

Investor Manual

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1 Executive Summary

1.1 About Bossard

The Bossard Group is a leading global provider of product solutions and services in industrial fastening and assembly technology. The Group acts as a strategic partner for its Original Equipment Manufacturer (OEM) customers worldwide with its three offerings of Product Solutions, Assembly Technology Expert (ATE), and Smart Factory, which includes Smart Factory Logistics (SFL) and Smart Factory Assembly (SFA). Bossard is well-positioned to grow profitably and generate attractive returns as one of the leading Groups in a still very fragmented market.

The Group was founded 1831 in Zug, Switzerland, and is molded by members of the founding family, now represented by the seventh generation.

The holding company, Bossard Holding AG, has its headquarters in Zug, Switzerland, and is quoted on the SIX Swiss Exchange in Zurich (BOSN, Swiss security number 23862714, ISIN CH0238627142). Bossard's more than 2,900 employees are present at 81 locations in 31 countries worldwide.

As a value-driven group, Bossard believes in sustainable growth and fosters a culture of ethical conduct and responsibility among all employees. In dealing with their business partners, customers and stakeholders, Bossard is committed to providing optimal services and solutions. Bossard is well aware that success is achieved in a social and natural environment and views it as its essential responsibility to act sustainably.



Bossard's business units
81 locations in 31 countries worldwide

1.2 Strong market demand for increased productivity

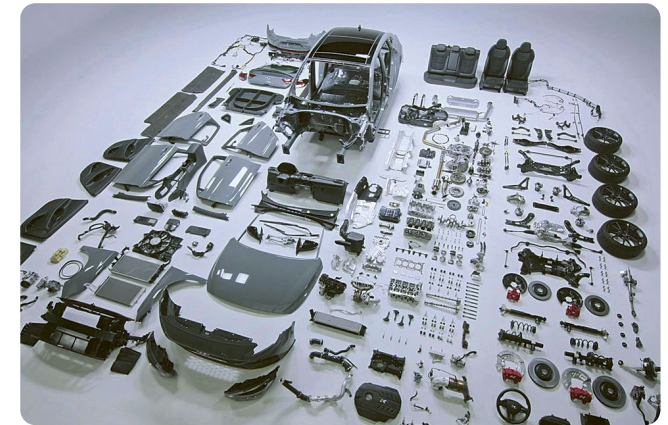
Finally, although the basic technologies and production processes applied are well established and well understood, innovations in fastening design and performance continue to be made. As a result, the demand for better planning, layout and development phases is rising to reduce the production and assembly time and the use of materials on the one hand and to enhance the output quality on the other hand to strengthen our customers competitiveness.

The pressure on capital costs forces optimized inventory management solutions. In addition, the reduction of throughput times and the need for production improvement also requires innovative and networked logistic solutions. The traceability of production steps, high labor costs and a low tolerance for errors in the production process leads to a constant demand for reliable production processes and corresponding control solutions.

From the customer's perspective, the interplay of Product Solutions, Assembly Technology Expert and Smart Factory has six core benefits:

- **Time to market** – this means that customers' products are brought to market faster – a crucial competitive advantage in a global environment where speed counts
- **Lean process** – this means saving time, money and resources, being able to calculate total costs better – and above all, achieving higher margins
- **Better throughput** – this is one of the central cost aspects for customers when it comes to boosting effectiveness, especially improving efficiency
- **High quality** – this means absolute reliability in terms of product, process and production safety – and hence, less waste and fewer complaints
- **Innovative technology** – only companies open to new developments are ready to successfully forge new paths and go where no other competitor has gone before
- **Maximum reliability** – this means knowing that they can rely on Bossard and its long-time employees with the utmost confidence – not just now, but decades down the line

“On average, 50 percent of all single parts are fastener-related – this is complexity and cost!”



Challenge with fasteners and C-parts
Complexity generates costs

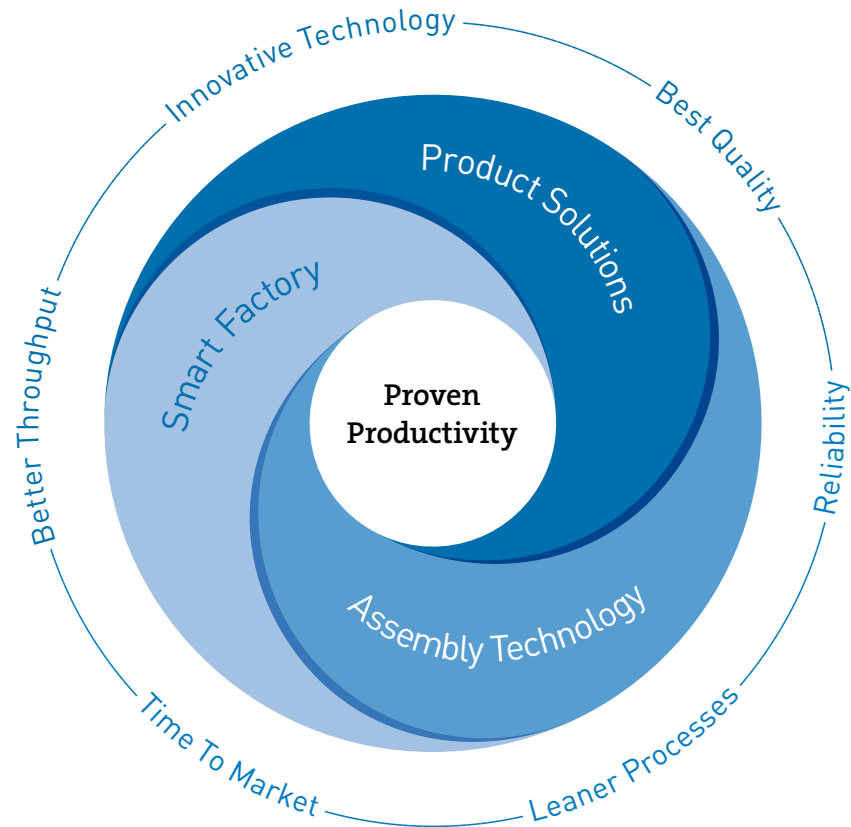
1.3 Business model

Bossard’s fastening technology full-service package applies along the entire value chain. Bossard optimizes the clients’ processes through its core competencies – Product Solutions, Assembly Technology Expert and Smart Factory solutions.

High-quality fasteners ensure that products last longer. The solution-oriented Assembly Technology Expert means that customers can already count on cost savings during a product’s planning, design and development phase and reduce their production time. Bossard helps them be more competitive by slashing their time to market and educating them to become experts themselves. Smart Factory Logistics is an end-to-end service for managing B- and C-parts. It is a time tested and proven methodology that helps to uncover hidden potential for productivity improvement. Smart Factory Assembly provides optimal process control, control of tools, the traceability of production steps and leads to an assembly which networked into a harmonized process.

Bossard’s holistic view – Proven Productivity – enables its customers to apply solutions that are better, faster, more efficient, more cost-effective, more innovative, more reliable and hence to help to outperform their competitors.

See more about Proven Productivity on [Bossard’s website](#).



1.4 Strategic focus

The strategy is designed to allow Bossard to offer local and multinational industrial customers comprehensive on-site services and innovative solutions for their fastening needs. Bossard's strong market position is built on its global presence, innovative solutions and wide range of products. This position is underlined by its solid reputation in the industry and longstanding relationships with its supplier and customer base driving for quality products, engineering and product solutions and extensive value-added logistic systems. The goal based on these factors is to ensure the company's long-term competitive edge.

Bossard has defined five strategic targets to exploit further growth and profit opportunities:

- Innovative service & solutions (Assembly Technology Expert, Smart Factory Logistics and Smart Factory Assembly)
- Gaining a relevant market share in the focus markets North America and Asia
- Targeting growth markets such as robotics, electromobility, railway, and healthcare technology
- Increasing sales to existing customers
- M&A strategy focus on integration potential, scale or innovative products and brands

1.5 Differentiating factors

1.5.1 Total cost of ownership approach

Bossard supports uncovering the potential along the entire value chain of industrial engineering and addressing the TCO in fastening. Assembly Technology Expert and Smart Factory solutions are service and solution-driven approaches and essential building blocks.

1.5.2 Engineering capabilities

Bossard has extensive engineering know-how that provides value-added services for customer fastener-related requirements. With six modules, the engineering specialists plumb the potential in product design, on the production line, in C-parts supply, assortment configuration, and basic and advanced training. In addition, Bossard maintains a worldwide accredited laboratory for product engineering and testing as well as provides extensive on-site service for function and reliability problem solving.

1.5.3 Strong global market position

Bossard is among the market leaders in the sector of fasteners in each of the three global economic regions (Europe, America and Asia). In those markets where Bossard is not present through its own companies, it works through alliance partners. The range of services provides the perfect complement to the partners'

competence. This means that Bossard can provide for multinationally active industrial customers wherever they have a presence.

1.5.4 Supplier/delivery reliability

For years, the Group has practiced a purchasing strategy based on several procurement sources and generous stock-keeping, which is of central importance to ensure the best possible delivery capability to customers. In addition, the high level of flexibility, commitment and experience of the employees are a further essential building block.

1.5.5 Reliable fasteners

The Group has well-established quality assurance functions that control incoming materials' quality and perform numerous validation processes to both customer and Bossard specifications. The five different quality levels of Bossard synchronize the quality requirements/risk assessments of its customers with their quality.

1.5.6 Entrepreneurial thinking and behavior

The family has managed Bossard for 193 years in an entrepreneurial, responsible and sustainable way. The result is a corporate culture that unites the values of trust, leadership, social responsibility, entrepreneurship, and credibility.

1.5.7 Diversified and sustainable customer base

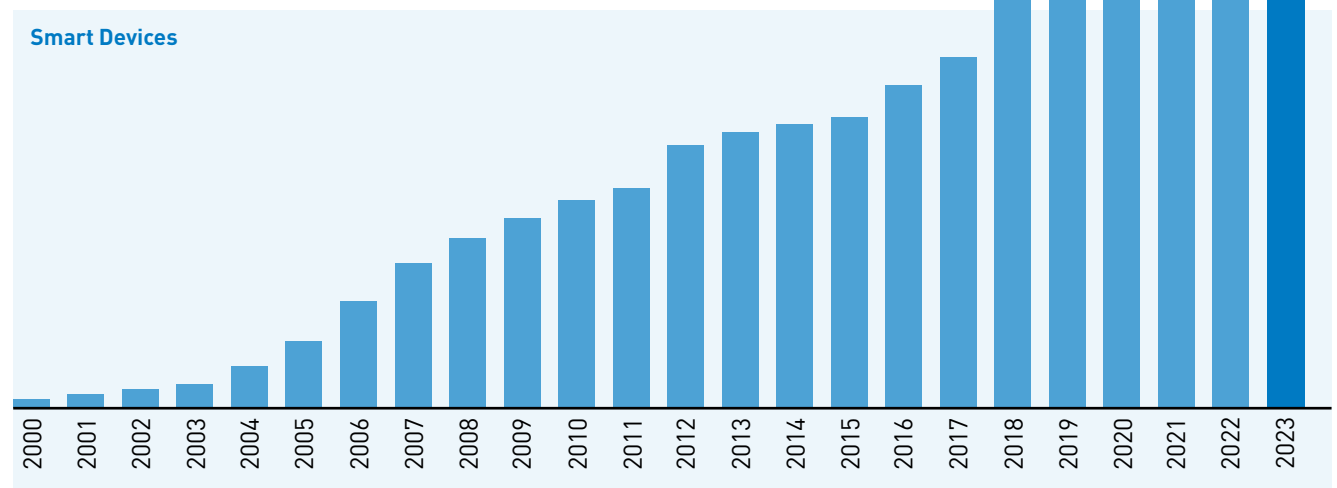
The broad industrial diversification with more than 30,000 customers from a wide range of industries balanced customer growth significantly reduces dependence on individual industry segments. More than 90 percent of large and medium-sized customers have been working with Bossard for more than ten years, and this sustainable customer base is the most important foundation for long-term sales and profit development.

1.5.8 Leader in digitalization

More than 20 years ago, Bossard invented the first fully digitalized and automated C-parts management system, based on IoT technology, that today is being used every day by more than 1,150 customers globally with an installed base of more than 455,000 Smart Devices. The proven solutions, used by customers to maintain a seamless supply of C-parts for production without manual interaction. With the digital platforms developed over the last years, Bossard was able to switch its wide range of services to the virtual space – instantly and across the globe.

