. Suppliers must also be involved. This requires more personnel and expertise, which can affect the cost structure within the Bossard Group.	The development of personnel and expertise already factors in a variety of sustainability criteria. This, coupled with ever-increasing levels of information preparation and processing, is likely to increase costs. This will be reflected in financial and resource planning.

**Table 3: Transition opportunity**

Transition opportunity	Characterization				Description and potential impact	Bossard's approach
	Time frame	Value Chain	Probability	Financial impact		
Produkts/Services	short-/medium-term	own operations/ downstream	probable	high impact	To an ever greater extent, Bossard's products and services are helping customers reduce their emissions. Supplier consolidation for Smart Factory solutions, for example, reduces transportation routes, and Assembly Technology Expert services help customers execute processes efficiently.	Increased research and development to deliver new products and enhance existing ones. Industry 4.0 and corporate partnerships in particular offer many opportunities through innovation.
Resource efficiency	medium-term	own operations/ downstream	probable	medium impact	Resource- and energy-efficient production processes are becoming increasingly relevant. The same applies to reusable products and disassembly solutions to boost the circular economy.	Bossard's solutions not only enable greater efficiency and productivity, but also promote the careful use of resources and reduce environmental impact.
Market	medium-/long-term	own operations/ downstream	very likely	high impact	New customer preferences and socio-economic requirements for explicitly sustainable products and services mean new and growing markets. This can boost sales due to increasing relevance and demand.	Bossard supplies industries that are crucial to the energy and mobility transition. Being a market leader in these industries is part of Bossard's business model.
Energy source long-term	medium-/long-term	own operations	very likely	medium impact	Expanding renewable energy supply reduces energy costs and increases independence from external energy supplies and fluctuating energy markets.	Using renewable electricity reduces energy costs in the medium- and long-term and is a central component of the climate transition plan.
Resilience	medium-/long-term	upstream/ own operations	probable	low impact	Diversified supply chains and groupwide plans to adapt to climate-related changes strengthen the business model in view of several possible future scenarios.	Bossard continuously evaluates its suppliers as part of supplier risk management and adapts the supply chain accordingly. A dedicated climate transition plan is continuously being refined to prepare for different future developments.



As a global distribution company, Bossard's overall exposure to physical climate risks is moderate. However, individual risks pose challenges that require a response. In the long term, the transition to a low-carbon economy offers more opportunities than risks. A key benefit is the more efficient use of resources: Customers can reduce costs in areas such as development, design, procurement, and logistics, which increases the demand for Bossard's solutions. These financial benefits drive further investment in innovation and strengthen the company's competitiveness.

To prevent climate risks such as supply chain disruptions, Bossard employs diversified transportation routes and more environmentally friendly logistics methods. This not only increases resilience, but also improves the company's carbon footprint, resulting in a more stable and sustainable value chain.

The increased use of renewable energies can reduce operating costs and protect against future burdens such as carbon taxes. In addition, the integration of circular approaches, such as recycling materials and extending product life cycles, reduces transitory risks from stricter regulations and rising raw material costs.

### Scenario analysis

For the scenario analysis, the different risk and opportunity categories from the Tables 1, 2 and 3 are examined together in four transitory and two physical blocks and projected into the three selected scenarios. This is done on the basis of thematic overlaps and to ensure efficient data collection. The scenario analysis is based on the "shared socio-economic pathways" (SSP) defined by the IPCC in combination with corresponding "representative concentration pathways" (RCP). The three scenarios are briefly described below:

- In the Sustainability scenario (SSP1 – RCP2.6), the world is aiming for a drastic reduction in greenhouse gas emissions by 2030 in order to keep global warming below 2°C. Population growth will peak in 2050, while environmental protection and global consumption will focus on conserving resources. Social inequalities will be reduced and international cooperation will increase. **Bossard's context:** Stricter environmental regulations are fueling demand for sustainable solutions, which is creating opportunities for the industry, particularly in Europe, North America, and Asia in the areas of fastening solutions and smart factory logistics.