1.6 Seven reasons to invest in Bossard

- Strong need for Proven Productivity gains and sustainability in assembly operations
- Company shaped and managed by an entrepreneurial spirit
- Scalable business model
- Strong market position and broad diversification by end markets/segments
- Focus on future industries such as automation, electromobility, medical technology and railway
- High level of recurring revenue due to strong partnerships with customers
- Additional growth potential through M&A in non-consolidated markets



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2 Key Financials

In CHF 1,000	2023	2022	2021	2020	2019
Net sales	1,068,976	1,153,841	995,148	812,792	876,224
Change to prior year in %	-7.4	15.9	22.4	-7.2	0.6
Gross profit	339,168	360,131	317,120	248,730	273,253
in % of net sales	31.7	31.2	31.9	30.6	31.2
Personnel expenses	215,002	216,475	199,732	165,728	180,920
in % of net sales	20.1	18.8	20.1	20.4	20.6
EBITDA	138,081	165,185	145,904	105,863	113,612
in % of net sales	12.9	14.3	14.7	13.0	13.0
EBIT	113,086	141,467	123,326	86,386	95,705
in % of net sales	10.6	12.3	12.4	10.6	10.9
Net income	76,829	105,583	98,017	67,751	75,959
in % of net sales	7.2	9.2	9.8	8.3	8.7
Cash flow ¹⁾	101,824	129,301	120,595	87,228	93,866
in % of net sales	9.5	11.2	12.1	10.7	10.7
Capital expenditures	38,361	41,230	35,289	23,927	34,649
Operating net working capital ²⁾	463,988	554,964	435,620	346,982	359,745
in % of net sales	43.4	48.1	43.8	42.7	41.1
Net debt ³⁾	241,041	318,989	217,222	155,655	187,716
Shareholders' equity	372,686	379,623	349,548	322,340	304,524
in % of total assets	46.2	41.7	45.2	50.3	46.7
Total assets	807,237	910,089	772,776	641,308	652,729
Return on equity	20.4	29.0	29.2	21.6	24.7
Return on average capital employed (ROCE) ⁴⁾	13.3	17.4	19.1	14.7	16.8
Dividend yield in % (Basis: share price at Dec. 31)	1.8	2.8	1.6	2.5	1.1
Earnings per share ⁵⁾⁶⁾					
Registered A share in CHF	9.64	13.38	12.53	8.73	9.73
Registered B share in CHF	1.93	2.68	2.51	1.75	1.95
Price/earnings ratio (Basis: share price at Dec. 31)	22.9	14.9	26.2	20.4	18.0
Price/book value per share	4.6	4.1	7.2	4.3	4.4
Annual weighted average number of employees ⁷⁾	2,871	2,765	2,516	2,410	2,447
Net sales per employee ⁸⁾	372.3	417.3	395.5	337.3	358.1

- 1) Net income + depreciation and amortization
- 2) Accounts receivable, inventories, less accounts payable
- 3) Short-term debts + long-term debts, less cash and cash equivalents
- 4) Average annual capital employed in relation to NOPAT
- 5) Basis: Average capital entitled to dividend
- 6) Basis: Share attributable to shareholders of Bossard Holding AG
- 7) Average full time equivalents
- 8) Basis: Annual weighted average number of employees

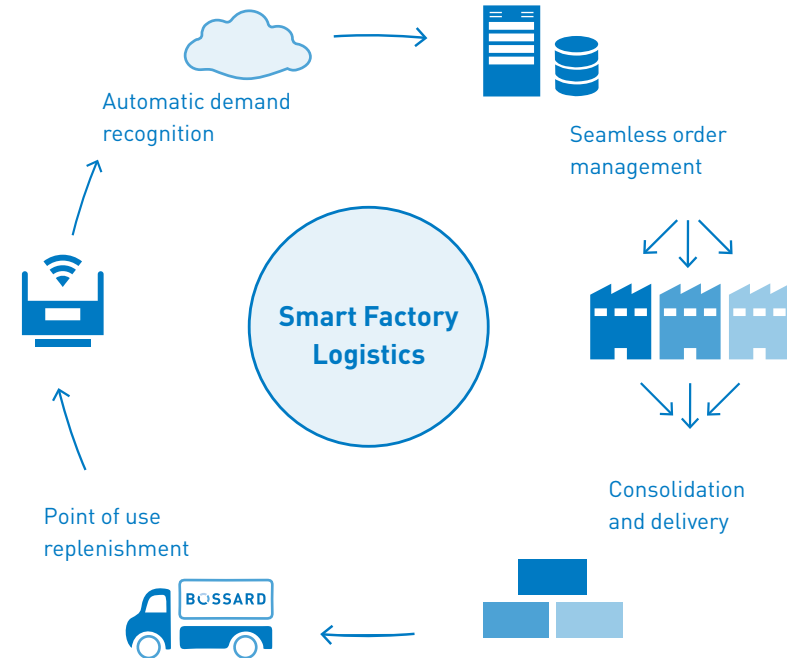
3 Business Overview

3.1 Smart Factory Logistics

In the world of Industry 4.0, Smart Factory Logistics is a core element for profitable growth. The more precise and smarter factory logistics is, the better companies fare against their competitors. While its customers fully focus on their core competences, Bossard takes care of automating their B- and C-parts management processes, thus ensuring a lean assortment and a smooth supply flow. Inventory is controlled in real-time, and material is delivered directly to the assembly stations thanks to smart order management. All at the right time and in the right place. Lower material handling costs and smaller inventories enable the customers to boost productivity in their production significantly.

Explore more:

www.bossard.com/global-en/smart-factory-logistics/



Simple and lean process

Bossard Smart Factory Logistics offers solutions that are precisely tailored to customer needs.

	Solution	Description
	Demand management	Bossard Smart Factory Logistics systems are ready for use and ensure article availability.
	On-time delivery	Select delivery method from accepting supply at the receiving area up to work cell replenishment.
	Expert support	Our experts are available to design, maintain and optimize your system and offer additional advisory services.
	ARIMS	Stay in control by receiving personalized and real time data. Optimize your supply chain trough interactive program management and mobile app.
	Customizable options	Customize your solutions package with various features such as: <ul style="list-style-type: none"> – Supplier Consolidation Solution – ERP integration – Last Mile Management – etc.

3.2 Smart Factory Assembly

Smart Factory Assembly provides optimal control of process, tools as well as the traceability of production steps. In addition, assembly is networked into a harmonized process.

Digital assembly workplace

Assembly operators are guided through each work step with interactive visuals. This shortens the onboarding time and ensures consistent quality. In addition, the production quality is ensured and traceable. Using Smart Factory Assembly, you can easily handle large numbers of product variants and produce them reliably in one-piece flow in paperless production.

Connected smart tools and devices

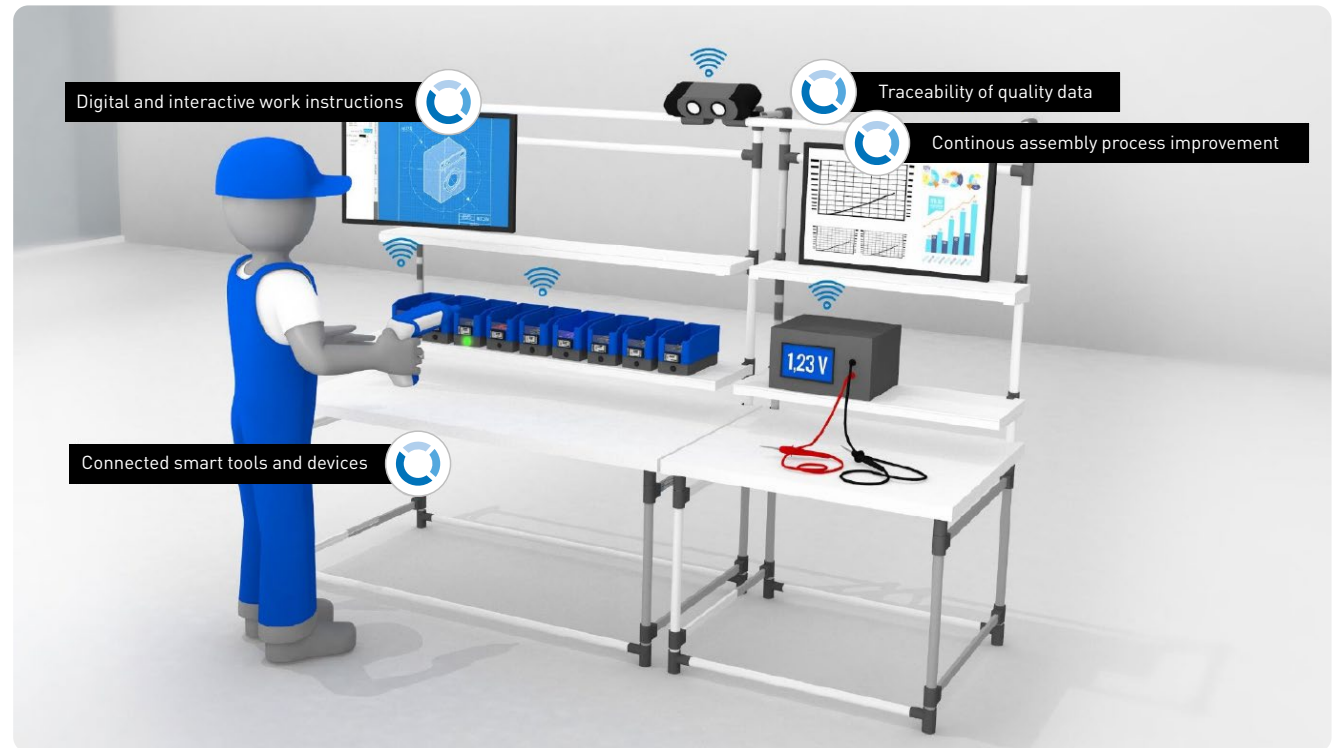
The aim is to connect the assembly environment, which is parameterized and/or measured specifically for the respective assembly step. The more assembly tools and testing equipment are connected with the system, the more one can leverage the following advantages:

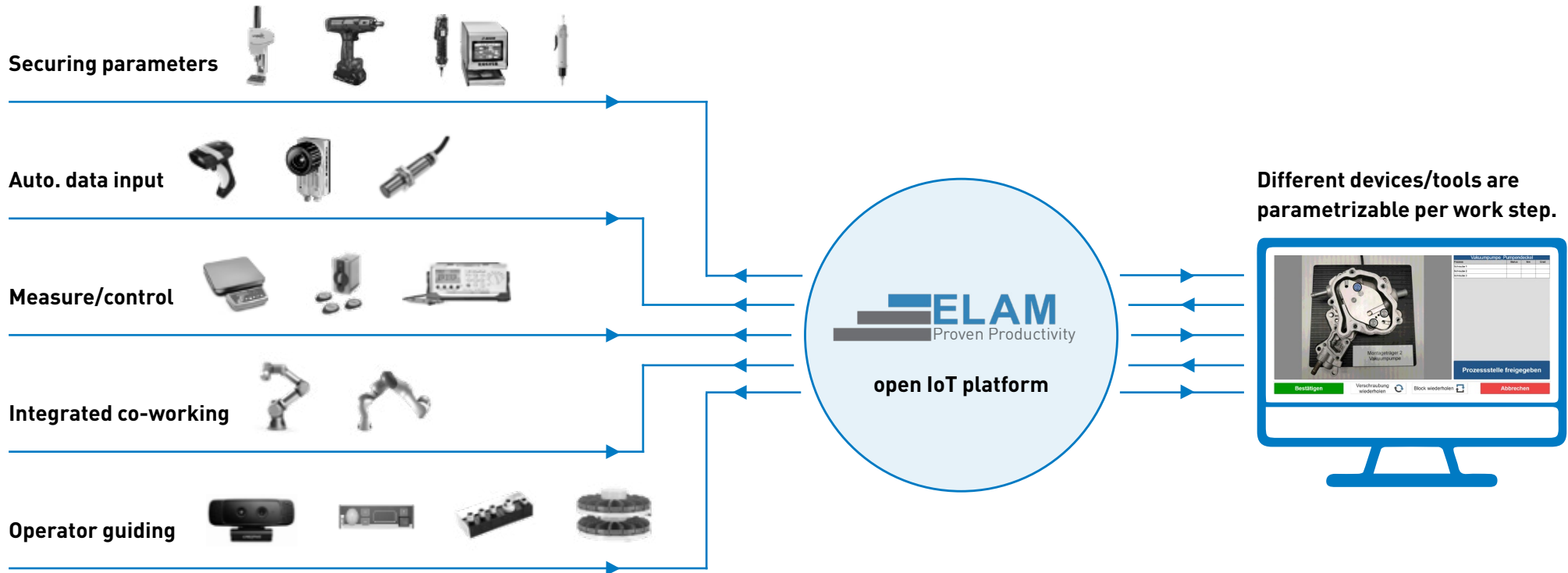
- Faster setup of the work stations for a new order/product
- Correct parameterization of the tools based on the order
- Documentation of all relevant assembly and testing processes based on a product

Various tools and devices can be incorporated.

Explore more:

www.bossard.com/global-en/smart-factory-assembly/





Connection smart tools and devices

A selection of possible tools

Enterprise Smart Assembly

All members (technical writer, industrial/quality engineer, production employees/manager and operation excellence) of the production facility are connected and networked in the production process.



Smart Factory Assembly
Blueprint

3.3 The combination of Smart Factory Assembly and Smart Factory Logistics from Bossard exploits the potential across the entire value chain.

3.4 Assembly Technology Expert service

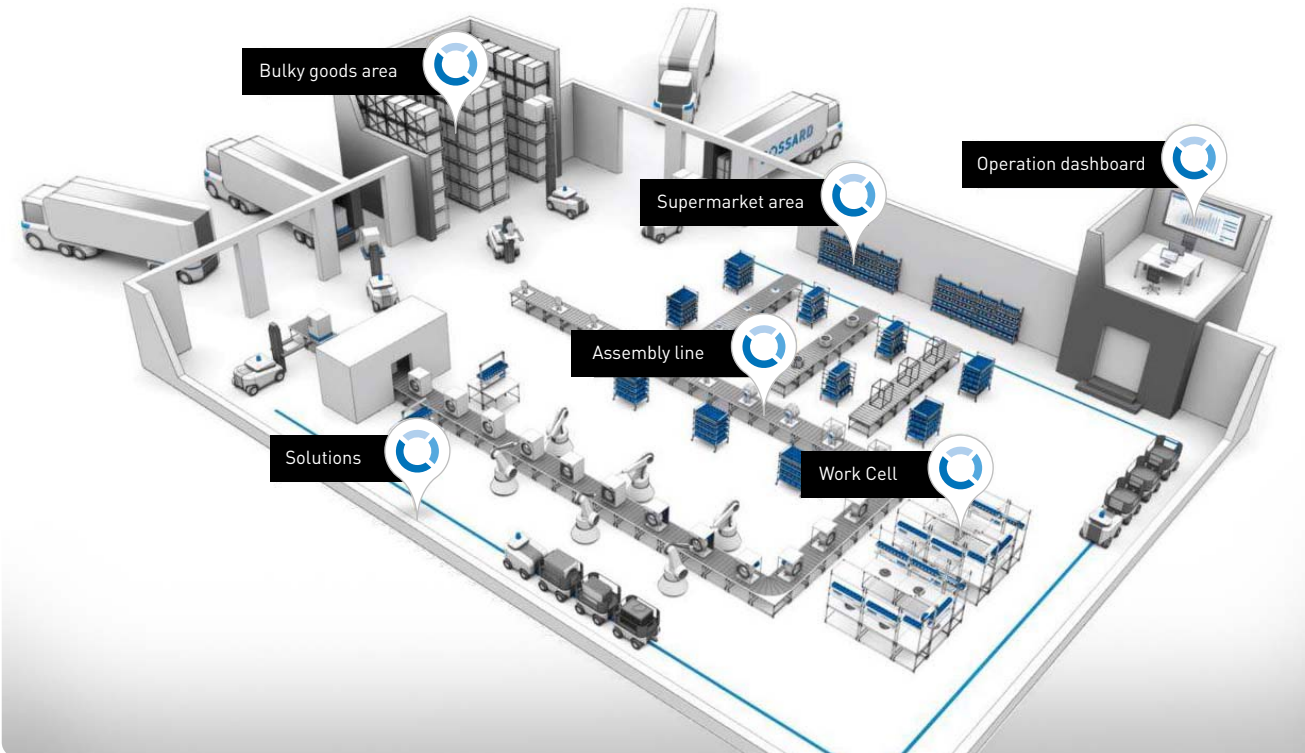
3.4.1 A three-stage methodology from concept to production

Using a three-stage methodology, Assembly Technology Expert helps customers to reduce their production time and significantly cut their costs. Bossard helps them be more competitive by slashing their time to market.

Design – focusing on fastening joints, Bossard assists its customers in designing perfect products to avoid costs. In cutting-edge fastening design centers, Bossard’s highly trained engineers oversee their customers’ fastening design procedures. They also keep close track of total product lifecycle costs.

Optimize – Bossard hones its customers’ fastening processes to perfection. In this step, Assembly Technology Expert uses proven methodologies, smart sensors and industrial analytics and enables its customers to streamline every inch of their assembly process. This leads to Proven Productivity.

Educate – Bossard believes that its customers themselves can become experts. Therefore, it educates them on the science of fastening. Tailor-made training sessions on engineering principles, applications, and technology create synergies in customers' minds.



Smart Factory Logistics
Blueprint

3.4.2 Six expert services

Assembly Technology Expert works with six differentiated services. Each part contributes to improving the productivity step by step.

Expert Walk – Bossard takes an in-depth look at the production facility and examines all workstations and assembly lines. The engineering experts study fasteners and tools the customer is using and determine how to proceed leaner and smarter.

Expert Teardown – Bossard disassembles the product and examines every inch of it. Focusing on the fasteners, their design, their functionality and their assembly procedure, the engineers identify the best fastening solution and the cost-saving potential for the customers.

Expert Design – Having the right fastener at the right time at the right place is crucial for success. Bossard provides the technical solutions and access to big data to find the most practical part.

Expert Assortment Analysis – To reduce total cost of ownership, Bossard streamlines the bill of materials by identifying opportunities for fastener rationalization. The engineers work with proven analytical processes, application audits and state-of-the-art methodologies and techniques.



Assembly Technology Expert

Where in your production can our service be used?

Expert Test Services – Bossard's test laboratories in Europe, America and Asia have cutting-edge measuring and testing equipment at their disposal. They guarantee that the manufacturing reliably meets quality requirements and that production procedures of its customers are flawless.

Expert Education – Bossard empowers its customers to become an expert in the full range of assembly technologies. In the seminars and e-learning, customers learn about the essentials and secrets of fastening, from novice level to mastery.

Explore more:

www.bossard.com/global-en/assembly-technology-expert/

3.5 Products

It is the small parts that make a product a unit. Bossard offers a selection of more than 200,000 different standard and branded articles directly from stock – available on-line. This range is supplemented with special articles tailored to your application to over one million fastening solutions, electric assembly accessories and control elements.

Discover our products:

www.bossard.com/eshop/global



- Standard fasteners (metal, plastic)
- Riveting, clinching solutions
- Welding & adhesive solutions
- Cable & wire management
- Access hardware
- Coating, sealing



- Engineered components
- Turned parts
- Pressed parts, cold formed parts
- Extruded parts
- 3D-printed parts
- Kit sets, sub-assemblies

Product Solutions for industrial applications

We cover all needs for our customers.

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4 Path to be a Strategic Service & Solution Partner and Equity Story

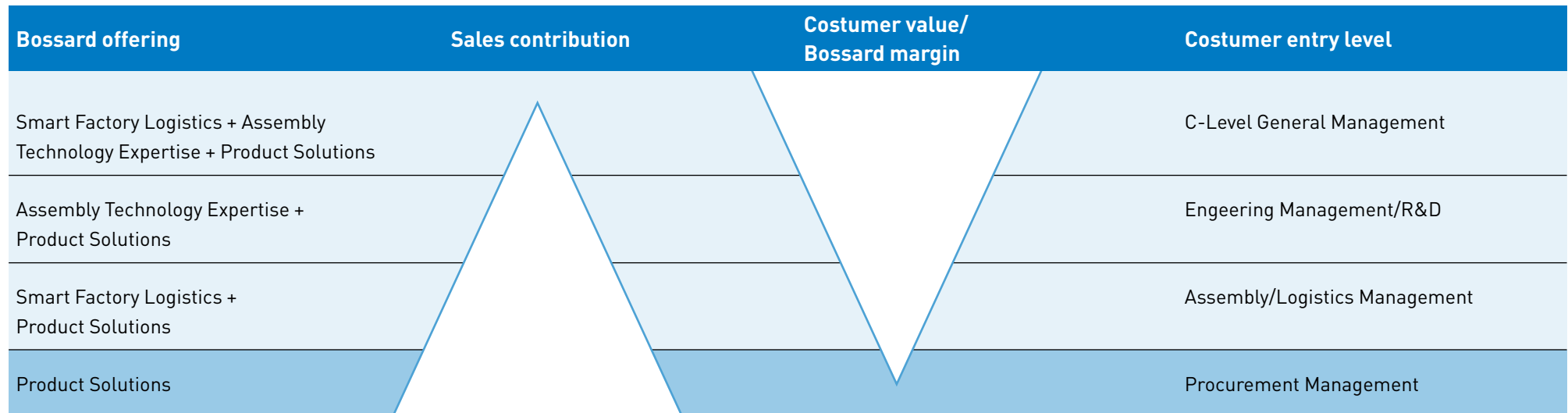
4.1 Global partner in logistics, assembly, engineering and product solutions

Bossard’s fastening technology full-service package applies along the entire value chain and optimizes the clients’ processes. On this path, Bossard wants to scale its success engine (Product Solutions, Smart Factory Logistics/Assembly, Assembly Technology Expert) to every relevant customer and every relevant market in the world.

The basis of Bossard’s business and the volumes achieved are the quality and the high delivery capability. The value of the collaboration with the customers or the Proven Productivity grows with the delivery of the services. Smart Factory solutions help logistics and production managers to optimize supply and production processes. Through Assembly Technology Expert services, the right fastening solutions are identified, tested and implemented

according to the requirements. This increases the customer’s safety and avoids costs.

The sum of all services establishes Bossard at the customer’s C-level as a strategic industrial partner that helps companies to increase their competitiveness. This creates customer loyalty that could never be achieved by trading products alone.



Proven Productivity – the holistic view

The demand of our clients for full services is steadily growing.

4.2 Key trends: reduce complexity and cost of OEMs

Bossard is the expert to uncover the potential along the entire value chain of industrial engineering and to address the total cost of ownership (TCO) in fastening.

On average, the fastener itself only accounts for around 15 percent of the total costs. The remaining 85 percent of the costs arise from development, procurement, testing, inventories, assembly and logistics. This chain of events is adding costs to the entire fastening ecosystem.

Experience in the industry has shown that cost savings of 50 percent and more can be achieved in logistics and engineering. This has a lasting effect on the total costs of the end product. Bossard recognizes the facts and understands its customers' challenges. Therefore, every solution created, is designed to reduce costs, according to the TCO concept in fastening.

This is what Bossard calls "The Rule of 15-85." The following are the most important levers for addressing total cost accounting:

4.2.1 Select and design

Bossard offers over one million fastening solutions, electric assembly accessories and control elements from inventory.

Customized solutions can be used to improve fasteners in prototypes, new or existing products and current assembly processes. Bossard's Expert Design method can also be used during the design phase.

4.2.2 Flexible, real-time and individual small scale and prototype production

Many companies are looking for flexible sourcing solutions due to uncertainties in supply chains, demand for just-in-time procurement, and inventory reduction. Bossard's Real Time Manufacturing offers CNC-milled or turned prototypes of a product, or a first small series quickly produced at a reasonable price and reliable in terms of time.

“Bossard designs cost out.”

> 50 percent
of the product costs are defined at the design stage

Bossard design engineering support

Involvement with customers' R&D departments to make the right fastener and assembly decisions, before production begins and non-value added cost are incurred.

4.2.3 Sourcing

Global sourcing needs to meet the highest quality, availability, and safety standards. Bossard has a very stringent supplier selection process. Every supplier is audited according to the relevant ISO standards regularly. The worldwide supplier network guarantees speedy order fulfilment and supply chain flexibility, which means better planning, significant cost savings and higher productivity.

4.2.4 Logistics and handling

Optimizing production and manufacturing is a key growth driver in today's fast-paced world. The leaner and smarter the factory, the stronger its lasting positioning in the market will be. Bossard Smart Factory Logistics optimizes supply chain performance with innovative systems and customized solutions. This brings the factory up to date with the Internet of Things, enables machine-to-machine communication and makes B- and C-parts management leaner and more transparent.

4.2.5 Quality inspection

The fulfilment of any quality standard starts with selecting the suitable raw material, respectively, with the right material composition, the complementary treatment to ensure the optimal mechanical properties. Bossard meets this challenge with 16 state of the art accredited testing laboratories worldwide.

4.2.6 Stocking

Stocking products from franchised lines at multiple locations ensures product availability when and where the customer needs it without affecting production. Stock at Bossard's multiple distribution centers is managed by a state of the art enterprise resource planning (ERP) distribution system that provides complete traceability of all products in stock or shipped to customers. Stock availability, pricing, as well as order and delivery status are provided in real-time for all distribution centers. Most orders are filled from stock and shipped the same day. Similar inventory is stocked at all distribution centers to ensure business continuity.

Bossard Assortment Analysis helps customers to streamline their fastener assortment and add clear rules for preferred types of fasteners, materials, recess types, etc.

4.2.7 Pre-assembly and assembly

The right fastening solution for manufacturing helps to make companies more competitive by slashing time to market. Bossard Assembly Technology Expert service helps to find the right solutions. Production engineers and product designers offers Expert Walks/Teardowns and are full of continuous innovation, process optimization and efficiency – factors that are key to gaining a competitive edge in the manufacturing business.

4.2.8 Ordering

The availability of a broad technical capability to capture orders, ranging from a small SME to a global company, is a key factor in a company's success. Bossard offers a large selection of various standard, special and branded articles directly from stock – orderable via the online store, the telephone, the catalogue, by e-mail, with the smartphone via the app Bossard SCAN or the SmartBin solutions.

4.3 Attractive market fundamentals

The Bossard Group operates in a growing industry though the markets within the industry differ from region to region in terms of their demand and maturity. According to Freedonia, the global demand for industrial fasteners is estimated to rise 4.7 percent per year until 2027. From a regional perspective, Asia is the largest and in absolute terms fastest growing market, whereas growth industries such as robotics, electromobility, railway and healthcare technology present the most exciting end markets.

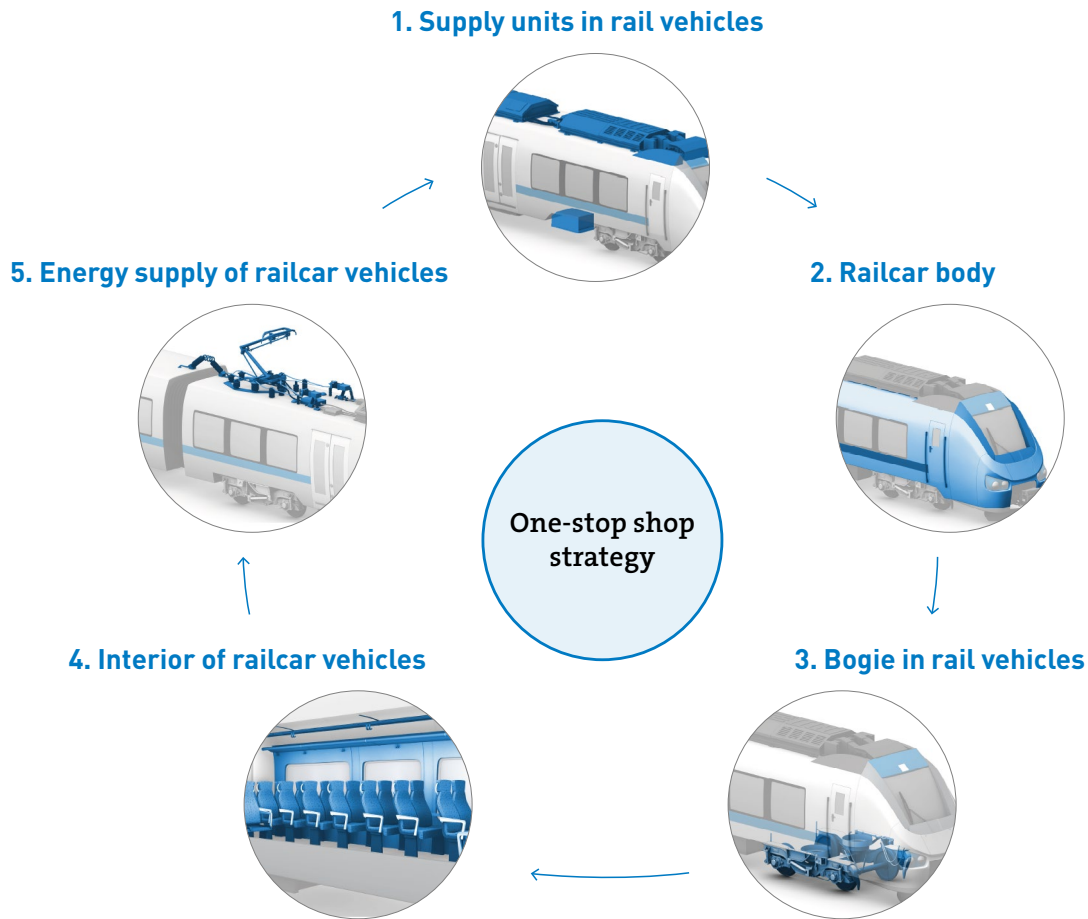
The market for industrial fastening technology is highly fragmented and characterized by many small, often family-run companies with a lack of scalability due to the limited product range or a limited regional footprint. In recent years, the shortage of capacity and expertise has led to consolidation by a few large and multinational players.

The market for C-parts management is particularly attractive, since it deals with lots of complexity in small parts, which are usually not within customers' core competency, but can cause complete production line-downs, if a part is missing.

In addition, local and multilocal industrial customers are increasingly asking for comprehensive on-site services and innovative solutions for their fastening needs like engineering services and extensive value-added logistic systems, always to ensure their long-term competitive edge.

4.4 One-stop shop strategy strengthens customer stickiness

Bossard fastening elements are successfully used in many different industries. Among them are electric vehicles, electrical engineering and the railway industry.



1. Supply units in rail vehicles

- Cable glands
- Compression latches
- Hose clamps
- High strength threaded inserts

2. Railcar body

- Slotted self locking nuts
- Lock bolts
- Grounding studs
- Tensioner nuts

3. Bogie in rail vehicles

- Lock washers
- Wedge locking washers
- Hex head locking screws
- Tension control bolts

4. Interior of railcar vehicles

- Hinges
- Fasteners for composite materials
- Threaded inserts
- Fasteners for C-rails
- High strengths blind rivets
- Cable tie plates
- Pan head screws with flange
- Notched screws

5. Energy supply of railcar vehicles

- Barb cable ties
- Wrap sleeveings
- Resilient conical washers
- Coatings

One-stop shop strategy

The example of the railway industry shows how Bossard delivers applications from A-Z as an expert one-stop shop.