- In the Middle of the Road scenario (SSP2 – RCP4.5), progress in social, economic, and technological areas remains slow and environmental problems worsen despite individual advances. Global warming of 2°C to 3°C is to be expected. Socio-economic inequalities between different regions will persist, and population growth will stabilize after 2050. **Bossard's context:** Demand for fastening solutions is growing moderately, with regional differences and flexible compliance requirements posing a challenge. Industry benefits from Industry 4.0 technologies, but supply chains remain unstable.
- In the Regional Rivalry scenario (SSP3 – RCP7.0/8.5), regional conflicts and uncoordinated climate protection efforts lead to an increase in environmental degradation and rising emissions, which could cause warming of more than 3°C, possibly 4°C. Socio-economic inequalities will increase. **Bossard's context:** In developing countries, high population growth could increase demand for products, but inequalities, high operating costs, and frequent supply chain disruptions caused by conflicts prevent stable market development.

**Table 4: Scenario descriptions and company-specific context**

Transition topics	Sustainability scenario		Middle of the Road scenario		Regional Rivalry scenario	
	Risk level	Opportunity level	Risk level	Opportunity level	Risk level	Opportunity level
Regulation and legislation	medium ●●	high ●●●	medium ●●	medium ●●	low ●	low ●
Markets and products/ services	medium ●●	medium ●●	low ●	medium ●●	medium ●●	low ●
Technology, energy, and resource efficiency	medium ●●	high ●●●	medium ●●	medium ●●	low ●	medium ●●
Reputation and resilience	low ●	high ●●●	medium ●●	medium ●●	low ●	low ●
Chronic physical risks (rising temperatures, lack of water...)	medium ●●	medium ●●	medium ●●	low ●	high ●●●	low ●
Acute physical risks (extreme weather, flooding,...)	low ●	none –	high ●●●	none –	very high ●●●●	none –

Table 4 shows several strategic aspects in conjunction with the selected scenarios for the years up to 2040: Physical risks – both chronic and acute – are expected to increase in every scenario across all time horizons. While chronic risks, such as water scarcity and heat, could offer indirect opportunities for rapid adaptation or improved resource efficiency, acute risks offer no such benefits and could be difficult to manage over time in the Regional Rivalry scenario. This scenario exposes large parts of the value chain to risks, while other scenarios suggest more controllable, but nevertheless challenging, physical risk levels. The Sustainability scenario clearly has the lowest physical risk levels and offers the greatest potential for financial risk mitigation strategies.

Transition risks and opportunities show different levels and dynamics between the scenarios and time horizons: The Sustainability scenario generally shows higher risk and opportunity levels, with the greatest long-term opportunities being in the areas of corporate resilience and reputation, for example as a sustainable market leader. In the Regional Rivalry scenario, both risks and opportunities are assessed as rather low. Because of regional heterogeneity, the opportunities outweigh the risks with regard to markets and products/services. The risk levels of the

Middle of the Road scenario generally lie between the other two scenarios, but evolve differently over time. In each category, the opportunities outweigh the risks over the long term. In the short to medium term, regulatory uncertainties, geopolitical tensions, and increasing environmental impacts lead to higher risks which are already being felt today. This scenario analysis must be reassessed at regular intervals in order to adapt to evolving geopolitical conditions and climate projections. This will help Bossard continuously evolve its own transition plan and maximize opportunities over risks.

### **Bossard's climate transition plan**

Bossard's transition plan consists of several elements of its strategic focus areas ([→ Strategic foundations of sustainability](#)), in particular the focus areas "Future Proven Solutions" and "Reduced Footprint": Strategy 200 for sustainable and profitable growth and participation in the European 4.0 Transformation Center (E4TC) for the circular economy are intended to ensure that opportunities for markets, products/services or resource efficiency are exploited. Bossard's targets for reducing greenhouse gas emissions and increasing the use of renewable energy as part of its transition plan are specified in the "Metrics and targets" section of the TCFD report below.