4.5 Customer base diversified by industry and region

Bossard has a broad industrial diversification with more than 30,000 customers from a wide variety of industries, enabling the Group to balance customer growth and

make it much less dependent on single industrial segments. In addition, the global footprint, with more than 80 operations in Europe, America and Asia, allows for global distribution of income.

Transportation

31 percent

Healthcare/medical

4 percent

Others

9 percent

Machinery

23 percent

Electronics

22 percent

Metal

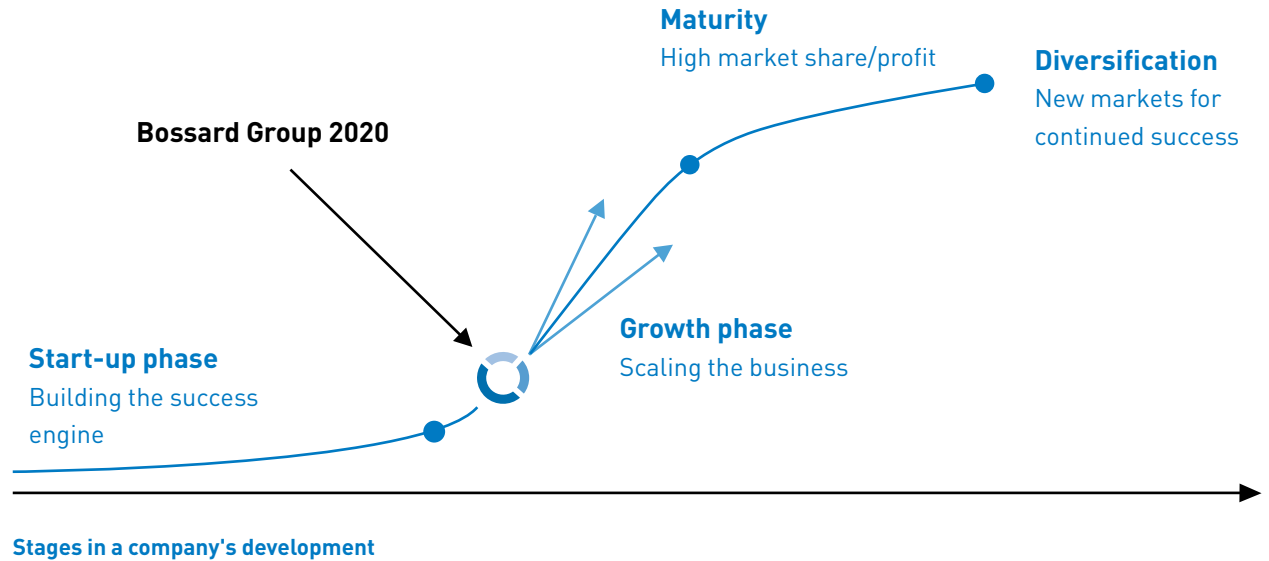
11 percent

The sectors we serve
Focus on industrial OEMs

4.6 Strategy 200 to accelerate profitable growth

With Bossard’s Strategy 200 – Bossard turns 200 years old in 2031 – the Group will focus on its business model and high-quality growth in all key markets, focusing on its key strengths. With its long-time philosophy of Proven Productivity, Bossard focuses on substantially reducing the management and assembly costs of C-parts of its customers, thereby boosting their competitiveness sustainably and measurably. Bossard wants to increase its sales substantially to expand the market position organically and through acquisitions with profitability expected to improve at a faster rate than revenue. In addition, the invested capital must yield a reasonable return for its investors.

The seven strategic initiatives/elements of the strategy are composed of One Bossard, Together we Create, Sales Engine, Customer Centricity, Operations Engine, Innovation and Sustainability/ESG.



4.7 Four key elements of the Strategy 200

4.7.1 Proven Sustainability

- Empowered people who can develop/show their full potential
- Environment that enables people to thrive and share knowledge within the Group
- Increase cultural, gender, age, race, etc. diversity throughout all hierarchy levels
- Reduce footprint by working towards less waste and a CO₂ neutral Bossard Group
- Create an ecosystem to provide future-proven solutions while minimizing the impact on the environment
- Contributing to a better world for the next generation

4.7.2 Cultural Transformation

- Creating an empowered, self-organized, bottom-up organization
- One external brand to increase the recognition value of the company and to promote employee identification
- One global company that acts, feels and behaves in the same way
- M&A strategy focuses on integration potential, scale, stickiness and the creation of superior growth, profitability and investor value
- The Bossard leadership purpose is to create an environment, in which the people and the organization reach their full potential, thereby strengthening the foundation of success for the next generation

- Resilient and agile company that is capable of change to adapt to current and future market requirements
- Living by our five guiding principles (We Experiment, We Empower, We Collaborate, We Talk Real, and We Deliver Value) to make our organization fit for the next generation
- The “collaborative” part plays a key role to reach the strategic ambition – not re-inventing wheels and sharing knowledge across regions, functions and hierarchies

4.7.3 Sales Transformation

- Move to a pull model driven by digital marketing for better push
- Achieve increased organic growth with more efficient use of sales and marketing
- Re-structure local sales organizations for stronger new sales and existing sales growth
- Strengthen global technology stack and digital marketing support to empower local sales and marketing teams
- Systematic digital inbound marketing approach to establish Bossard as key partner in TCO Assembly Technology
- Global vertical focus and key future industries like EV, rail, robotics/automation, medical healthcare and energy
- Focus on global accounts and attractive industries transportation, robotics/automation, medical healthcare and energy

- Global sales/marketing based on Group’s best practice
- Bossard Academy offers tailor-made training sessions about engineering principles, innovations, fasteners and assembly technology

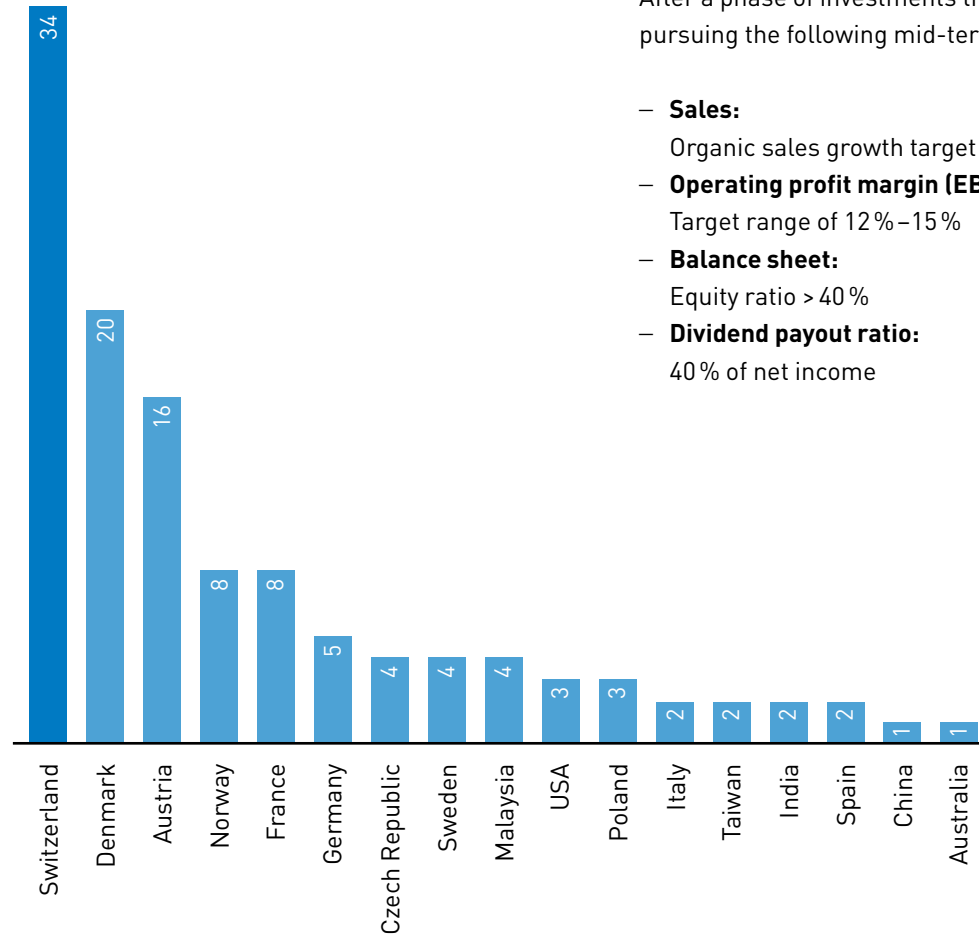
4.7.4 Business Agility

- Digitalization of business processes, communication and collaboration tools, customer interaction and integration of all business units into one common system landscape
- AI and machine learning to improve customer value
- Innovation driven approach to early detect new ideas by innovation teams with space to experiment and its scaling up in the global marketplace
- Monitoring of marketplace for innovations, global interaction with universities and tech institutes
- Reduction of bureaucracy and monitoring of progress through the Bossard Bureaucracy Index (BBI)
- Strengthening supply chain resilience, adaptability and assure efficient, effective supply



4.8 Strategic or inorganic growth/M&A

Bossard has defined five strategic drivers to exploit further growth and profit opportunities. It will **expand innovative service/solutions like Assembly Technology Expert, Smart Factory Logistics and Smart Factory Assembly**, which deepen the relationship to its customers, create stickiness and enhance the margin profile. On the market side, the Group aims to **grow to a relevant market share in focus markets**. The main geographic growth will be based on increased market penetration in regions such as North America and Asia. The same applies to the **ambitions in the growth industries** such as robotics, electromobility, railway, and healthcare technology. In addition, Bossard will leverage its strong position and generate **additional sales with existing customers** through a comprehensive solution and service offering in the areas of Assembly Technology Expert, Smart Factory Logistics and Smart Factory Assembly. The **M&A strategy focuses on integration potential, scale and innovative products and brands** to drive over proportionally growth, profitability and investor value.



Bossard is leading in selective markets

Significant potential for profitable growth (in percent)

4.9 Mid-term financial targets

After a phase of investments the Bossard Group is pursuing the following mid-term financial targets.

- **Sales:**
Organic sales growth target of > 5%
- **Operating profit margin (EBIT):**
Target range of 12%–15%
- **Balance sheet:**
Equity ratio > 40%
- **Dividend payout ratio:**
40% of net income

Bossard acquisitions since 2012

2012

KVT Fastening AG, Switzerland
 KVT Fastening GmbH, Germany
 KVT Fastening GmbH, Austria
[Branded product solutions](#)

2014

Intrado AG, Switzerland
[Electronic fastenings](#)

BigHead Fasteners Ltd., England (part 1, 19 percent)
[Manufacturing](#)

2015

SertiTec SAS, France
 Aero-Space Southwest, Inc., USA
 Torp Tekniske AS, Norway (part 1, 60 percent)
 Forind Fasteners S.r.L., Italy
[Branded product solutions](#)

2016

Interfast (CH), Switzerland
[Aerospace](#)

LWA Verbindungstechnik AG, Switzerland
[Welding](#)

Arnold Industries, LLC, USA
 Arnold Industries Cork DAC, Ireland
[Fasteners, kitting](#)

2017

Mario Marchi Eredi S.p.A., Italy
[Classic/specials](#)

2018

SLD, France
[C-parts management](#)

3D Prototyp GmbH, Switzerland
[3D manufacturing – plastic](#)

2019

BigHead Fasteners Ltd., England
 (part 2, increase to 41.9 percent)
[Manufacturing](#)

Bruma Schraub- und Drehtechnik GmbH, Germany
[Classic/specials](#)

Linquan Precision Machinery Co. LTD, China
[Branded product solutions](#)

Ecoparts AG, Switzerland (30 percent)
[3D manufacturing – metal](#)

Boysen GmbH & Co. KG, Germany
 SACS Boysen Aerospace U.S., Inc., USA
[Aerospace](#)

2020

Torp Tekniske AS, Norway
 (part 2, increase to 100 percent)
[Branded product solutions](#)

MultiMaterial-Welding AG, Switzerland (41 percent)
[Ultrasonic welding](#)

2021

Jeveka B.V., Netherlands
[Classic/specials/branded product solutions](#)

2022

PENN Engineered Fasteners Corporation, Canada
[Branded product solutions/specials](#)

2024

BigHead Fasteners Ltd., England
 (part 3, increase to 100 percent)
[Manufacturing](#)

5 Sustainability

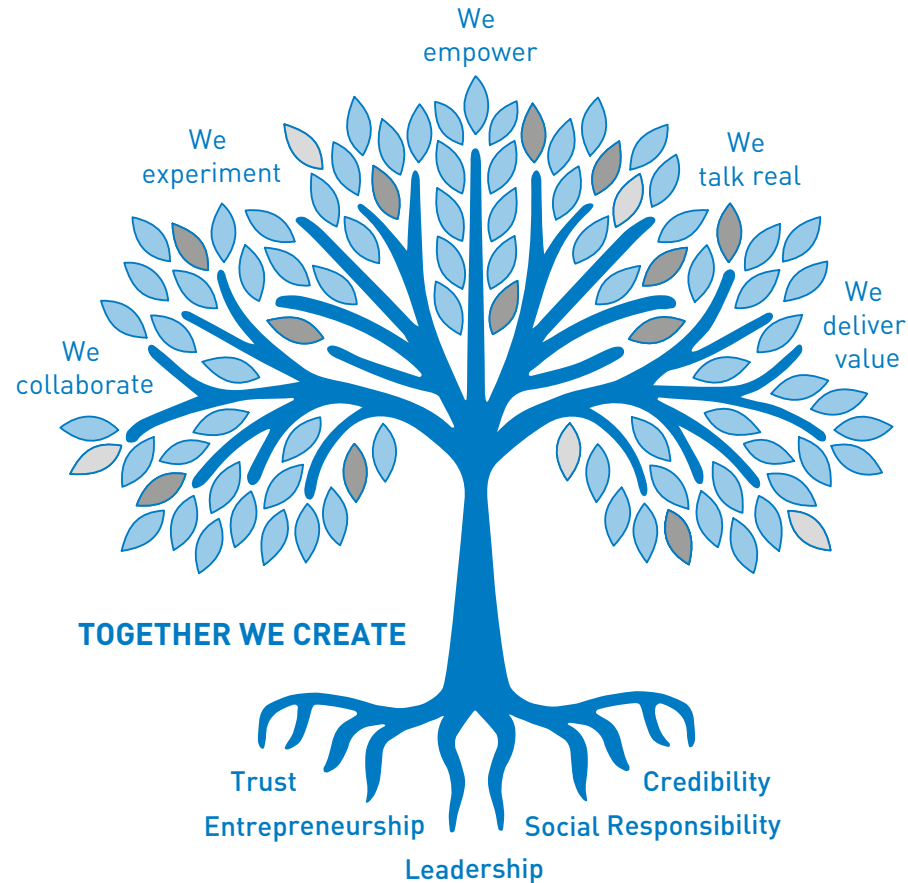
Strong roots for the future

Bossard finds itself in a cultural transformation process. The Group has taken a thorough look at its own basic values and refined its business strategy. Based on the traditional values of trust, leadership, social responsibility, entrepreneurship, and credibility, Bossard identified five additional operating principles that should guide Bossard in all business activities. These are the guiding principles. Bossard wants to be innovative and try unconventional approaches, tackle problems and mistakes openly and constructively, and cultivate mutual trust. Led by the “One Bossard” principle, the Group will work together even more closely around the world and learn from one another. The values and operating principles will help Bossard to grow further and successfully steer the Group into the future. In so doing, Bossard realizes that efforts will bear fruit only if the Group works closely with its customers and suppliers – and above all with its employees. They are the standard-bearers of Bossard’s corporate culture at all locations and live it in their daily work.

Together we are strong – and innovative

Appropriately, the motto is “Together We Create.” Bossard wants to include employees to an even greater degree in the development of the business and recognize and take up their ideas and concerns within the framework of various initiatives, because Bossard is convinced of the added value of collective intelligence. Bossard employees actively participated in developing the new strategy concept in

“hack teams.” Symbolic for the Bossard tree, whose healthy and sustainable growth is a joint responsibility, Bossard’s employees at the various locations all over the world planted and drew trees. These trees serve as a constant reminder of the values and operating principles of the Bossard Group as well as a call to action for each and every employee to contribute to the company’s success.



Corporate culture
Bossard’s corporate culture is represented by a tree.

5.1 Reference to business model

As one of the largest global distributors of fasteners, Bossard’s business model itself represents a connecting element between manufacturers of fasteners and customers from a wide range of industries. Bossard also provides consulting services in the field of assembly technology.

Bossard is a leading partner providing industrial fastening and assembly solutions for companies in the electro-mobility, railway and medical technology industries around the globe. In addition to product solutions, Bossard also offers engineering and logistic services. Bossard’s services cover a wide spectrum ranging from product design to the structuring of supply chains and the digitalization of manufacturing processes. The focus is on three strategic core areas. First, finding optimal product solutions by evaluating and using the best fasteners for each intended application. Second, from the moment a customer starts designing a new product, Bossard’s application engineers provide the smartest solution for any given fastening challenge. And third, streamlining customer logistics, specifically reducing or even eliminating procurement costs along the entire supply chain.

Bossard with its headquarters in Zug, Switzerland, has more than 2,900 employees in 81 locations in 31 countries. Most locations are in Europe, where 55 percent of sales are generated.

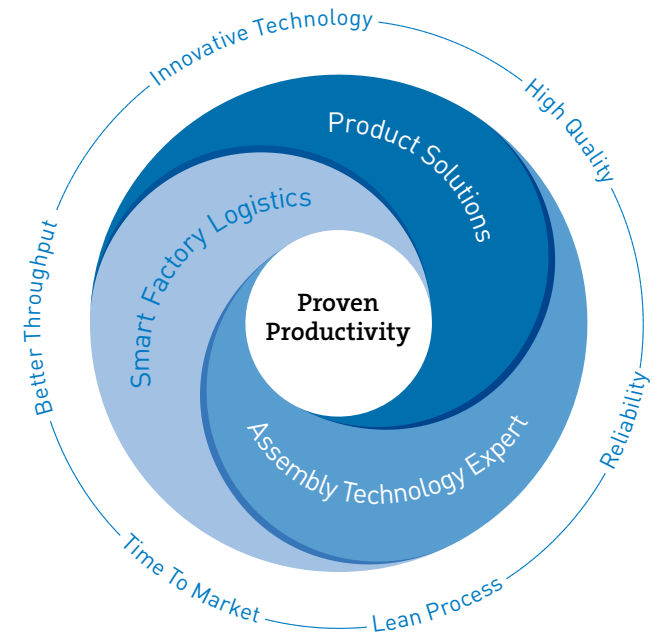
Increasing customer productivity

Bossard’s business model consists of three areas: Product Solutions, Assembly Technology Expert, and Smart Factory Logistics. The overarching objective is Proven Productivity. For Bossard, this means helping customers increase their productivity.

Product Solutions

Bossard’s product range includes approximately 200,000 different fastening elements, including screws, nuts, rivets, washers and electrical fasteners. Bossard sources these products from more than 5,100 suppliers worldwide. Most of the fasteners are purchased in Asia, with a smaller share purchased in Europe and the USA and finished locally. This large network of suppliers helps to minimize supply risks. Bossard stocks standard products in its own warehouses from where they are dispatched to customers. Special parts and products for specific requirements are manufactured to order.

Customers generally place orders through Bossard’s online store. To meet special requirements, Bossard puts together customized product solutions. For example, bought-in parts are coated or packed in suitable kits as required. Transportation and delivery to customers are carried out by external service providers on behalf of Bossard.



Assembly Technology Expert

As part of its Assembly Technology Expert services, Bossard assists the product designers and engineers of its customers with design, optimization of assembly processes and selection of suitable fasteners. In addition, Bossard conducts training courses at its customers' locations to teach their employees the technical basics of fastening technology and to provide expertise in implementing digitalized production environments.

Smart Factory Logistics

For many customers, the products sourced from Bossard are just one of many elements they need to manufacture their own products. Bossard offers a smart logistics solution that digitalizes and automates logistics so that customers can focus on their core business. For example, stock levels are checked in real time and replenished automatically, allowing materials to be delivered directly to the assembly workstations. This reduces errors in parts logistics and makes material handling easier for customers.

The Smart Factory Assembly software supplements the digital logistics processes with digital documentation of work instructions and a connection of smart devices. The recorded data ensures maximum transparency and traceability, which is particularly important for customers when it comes to controllable processes and their optimization.

5.2 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.

Bossard's overarching sustainability ambitions are based on the United Nations Sustainable Development Goals (SDGs) and are in line with the ten principles of sustainable corporate leadership laid out in the United Nations Global Compact. Bossard's sustainability efforts are based on the topics identified as material. These were defined in accordance with the principles of double materiality.

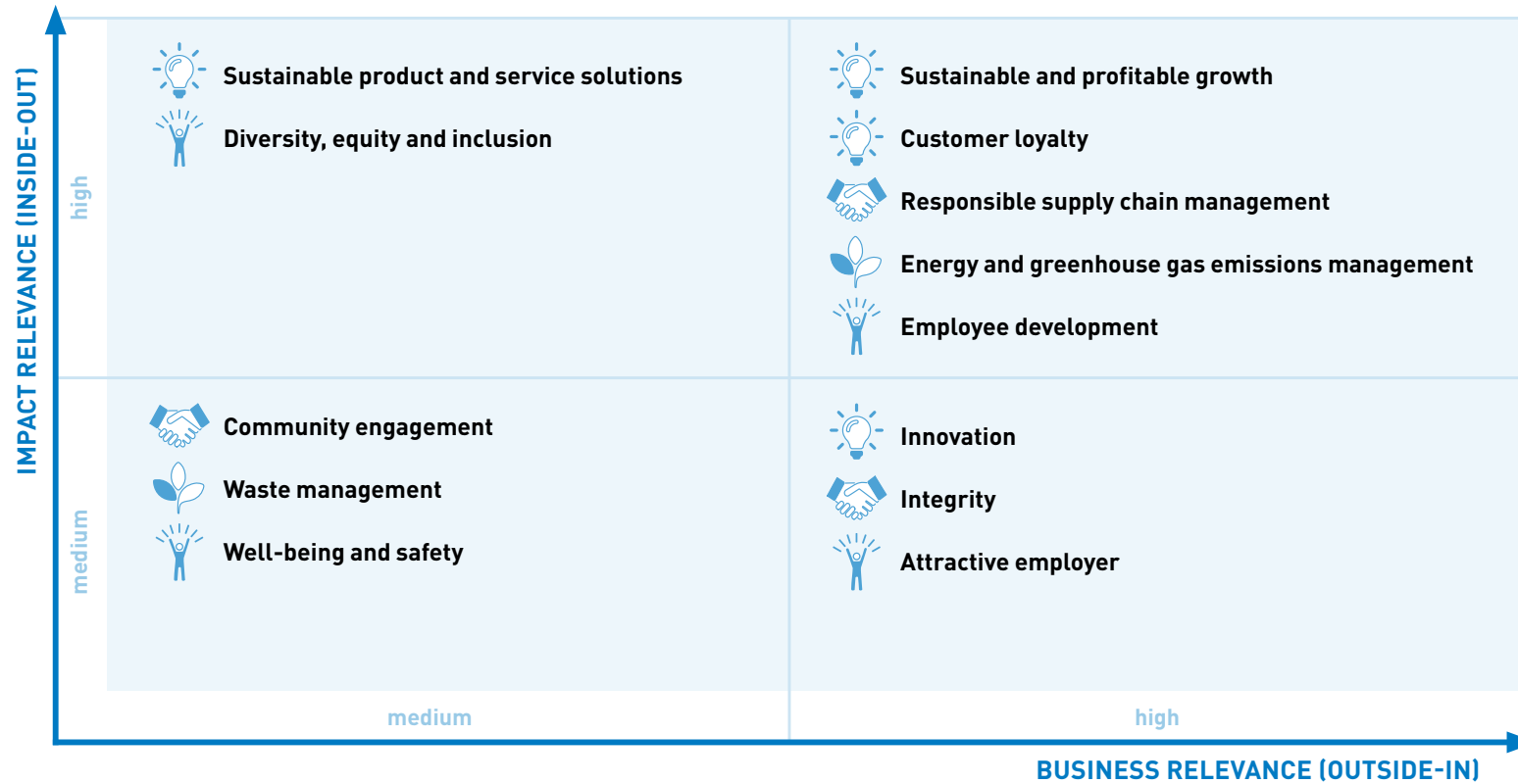
Identification of material topics

The material topics are the basis for Bossard's sustainability management and external reporting. The starting point was a series of potentially material topics, compiled from comparable companies and up-stream and down-stream partners in the value chain, reporting standards and ratings. Taking into account the findings from a strategy workshop, the list of potentially material topics was shortened to 13. 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). 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. The final materiality matrix and the list of material topics for Bossard were presented to the board of directors and acknowledged accordingly.

Bossard's material topics were further mapped to the topics stipulated by Swiss law. Bossard plans to conduct a materiality analysis that takes into account European legislation.

MATERIALITY MATRIX



- Future Proven Solutions
- Reduced Footprint
- Empowered People
- Fair Partnership

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 corporate leadership at Bossard.

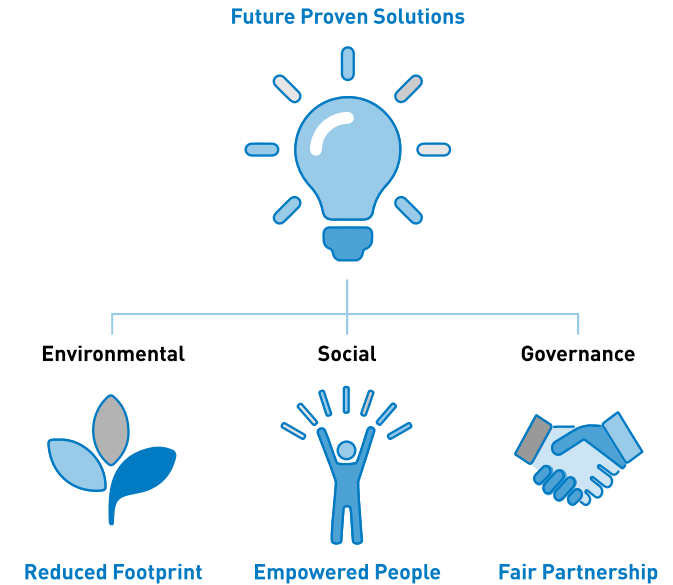
The **Future Proven Solutions** focus area encompasses the economic topics “Sustainable product and service solutions”, “Sustainable and profitable growth”, “Customer loyalty”, and “Innovation”. Bossard’s solutions not only lead to greater efficiency and productivity, but also enable the careful use of resources. With quality and efficiency in mind, Bossard endeavors to optimize 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 management”, and “Waste management”. 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 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 is made up of the material topics of “Diversity, equality and inclusion”, “Occupational health and safety”, “Employee development”, and “Attractive employer”.

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



5.3 Reference to stakeholders and global frameworks

Stakeholders and memberships

Bossard recognizes a growing interest in sustainability issues 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. Dialog, for example engagement meetings, as well as interactions on various communication channels or direct collaboration, allows Bossard to understand needs, reconcile expectations and build partnerships. This vehicle is primarily used for exchanges with suppliers and investors. Exchange with business partners and customers primarily takes place in the course of cooperation. 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.

To meet the needs of customers, for example, a project was implemented to provide better guidance on recycling Smart Factory Logistics solutions. In the context of packaging, Bossard has developed best practice cases that help customers to optimize their processes. The 50th anniversary of Swiss Export Day, which gave Bossard the opportunity to present its sustainability ambitions and Strategy 200, was a key event for the company's exchange with stakeholders on sustainability.

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 collaborations or innovations:

- Bossard is a member of the European Fastener Distributor Association (EFDA), with Bossard's VP Supply Chain Management as its President. 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 "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 both 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 Fastener Distribution Association (BIFD).

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 15,000 other companies, Bossard is committed to the ten global principles of sustainable corporate leadership 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.

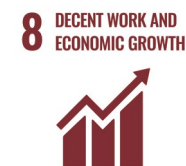
SDG 7, “Affordable and clean energy”: Bossard strives to offer products and services with a low carbon footprint. Wherever possible, the company uses renewable energy and efficient processes.

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.



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

5.4 ESG governance

Based on the requirements of law and the articles of association, the board of directors exercises overall management (management function), supervision and control (control and organizational function) over the Group and its business units, thus ensuring corporate governance within the Group. As a result, the board of directors is responsible for Bossard's business activities. This applies to both financial and non-financial matters.

As the highest supervisory and management body, the board of directors is responsible for the overall management of Bossard. This also includes non-financial matters relating to environmental, social and governance (ESG) issues. It is therefore important for the board of directors to ensure that it has ESG expertise. The VP Sustainability regularly reports to the board of directors on ESG issues. The involvement of the board of directors with regard to climate is described in the TCFD report.