### **Bossard's resilience**

Bossard has developed a robust approach to managing climate-related risks and exploiting the resulting opportunities in order to achieve maximum resilience to climate-related changes. By integrating climate risks into the overall risk management process, Bossard regularly assesses potential financial, operational and ESG-related risks, with climate action and mitigation embedded in the business strategy. The Group has set itself ambitious targets, including achieving net zero emissions for Scope 1 and 2 by 2040, and is currently working on collecting data on Scope 3 emissions following an initial screening last year. By diversifying its supply chains, stepping up the use of renewable energies, and investing in sustainable products and services, Bossard not only minimizes climate risks, but also takes advantage of growth opportunities in new and existing markets. In addition, global cooperation and compliance with regulations strengthens Bossard's ability to maintain long-term operational stability and competitiveness within changing climate scenarios. Different risk and opportunity categories, which Bossard regularly assesses, predominate in the scenarios under consideration. Depending on current and future developments, it will be possible to refine the business strategy to make sure the opportunities outweigh the risks and the business model remains resilient.

### Risk management

The identification of climate-related opportunities and risks is integrated into Bossard’s risk management process. Physical and transitory climate risks are examined explicitly and categorized according to time frame, affected section of the value chain, probability of occurrence, and potential financial impact. The board of directors and the executive committee review the risk landscape annually from a strategic and operational perspective. In addition to financial risks, ESG risks relating to the supply chain, raw materials, climate and nature are taken into account. Each risk is analyzed in terms of the potential (financial) losses that would arise if the risk were to materialize. Based on these findings, Bossard defines risk mitigation measures as needed and updates the respective risks in Bossard’s risk management system. This process is continuously documented, integrated into business planning, and reviewed for effectiveness by the finance department.

### Metrics and targets

Bossard is pursuing an ambitious reduction plan for Scope 1 and Scope 2 emissions with the goal of achieving net zero by 2040, which is in line with the Paris Agreement. This plan includes a 50 percent reduction in emissions by 2031, and Bossard is currently well on track. An overview of the plan and additional details on Bossard’s measures to reduce emissions can be found in the “Reduced Footprint” focus area.

Progress related to these targets is measured using the performance and environmental indicators listed in the “Reduced Footprint” focus area under the material topic “Energy and greenhouse gas emissions”. In addition to climate-related emissions indicators, this includes an explicit breakdown of the renewable share of electricity and total energy consumption. For example, Bossard has increased its own renewable energy generation capacity from 12 percent to 26 percent between 2021 and 2024 and is increasing the share of district heating.

This expansion is ongoing and will steadily reduce Bossard’s Scope 1 and Scope 2 emissions as a key component of the company’s climate transition plan.

*“The identification of climate-related opportunities and risks is integrated into Bossard’s risk management process.”*

# Statement of the board of directors

The board of directors of Bossard Holding AG approved the report on non-financial matters for the year of 2024 in accordance with article 964b of the Swiss Code of Obligation (CO) at its meeting on January 26, 2025.

**Dr. Thomas Schmuckli**

Chair of the board of directors

**Patricia Heidtman**

Vice chair of the board of directors

## CO REFERENCE INDEX

### Non-financial matters in accordance with article 964b of the Swiss Code of Obligations (CO)

- Business model
- Environmental matters
- Social issues
- Employee-related issues
- Respect for human rights
- Combating corruption

### Chapters in this report

- Business model
- Waste management
- Energy and greenhouse gas emissions management
- Sustainable product and service solutions
- Community engagement
- Customer loyalty
- Well-being and safety
- Attractive employer
- Diversity, equity, and inclusion
- Responsible supply chain management
- Integrity
- Responsible supply chain management
- Integrity

# GRI-Index

Bossard has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024. For the Content Index – Essentials Service, GRI Services has verified that the GRI Index has been presented in a manner

that meets the reporting requirements in accordance with the GRI Standards and that the information in the GRI Index is clearly presented and accessible to stakeholders. This service was provided for the German version of the report.



2025

Bossard publishes an annual sustainability report as part of the annual report. This sustainability report covers Bossard Holding AG, in Zug. It will be published on February 27, 2025. The contact person for this report is Tabea Bürgler, [tabea.buergler@bossard.com](mailto:tabea.buergler@bossard.com)

## GENERAL DISCLOSURES

GRI 1		GRI 1: Foundation 2021			
Applicable GRI Sector Standard		None			
GRI Standard	Disclosure	Location <sup>1)</sup>	Omission Requirement	Reason	Explanation
<b>The Organization and Its Reporting Practices</b>					
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 23, 83			
	2-2 Entities included in the organization's sustainability reporting	p. 159–160			
	2-3 Reporting period, frequency and contact point	p. 77			
	2-4 Restatements of information	No restatements of information			
	2-5 External assurance	No external assurance			
<b>Activities and Workers</b>					
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	p. 23–24			
	2-7 Employees	p. 54			
	2-8 Workers who are not employees	p. 54			

1) Location refers to the Bossard Group's Annual Report 2024.