Board of directors sets ESG targets for the first time

Bossard endeavors to set targets for all focus topics up to 2031 and 2040. Corresponding targets were developed in workshops, taking into account regional needs and ambitions, and approved by the Group executive committee and the board of directors. Bossard will tackle the development of specific implementation measures in the coming years.

Sustainability positioned high in the hierarchy

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

Compliance violations in the area of ESG

Bossard has defined the legal department as well as local trusted leaders as points of contact for compliance violations, which also include critical concerns in the area of ESG. This is set out in the Code of Conduct and is communicated to employees during training sessions. Critical concerns can be reported in person, by e-mail to a trusted leader, to the legal department, or via the new electronic Integrity Line, which allows for anonymous reports. Critical concerns reported are processed with the involvement of other departments if necessary and reported in anonymized form to the board of directors. Bossard plans to give access to the electronic Integrity Line for external stakeholders in the future.

TCFD reporting

In 2023, Bossard gave extensive consideration to the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD). Risks and opportunities and their impact on the business strategy were analyzed and evaluated in a multistage process. At Bossard, climate-related risks are integrated into the standard risk management process. Bossard's exposure to climate-related risks is moderate. They are outweighed by opportunities for new, sustainable business areas.

Metrics and targets

Bossard set itself the following climate targets:

- Reduction of Scope 1 and 2 greenhouse gas emissions by 50 percent by 2031
- Reduction of Scope 1 and 2 greenhouse gas emissions to net zero by 2040

5.5 Corporate Governance

The Bossard Group's organizational structure is based on international standards for corporate management. The Group's corporate bodies and management follow the Directive on Information relating to Corporate Governance of SIX Swiss Exchange as well as the "Swiss Code of Best Practice for Corporate Governance" of *economiesuisse*.

The organizational structure of the Bossard Group is based on clear delimitation of tasks, competencies and responsibilities between the board of directors and the executive committee. The functions of the chair of the board of directors and the chief executive officer (CEO) are held by two different persons, so that the separation of powers is guaranteed. The principles and rules on corporate governance are set out in the rules and regulations of Bossard Holding AG, namely in the articles of association of Bossard Holding AG (articles of association), in the organizational and business regulations of Bossard Holding AG (OBR), in the regulations of the board's committees, in the Code of Conduct and in the resolutions of the board of directors. The rules are regularly reviewed by the board of directors and adapted to current requirements.

INVESTOR MANUAL

6 Industry and End-Markets

6.1 In general

World demand for industrial and mechanical fasteners is influenced by a number of factors. Fasteners are used extensively as original equipment components in manufactured products like motor vehicles, electrical and electronic equipment, industrial machinery and fabricated metal products. Fasteners are also utilized in both building and non-building constructions, as well as in maintenance and repair operations (MRO) in all economic sectors. Because potential applications for fasteners are so broad and diverse, product demand is significantly influenced by overall economic conditions and trends in gross fixed investment. In addition, business conditions in industries that are the most intensive users of fasteners are also important determinants of product demand. As a result, such variables as manufacturers' shipments (both in the aggregate and on an industry-by-industry basis), motor vehicle supply and demand, aerospace industry trends and construction spending are closely monitored by fastener manufacturers. Furthermore, product design trends within major fastener-using manufacturing industries can significantly impact demand for these products.

All of the above factors differ on a country-by-country, region-by-region basis, and such variations take on added importance when analyzing global industrial fastener supply and demand. For example, nations tend to exhibit significant variation along parameters like level and types of manufacturing and construction activity, legal and regulatory considerations, and any number of other determinants of demand. Particularly important are the distinctions between industrialized countries, which for the most part represent mature, highly cyclical markets for fasteners, and developing nations, whose fastener market are less developed but offer greater growth potential. Finally, although the basic technologies and production processes utilized are well established and well understood, innovations in fastener design and performance continue to be made, as do developments in other joining technologies that provide functional competition for fastener suppliers. All of these factors, when considered together, comprise the market environment for industrial fasteners.

6.2 Fastener industry fundamentals and demand

Production by region

Global production of industrial fasteners is projected to increase 4.7 percent per year to USD 119 billion in 2027. High-income nations represented a reduced share of output in 2022 compared to 2012, a trend that is expected to continue going forward.

The Asia/Pacific region will account for 66 percent of global production growth, with China alone accounting for more than half of regional gains. Asia/Pacific fastener manufacturing will be supported by strong materials supply and low production costs, which represent a major advantage given the industry's low margins and high degree of commoditization. In addition, many industrializing Asia/Pacific nations are expected to achieve strong demand gains, encouraging high levels of investment in regional production.

The North American fasteners industry is expected to grow at a slower rate, although output will be boosted by efforts to strengthen supply chains in the US. Issues with component supply during the COVID-19 pandemic have highlighted the value of strong domestic supply, leading to renewed onshoring efforts.

Production of fasteners in Western Europe declined between 2017 and 2022, reflecting both the subpar performance of local markets and the impact of high energy costs on European manufacturing industries in 2022. Going forward, West European producers will continue to have difficulties competing on cost, and the region's share of global output will continue to fall.

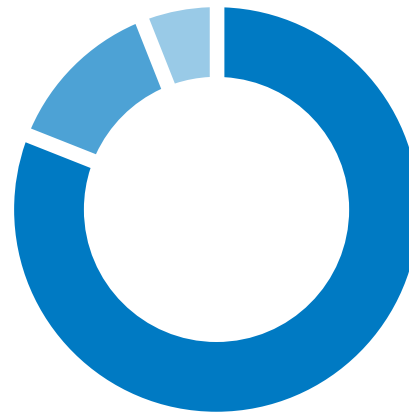
Industrial fastener production in Eastern Europe, the Africa/Mideast region, and Central and South America will remain limited. While output growth in each of these regions is expected, they will collectively account for only 6 percent of global production in 2027. Indigenous fasteners industries in these areas are underdeveloped, and global multinational firms tend to have limited direct manufacturing presence, instead serving markets through distribution operations.

Demand by region

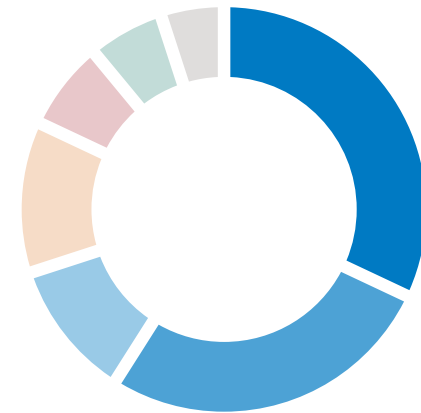
Global demand for industrial fasteners is forecast to rise 4.7 percent per year to USD 119 billion in 2027, fueled by rising durable goods manufacturing worldwide. Growth in real terms is expected to strengthen in comparison to the 2017-2022 period. However, a moderation in price growth following a period of high inflation associated with the COVID-19 pandemic is expected to lead to slightly slower growth in dollar terms.

The Asia/Pacific region is projected to account for 52 percent of global demand gains through 2027, reflecting strong growth in the massive Chinese market. In addition, durable goods manufacturing industries are rapidly expanding in India and several Southeast Asian nations, including Indonesia, the Philippines, and Vietnam. North America and Western Europe will continue to account for large shares of the global industrial fastener

market. While market maturity in both regions will restrain the pace of gains, recoveries in transportation equipment manufacturing industries will support short-term growth. Both regions have large markets for fasteners in OEM motor vehicles and aerospace equipment, two markets that were particularly impacted by the COVID-19 pandemic.



- OEM (81 %)
- MRO (13 %)
- Construction (6 %)



- Motor vehicles (32 %)
- Machinery (27 %)
- Fabricated metal products (11 %)
- Electronic (12 %)
- Electrical (7 %)
- Aerospace (6 %)
- Other OEM (5 %)

Source Freedonia Report 2023

The industrial fastener market in Eastern Europe is expected to post healthy growth, as countries like the Czech Republic, Hungary, and Poland will continue to see high levels of investment in manufacturing for export to Western Europe.

The Africa/Mideast region and Central and South America will retain small shares of the global industrial fasteners market, reflecting the underdevelopment of manufacturing industries in these areas. However, rising industrialization will allow for healthy gains.

Demand by market

Fastener demand can be divided into three major markets: OEM, maintenance and repair operations (MRO), and construction. OEM applications are the dominant industrial fastener market, accounting for 80 percent of demand in 2022. The OEM market will account for the bulk of gains as global durable goods manufacturing activity expands. Motor vehicles will remain the largest OEM outlet for industrial fasteners, followed by machinery. The MRO market is projected to account for 9 percent of global growth in fastener sales between 2022 and 2027, driven by the expanding stock of fastener-using equipment worldwide, which will require continued maintenance expenditures to operate.

The construction market will remain a small share of global fastener sales. Demand will be driven by population growth and increasing urbanization in lower-income nations, while mature, high-income nations will account for a small share of sales gains in comparison to the OEM and MRO markets.

Distribution channels

Distribution channels utilized by industrial fastener manufacturers differ somewhat based on the size of the firm:

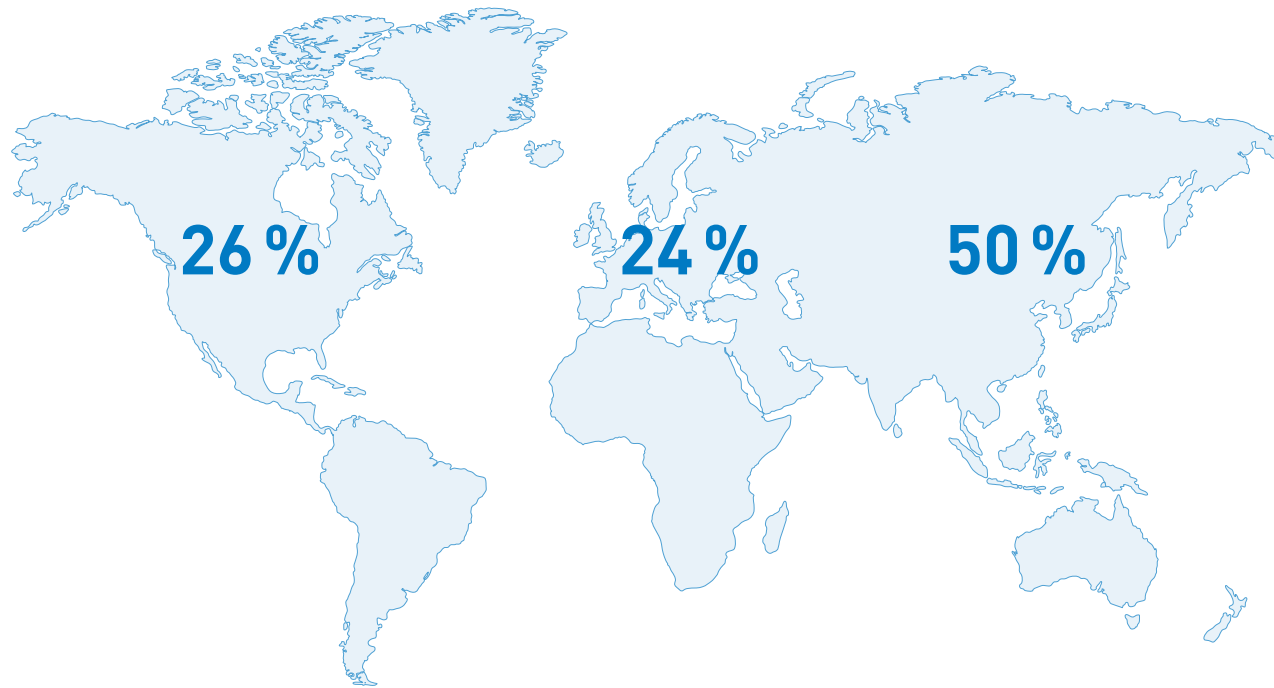
- Large and mid-sized companies tend to utilize both their own sales forces and independent distributors.
- Smaller producers rely more heavily on independent distributors.

In fact, the scale and scope of the fastener distribution industry rivals that of fastener manufacture, with thousands of supply firms involved. These range from extremely small establishments handling a few accounts and serving a limited geographic area to large enterprises offering a broad array of products to a diverse customer base. Some of these distribution firms are independent, while others are subsidiaries or divisions of fastener manufacturers.

The size of the fastener distribution industry is supported by the high level of standardization and commoditization in these products. As a result, developing relationships with distributors is a key step for fastener manufacturers looking to expand into new geographic markets.

Leading aerospace, motor vehicle, and machinery suppliers often purchase their fasteners directly from the manufacturer, as their bulk order enables them to better compete on price. Aftermarket demand is more commonly served via distributors, reflecting the numerous end users in each aftermarket. Most medium and smaller fastener users source their fasteners from distributors.

6.2.1 Bossard's estimated addressable market



Americas (26%)

- 2020: 8 Bn.
- 2025: 9 Bn.
- CAGR: 3%
- Market share: 3%

EMEA (24%)

- 2020: 7 Bn.
- 2025: 8 Bn.
- CAGR: 3%
- Market share: 6%

Asia-Pacific (50%)

- 2020: 14 Bn.
- 2025: 18 Bn.
- CAGR: 5%
- Market share 1%

Demand for industrial fasteners 2025
 Addressable market potential USD 35 Bn.

6.2.2 Cyclicity of the fastener industry

Bossard's operational exposure to the economic cycle (PMI) has been successfully reduced in recent years. This has been clearly demonstrated in the resilience of the business model during the COVID-19 pandemic. The Group was able to show significant double-digit growth rates and high operating leverage.

The high resilience and flexibility of the business model are based on the following points:

Digitalization – 28 years ago, Bossard introduced the first fully digitized and automated C-parts management system, based on IoT technology and today used daily by more than 1,150 customers worldwide. Thanks to digital platforms developed in recent years Bossard has been able to move its wide range of services into the virtual space – immediately and worldwide.

Industrial diversification – Bossard has a broad industrial diversification with more than 30,000 customers from a wide range of industries (2023: 22 percent electronics, 23 percent machinery, 31 percent transportation, 11 percent metal, 4 percent healthcare/medical and 9 percent others) enables the Group to achieve balanced customer growth and makes it significantly less dependent on individual industry segments.

Geographical diversification – This customer base is also well diversified geographically, with Europe accounting for 55 percent of sales, the Americas 28 percent and Asia 17 percent (2023).

Long-term and loyal customer relationships – Bossard has had a successful business relationship with over 90 percent of its customers for more than 10 years.