GRI Standard	Disclosure	Location <sup>1)</sup>	Omission Requirement	Reason	Explanation
<b>Governance</b>					
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	p. 87–100			
	2-10 Nomination and selection of the highest governance body	p. 88			
	2-11 Chair of the highest governance body	p. 88, 92			
	2-12 Role of the highest governance body in overseeing the management of impacts	p. 30			
	2-13 Delegation of responsibility for managing impacts	p. 30			
	2-14 Role of the highest governance body in sustainability reporting	p. 76			
	2-15 Conflicts of interest	p. 59, 88			
	2-16 Communication of critical concerns	p. 30			
	2-17 Collective knowledge of the highest governance body	p. 90			
	2-18 Evaluation of the performance of the highest governance body	p. 114–122			
	2-19 Remuneration policies	p. 114–122			
2-20 Process to determine remuneration	p. 114–122				
2-21 Annual total compensation ratio			Annual total compensation ratio	Restrictions due to confidentiality obligations	The disclosure of these individual compensation details could lead to conflicts of interest or compromise the privacy of managers and employees. To ensure a trusting corporate culture, we treat this information confidentially.
<b>Strategy, Policies and Practices</b>					
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	p. 6–9			
	2-23 Policy commitments	p. 58–60, 64			
	2-24 Embedding policy commitments	p. 58–60, 64			
	2-25 Processes to remediate negative impacts	p. 30, 59			
	2-26 Mechanisms for seeking advice and raising concerns	p. 30, 59			
	2-27 Compliance with laws and regulations	p. 59			
	2-28 Membership associations	p. 28			
<b>Stakeholder Engagement</b>					
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	p. 28			
	2-30 Collective bargaining agreements		Collective bargaining agreements	Information unavailable/incomplete	Data is not collected for the whole group. System to be expanded.

1) Location refers to the Bossard Group's Annual Report 2024.

## MATERIAL TOPICS

GRI Standard	Disclosure	Location <sup>1)</sup>	Omission Requirement	Reason	Explanation
<b>Disclosures on Material Topics</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 25			
	3-2 List of material topics	p. 26			
<b>Sustainable and profitable growth</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 31			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	p. 139–140			
<b>Customer loyalty</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 32			
<b>Sustainable product and service solutions</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 33–34			
<b>Energy and greenhouse gas emissions management</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 36–42			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 39			
	302-4 Reduction of energy consumption	p. 39			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 39			
	305-2 Energy indirect (Scope 2) GHG emissions	p. 39			
<b>Waste management</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 43–44			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p. 43–44			
	306-2 Management of significant waste-related impacts	p. 43–44			
	306-3 Waste generated	p. 44			
<b>Well-being and safety</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 45–47			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	p. 46			
	403-2 Hazard identification, risk assessment, and incident investigation	p. 45			
	403-3 Occupational health services	p. 45–47			
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 45–47			
	403-5 Worker training on occupational health and safety	p. 46			
	403-6 Promotion of worker health	p. 45–47			
	403-9 Work-related injuries	p. 47			
	403-10 Work-related ill health	p. 47			

1) Location refers to the Bossard Group's Annual Report 2024.

Table continued on next page →

GRI Standard	Disclosure	Location <sup>1)</sup>	Omission Requirement	Reason	Explanation
<b>Attractive employer</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 48–55			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 55			
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	p. 50–51			
<b>Diversity, equity, and inclusion</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 56–57			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	p. 54, 82			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 56, 60			
<b>Integrity</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 58–60			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 59			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures 205-3 Confirmed incidents of corruption and actions taken	p. 58–59 p. 60			
<b>Responsible supply chain management</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 61–64			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	p. 63			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	p. 64			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 64			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	p. 63			
<b>Community engagement</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 65–66			

1) Location refers to the Bossard Group's Annual Report 2024.