Innovation – driven approach to the early detection of new ideas proved to be very successful, as the examples of Smart Factory Assembly, Real Time Manufacturing services and Industry 4.0 concepts in C-parts have shown. Innovation teams, the “Blue Garage approach” for any ideas coming from within and the continuously monitoring of marketplaces for innovations will continue to support the Group to expand its leading market position.

Sunrise industries – By focusing on the growth industries of robotics, electromobility, railway and medical technology, high growth rates are achieved that are independent of economic cycles. Currently, 39 percent of our global sales are attributable to sunrise industries.

7 Company History, Structure, Management and Shareholders

7.1 Company history

Constant development

From a local hardware store in Zug to a Swiss industrial business and today a global leader in fastening technology.

1831–1951

Local, regional specialist business

1951–1961

Transition from regional to national specialist business

1961–1971

Major growth in business volume

1971–1981

Internationalization, new services in technical wholesaling and engineering

1981–1991

Qualitative growth, new technologies

1987

[Quotation of Bossard Holding AG on the Swiss Stock Exchange](#)

Since 1999

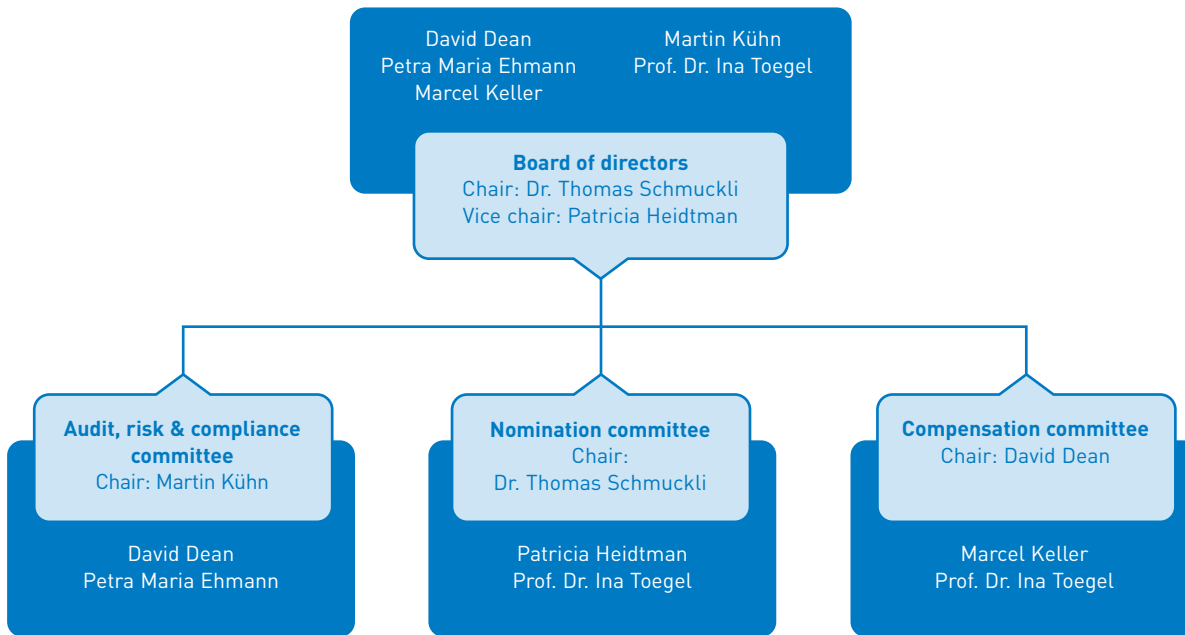
An internationally active group of companies with its headquarter in Zug, Switzerland. Specialized in industrial assembly technology

Find out more about Bossard's history [here](#).

7.2 Legal structure

Bossard Holding AG, the parent company of the Bossard Group, is a joint-stock company under Swiss law with its registered office in Zug. Bossard Holding AG is the only listed company belonging to the Group. It has a direct or indirect interest in the companies listed in note 28 of the financial report. Bossard Holding AG (Swiss securities no. 23862714, ISIN CH0238627142/BOSN) is listed on the SIX Swiss Exchange. Its stock market capitalization as at December 31, 2023 was CHF 1,702.0 million (2022: CHF 1,537.7 million). The Group's structure aims to provide optimum support for its business activities within an efficient legal, financial and strategic framework. This means that the structure should be as simple as possible and also transparent to anyone outside the Group. Bossard operates in industrial fastenings technology and generates its entire revenue in this market segment. Further information regarding the Group structure are set out in the notes to the financial report, namely in the notes' preamble, notes 12, and 13.

7.3 Board of directors



Board of directors

The board of directors' educational backgrounds and other vested interests are described below in brief form only. For the detailed form, see [here](#).



Dr. Thomas Schmuckli (1963)

Swiss citizen

Degree in law (LLB and LLD), University of Fribourg, Fribourg, Switzerland
Accredited lawyer and notary, Zug, Switzerland

- Since 2007 chair of Bossard
- 2007–2013 Legal and Compliance Asset Management at Credit Suisse
- 2005–2007 Head legal department of Corporate & Institutional Clients at Credit Suisse
- 2000–2005 Head of Process and Product Management at Zuger Kantonalbank.
- 1993–2000 various management positions in the General Counsel division of Credit Suisse Group



Patricia Heidtman (1973)

Dual Swiss-US citizen

Master of Science, ETH Zurich, Zurich, Switzerland

- Since 2021 vice chair, member of the nomination committee since 2019, member of the board of directors since 2019
- Since 2017 member of the SIKA management team, currently Chief Innovation and Sustainability officer, prior Head Research & Development for thermoplastic systems in Sarnen, Switzerland
- Prior 14 years in the USA, most recently head of innovation management for products, processes and developments for automotive industry



David Dean (1959)

Swiss citizen

Swiss certified management accountant/controller, AKAD Business, Zurich, Switzerland, Swiss certified public accountant, Expertsuisse, Zurich, Switzerland

- Since 2023 member of the audit, risk & compliance committee
- Since 2020 Representative for holders of registered A shares
- Since 2019 chair of the compensation committee
- Since 2019 member of the board of directors
- 2005–2019 CEO Bossard Group
- 1998–2004 CFO Bossard Group
- 1992–1998 various positions, Bossard Group
- 1990–1992 Corporate Controller and member of the executive committee of an international logistics group
- 1980-1990 various management functions, PricewaterhouseCoopers



Petra Maria Ehmann (1985)

German citizen

Bachelor of Science in mechanical engineering, ETH Zurich, Zurich, Switzerland
Master of Science in management science and engineering, Stanford University, Palo Alto, USA

- Since 2021 member of the audit, risk & compliance committee, member of the board of directors
- Since 2022 Group Chief Innovation an AI Officer and member of the extended Group Executive Board, Ringier
- 2018–2022 Global lead product partnerships Augmented Reality, Google
- 2016–2018 New Business development EMEA, Google Advertising & Commerce
- 2012–2016 Head of Business Intelligence, Kekanto
- Prior Senior Business Analyst A.T. Kearney



Marcel Keller (1968)

Swiss citizen

Business degree, KV Business School Zurich, Zurich, Switzerland

- Since 2021 member of the compensation committee, member of the board of directors
- Since 2023 managing director of the SCION Association in Lucerne
- 2018-2022 member of the executive board of Vorwerk International, responsible for digital transformation, Group IT, North America and Asia
- 2001-2018 various management positions, Hewlett Packard, most recently as COO and VP strategy, Planning and Operations at Hewlett Packard Enterprise Technology Services



Martin Kühn (1976)

Swiss citizen

Business economist FH, University St. Gallen, St. Gallen, Switzerland
Swiss certified public accountant, Academy of Public Accountants, Zurich, Switzerland

- Since 2023 chair of the audit, risk & compliance committee
- Since 2018 member of the board of directors,
- Since 2014 CFO, member of the executive committee, KIBAG Group
- Since 2010 various positions, KIBAG Group in Zurich
- 2002-2010 Auditor and M&A consultant



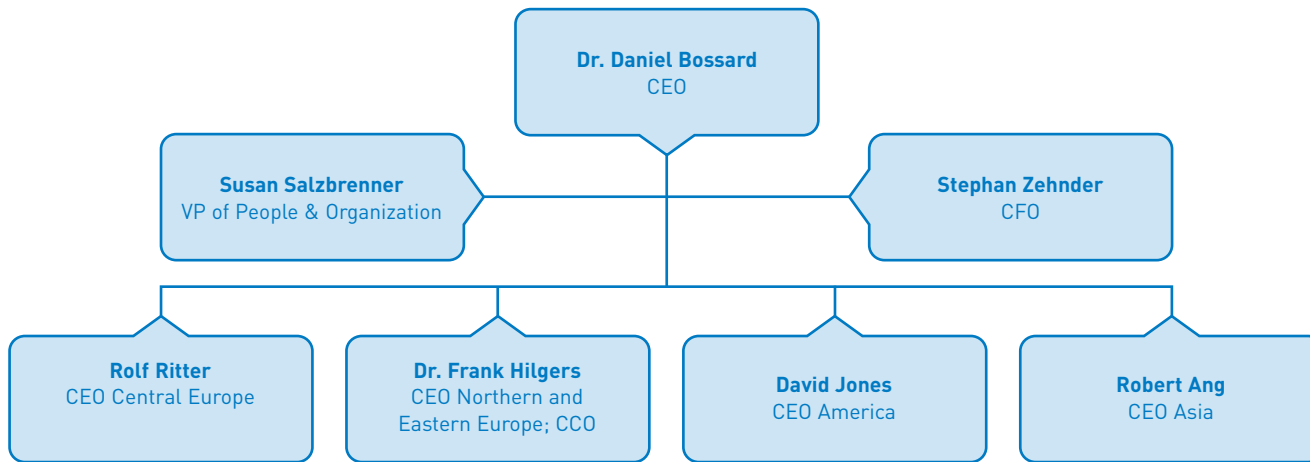
Prof. Dr. Ina Toegel (1981)

German citizen

Bachelor of Science in Economics, Columbia University, New York, USA
Master of Science in Management, Oxford University, Oxford, UK
PhD in Strategic Management, INSEAD, Fontainebleau, France

- Since 2023 member of the board of directors, member of the compensation committee, member of the nomination committee
- Since 2016 Professor of Leadership & Organizational Change and director of programs for senior executives at IMD in Lausanne
- Prior World Bank

7.4 Executive committee



Executive committee

The executive committee's educational backgrounds and other vested interests are described below in brief form only. For the detailed form, see [here](#).



Dr. Daniel Bossard (1970)

Swiss citizen

Business administration degree and doctorate in technology management, University of St. Gallen, St. Gallen, Switzerland

- Since 2019 Group CEO
- 2009–2018 CEO Bossard Northern and Eastern Europe
- 2003–2008 Sales & marketing manager of Bossard Group
- 2003–2006 CEO of Bossard Denmark
- 2000–2003 e-business manager of Bossard
- Prior Consultant for Accenture (formerly Andersen Consulting)



Stephan Zehnder (1965)

Swiss citizen

MBA in Finance, Graduate School of Business Administration and University of Wales, Zurich, Switzerland

- Since 2005 Group CFO
- 1998–2004 Head of Group Controlling, Bossard Group
- 1996–1997 Controller corporate finance, Bossard Group
- Prior various finance and controlling functions in international companies



Susan Salzbrenner (1982)

German citizen

Master of science in work and organizational psychology, Friedrich-Schiller University, Jena, Germany

- Master degree in social psychology, University of Queensland, Brisbane, Australia
- Post-graduate degree in intercultural business communication, Friedrich-Schiller University, Jena, Germany
- Since 2023 VP of People & Organization
- 2021–2022 Functional Manager People and Organizational Development, Bossard Group
- 2017–2021 Partner at the Scandinavian consulting firm Implement Consulting Group
- 2012–2017 Manager of her own consulting company "Fit across Cultures"
- Prior various functions in the field of human resources in international companies



Rolf Ritter (1969)
Dual Swiss-US citizen

Business administration degree, HSG, St. Gallen, Switzerland

- Since 2023 CEO Central Europe
- Since 2021 CSO M&A and business development
- 2020–2021 VP of M&A and Business Development (Chief Strategy Officer)
- 2014–2020 Founder of a consulting company in Miami, USA, investments in tech startups and provision of strategic M&A advice to various companies
- 2014–2020 Teacher EMBA in Information Technology at Florida International University
- 2009–2014 CEO, BDT Media Automation GmbH, Germany
- 2004–2009 General manager, Bossard France
- Prior Project manager & consultant for Volkswagen, Accenture, SIG in various countries



Dr. Frank Hilgers (1966)
German citizen

Degree in chemistry and doctorate, University of Stuttgart, Stuttgart, Germany
Executive MBA (Accenture Program), Kellogg School of Management Northwestern University, Evanston, USA

- Since 2019 CEO Northern and Eastern Europe
- Since 2015 Manager branded products and high quality fastening solutions and innovation (Chief Category Officer, CCO)
- Since 2012 Manager business units KVT Fastening
- 2009–2012 Member management team, KVT-Koenig
- 2007–2009 Head spare parts business and key account management
- 2004–2007 Head Group Strategy and Corporate Development, Siemens VDO Automotive
- 1997–2004 Senior manager strategy, Accenture (formerly Andersen Consulting)



David Jones (1970)
Citizen of the USA

Bachelor degree in Mechanical Engineering, Lawrence Technological University, Southfield, USA
MBA, Ross School of Business, University of Michigan, Ann Arbor, USA
Executive education, IMD, Lausanne, Switzerland

- Since 2021 CEO America
- 2013–2020 Responsible for the global automotive business, Sika Group
- 2010–2013 Manager industry and automotive business North America, Sika Corporation
- 2004–2010 Key Account Manager, Vice President of Engineering, Sika Corporation
- 2000–2004 Director of Engineering and Global Account Manager, Sika AG
- 1995–2000 Project Manager & Key Account Manager, Sika Corporation
- 1994 Release Engineer, General Motors



Robert Ang (1963)
Citizen of Singapore

Diploma in business administration, Thames Business School, Singapore, Singapore
Diploma in mechanical engineering, Singapore Polytechnic, Singapore, Singapore
MBA, Lee Kong Chian School of Business, Singapore, Singapore

- Since 2009 CEO Asia
- 2005–2009 Responsible for Bossard Greater China and prior to that, Southeast Asia region
- 1997–1999, CEO, Bossard Singapore
- 1994–1997 Manager of his own company until acquired by Bossard in 1997
- 1990–1994 Product manager, Conner Peripherals and Optics Storage Pte Ltd.
- 1986–1989 Buyer, Printronix AG

7.5 Significant shareholders

The disclosure notifications in relation to shareholdings in Bossard Holding AG are published on the electronic publication platform of SIX Swiss Exchange and can be accessed via the search function of the disclosure office via [this link](#).

The following shareholders held more than 3 percent of the total voting rights in Bossard Holding AG as at December 31, 2023:

The Kolin Group – a shareholder group as per article 120seq. of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIA) – consisting of Kolin Holding AG, Zug, and Bossard Unternehmensstiftung, Zug, owns 56.3 percent (2022: 56.3 percent) of total voting rights and 27.8 percent (2022: 27.8 percent) of capital entitled to dividend (with notifications on February 10, 2023, March 23, 2023, March 24, 2023 and September 5, 2023 due to change in the information subject to the obligation to notify). Kolin Holding AG is wholly controlled by the Bossard families. The individual members (shareholders) of the Bossard families are published on the electronic publication platform of SIX Swiss Exchange.

This shareholder group does not include shares without pooled voting rights, which are held by individual members of the Bossard families outside this shareholder group.

Bossard Holding AG is not aware of any other shareholders or groups of shareholders that held 3 percent or more of the total voting rights of Bossard Holding AG as at December 31, 2023.

Cross-shareholdings: There are no cross-shareholdings with other companies.

More detailed information can be found in [Bossard's Annual Report](#).

8 Financial Performance

8.1 Financial review 2023

Robust balance sheet and solid profitability in a challenging environment

In an economically challenging market environment marked by a strong Swiss franc, the Bossard Group achieved sales of CHF 1,069.0 million in the financial year 2023 (prior year: CHF 1,153.8 million). This represents a decrease of 7.4 percent (in local currency: -2.6 percent). EBIT amounted to CHF 113.1 million (prior year: CHF 141.5 million), a decrease of 20.1 percent. The EBIT margin was 10.6 percent (prior year: 12.3 percent). Net income declined by 27.2 percent to CHF 76.8 million (prior year: CHF 105.6 million).

The positive business momentum that continued into the first quarter of 2023 normalized over the course of the year. Normalization of incoming orders in the course of customer inventory reductions seamlessly transitioned to weaker customer demand. Economic indicators deteriorated as the year progressed. Thanks to stable demand in parts of our growth industries and the gratifying performance of Smart Factory services, Bossard was still able to strengthen its market position in all three market regions.

Weakening market in Europe

In Europe, Bossard posted a drop in sales of 6.1 percent to CHF 586.4 million (in local currency: -3.5 percent). This result was a consequence of the economic slowdown and normalization of demand as well as the stronger Swiss

franc. Despite tough economic conditions, the railway and electromobility sectors showed encouraging signs. In an environment marked by inflation and a shortage of skilled labor, Bossard's Smart Factory services drew even more attention from customers.

Normalization of demand dynamics in America

After a phase of double-digit growth rates, demand in America also began to normalize over the course of the year. The strong Swiss franc had an additional negative impact on sales development. While sales increased by 3.6 percent in local currency, sales in Swiss francs declined by 2.6 percent to CHF 301.5 million. The successful expansion of the customer base over the last years was particularly evident in the positive development of the focus industry of electromobility. Bossard Ontario Inc. in Canada, which is consolidated since December 1, 2022, contributed to the sales performance.

Restrained demand development in Asia

Sales in Asia declined by 17.8 percent to CHF 181.1 million (in local currency: -9.0 percent). In this market region the appreciation of the Swiss franc was significant. Apart from the gratifying development in India, the overall demand momentum in Asia was restrained. Particularly in China, only slight growth momentum was felt after COVID-19 restrictions were lifted. In India, Bossard benefited from nearshoring trends, a dynamic start-up landscape, and infrastructure projects in the focus industry of railway.

Solid profitability in spite of challenging market environment

In addition to geopolitical tensions, the market environment in 2023 was marked by weakening global demand, which led to shorter delivery times and a widespread normalization on the procurement market. In spite of the difficult market environment, the gross profit margin of 31.7 percent was above last year's 31.2 percent.

Compared to the prior year, sales and administration expenses increased by 3.4 percent to CHF 226.1 million. In relation to sales, the share of costs increased from 19.0 percent in the prior year to 21.1 percent. The rise in costs is partly due to the inflationary market environment, which primarily manifested in rising labor costs. The increase in costs also resulted from our targeted investments in the organization and the digitalization initiatives in the course of our Strategy 200. The number of full-time equivalents at year's end increased slightly from last year's 2,823 to 2,835.

The slowdown in demand as well as the higher cost basis negatively impacted the results. EBIT decreased by CHF 28.4 million to CHF 113.1 million. The EBIT margin declined from last year's 12.3 percent to 10.6 percent, which nonetheless reflects solid profitability in a challenging market environment.

The financial result amounted to CHF –12.7 million compared to last year's CHF –5.0 million. The increase results from rising interest rates. In addition, foreign currency losses were higher than last year. Tax expenses declined from CHF 30.0 million to CHF 22.8 million as a result of the decrease in profit. The tax rate was 22.9 percent compared to the prior year's 22.2 percent. The slight increase in the tax rate is mainly due to the regional profit mix.

Net income declined by 27.2 percent to CHF 76.8 million (prior year: CHF 105.6 million). At the annual general meeting of shareholders, the board of directors will propose a dividend of CHF 4.00 per registered A share (prior year: CHF 5.50), in line with our dividend policy of a 40 percent payout of net income.

Robust balance sheet and strong cash flow

The normalization in the supply chains over the course of the year as well as the slowdown in demand had a positive effect on capital commitment and hence total assets. Compared to prior year, total assets decreased by 11.3 percent to CHF 807.2 million.

The decrease is driven by lower customer receivables due to the drop in sales as well as the normalization of the supply chains. The latter increased the availability of products, which resulted in lower inventory levels. Both the decline in receivables as well as the drop in inventory

were disproportionate to the decline in sales, which is partly due to the strong Swiss franc.

Thanks to continued solid profitability and lower capital commitment, the equity ratio increased from 41.7 percent in the prior year to 46.2 percent. As a result of the strong free cash flow, net debt declined from last year's CHF 319.0 million to CHF 241.0 million. The gearing – the ratio of net debt to equity – declined from 0.8 in the prior year to 0.6. The debt factor – net debt in relation to EBITDA – was 1.7 after 1.9 in the prior year, underscoring the Group's continued solid financial position.

While cash flow from operating activities before the change in net working capital dropped by CHF 33.5 million to CHF 104.2 million, cash flow from operating activities increased from CHF 6.0 million in the prior year to CHF 157.7 million as a result of the above-average decrease in operating net working capital. Cash flow from investment activities declined by CHF 31.8 million to CHF 36.3 million owing to the lower outflow of funds for business acquisitions. In addition, the outflow of funds for investments in tangible and intangible assets totaled CHF 38.3 million, slightly lower than last year. Thanks to consistently solid profitability and the significant decrease in operating net working capital, Bossard recorded an above-average free cash flow of CHF 121.4 million in the financial year 2023 (prior year: CHF –62.1 million).

Outlook

The uncertainties about the economic development and hence customer demand, inflation, central bank policies, and geopolitical tensions will persist in 2024. For this reason, it is difficult to forecast how the financial year will unfold. However, even this market environment holds opportunities for growth. The stronger trend toward near-shoring and the digitalization of processes to increase efficiency and productivity should further strengthen demand for Bossard's Smart Factory services in the current environment marked by cost and wage inflation.

8.2 Balance sheet

in CHF 1,000	31.12.2023	31.12.2022
Assets		
Current assets		
Cash and cash equivalents	52,244	35,792
Accounts receivable, trade	159,981	193,039
Other receivables	4,232	6,529
Prepaid expenses	12,719	13,126
Inventories	358,484	442,275
	587,660	690,761
Non-current assets		
Property, plant and equipment	141,225	143,096
Intangible assets	51,958	47,800
Financial assets	8,081	8,311
Deferred tax assets	18,313	20,121
	219,577	219,328
Total assets	807,237	910,089

in CHF 1,000	31.12.2023	31.12.2022
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable, trade	54,477	80,350
Other liabilities	15,768	13,431
Accrued expenses	39,678	48,374
Tax liabilities	6,314	8,194
Provisions	2,125	1,794
Short-term debts	90,492	128,677
	208,854	280,820
Non-current liabilities		
Long-term debts	202,793	226,104
Provisions	9,776	10,882
Deferred tax liabilities	13,128	12,660
	225,697	249,646
Total liabilities	434,551	530,466
Shareholders' equity		
Share capital	40,000	40,000
Treasury shares	-2,911	-3,844
Capital reserves	74,459	74,393
Retained earnings	253,964	263,135
	365,512	373,684
Non-controlling interest	7,174	5,939
Total shareholders' equity	372,686	379,623
Total liabilities and shareholders' equity	807,237	910,089

8.3 Income statement

in CHF 1,000	2023	2022
Net sales	1,068,976	1,153,841
Cost of goods sold	-729,808	-793,710
Gross profit	339,168	360,131
Selling expenses	-144,588	-137,218
Administrative expenses	-81,494	-81,446
EBIT	113,086	141,467
Share of result from associated companies	-702	-813
Financial result	-12,740	-5,024
Income before taxes	99,644	135,630
Income taxes	-22,815	-30,047
Net income	76,829	105,583
Attributable to:		
Shareholders of Bossard Holding AG	74,214	102,980
Non-controlling interest	2,615	2,603
in CHF	2023	2022
Earnings per registered A share ¹⁾	9.64	13.38
Earnings per registered B share ¹⁾	1.93	2.68

1) Earnings per share is based on the net income of the shareholders of Bossard Holding AG and the annual average number of outstanding shares entitled to dividend. There is no dilution effect.

8.4 Sales by region

in CHF million	Europe		America		Asia		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Sales	588.3	627.4	302.0	310.1	181.3	220.6	1,071.6	1,158.1
Sales deductions	-1.9	-3.2	-0.5	-0.7	-0.2	-0.4	-2.6	-4.3
Net sales	586.4	624.2	301.5	309.4	181.1	220.2	1,069.0	1,153.8

8.5 Investor information

	2023	2022	2021	2020	2019
Share capital					
Registered A shares at CHF 5 par					
Capital stock in CHF 1,000	33,250	33,250	33,250	33,250	33,250
Number of shares issued	6,650,000	6,650,000	6,650,000	6,650,000	6,650,000
Number of shares entitled to dividend	6,351,423	6,346,441	6,349,096	6,341,309	6,345,360
Registered B shares at CHF 1 par					
Capital stock in CHF 1,000	6,750	6,750	6,750	6,750	6,750
Number of shares issued	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Number of shares entitled to dividend	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Registered A shares equivalents, entitled to dividend at Dec. 31	7,701,423	7,696,441	7,699,096	7,691,309	7,695,360
Market price					
Ticker symbol (BOSN)					
Volume traded (daily average)	9,182	15,065	13,466	20,805	19,036
Closing price at Dec. 31 in CHF	221.0	199.8	328.5	178.4	174.7
Registered A share high in CHF	264.5	331.5	362.0	179.4	180.8
Registered A share low in CHF	173.0	157.8	172.6	90.0	123.9
Dividend per share					
Registered A share in CHF	4.00 ¹⁾	5.50	5.10	4.40	2.00
Registered B share in CHF	0.80 ¹⁾	1.10	1.02	0.88	0.40
in % of share capital	80.0	110.0	102.0	88.0	40.0
Dividend yield in % (Basis: price at Dec. 31)	1.8	2.8	1.6	2.5	1.1
Earnings per share ^{2) 5)}					
Registered A share in CHF	9.64	13.38	12.53	8.73	9.73
Registered B share in CHF	1.93	2.68	2.51	1.75	1.95

	2023	2022	2021	2020	2019
Cash flow per share ^{2) 4)}					
Registered A share in CHF	13.23	16.80	15.68	11.36	12.30
Registered B share in CHF	2.65	3.36	3.14	2.27	2.46
Price/Earnings ratio (Basis: price at Dec. 31)	22.9	14.9	26.2	20.4	18.0
Net worth per share ³⁾					
Registered A share in CHF	48.4	49.3	45.4	41.9	39.6
Registered B share in CHF	9.7	9.9	9.1	8.4	7.9
Market capitalization (Basis: price at Dec. 31)					
in CHF million ³⁾	1,702.0	1,537.7	2,529.2	1,372.1	1,344.4
in % of shareholders' equity	456.7	405.1	723.6	425.7	441.5

- 1) Proposal to annual general meeting of shareholders
- 2) Basis: Average number of outstanding shares entitled to dividend
- 3) Basis: Number of outstanding shares entitled to dividend at year-end
- 4) Net income + depreciation and amortization
- 5) Share attributable to shareholders of Bossard Holding AG

in CHF million	2023	2022	2021	2020	2019
Economic value added analysis					
Net sales	1,069.0	1,153.8	995.1	812.8	876.2
Earnings before interest and taxes (EBIT)	113.1	141.5	123.3	86.4	95.7
Effective tax rate in %	22.9	22.2	19.2	17.6	18.3
Net operating profit after tax (NOPAT)	87.2	110.1	99.6	71.2	78.2
Equity	372.7	379.6	349.5	322.3	304.5
Gross financial debt	293.3	354.8	251.3	196.4	220.4
Less cash and cash equivalents	52.2	35.8	34.1	40.7	32.7
Capital employed (year-end)	613.8	698.6	566.7	478.0	492.2
Average annual capital employed (A)	656.2	632.7	522.4	485.1	466.1
Return on average capital employed in % (ROCE)	13.3	17.4	19.1	14.7	16.8

	2022	2021	2020	2019	2018
Cost of financial debt in %					
Average cost of financial debt	2.6	1.1	1.1	1.1	1.2
Less effective tax	22.9	22.2	19.2	17.6	18.3
Cost of financial debt after tax	2.0	0.9	0.9	0.9	1.0
Cost of equity in %					
Risk free rate (Basis: yearly average of yield Swiss government bond)	1.0	0.8	-0.2	-0.5	-0.5
Risk premium	5.5	5.5	5.5	5.5	5.5
Cost of equity	6.5	6.3	5.3	5.0	5.0
Equity ratio	46.2	41.7	45.2	50.3	46.7
Weighted average cost of capital in % (WACC)	4.1	3.2	2.9	3.0	2.9
Economic profit in % (ROCE - WACC) (B)	9.2	14.2	16.2	11.7	13.9
Economic profit in CHF million (A) * (B)	60.4	89.8	84.6	57.0	65.0

The articles of association do not include any provisions for opting-out or opting-up.

in CHF million	2022	2022	2021	2020	2019
Economic book value (EBV)					
Market value added (economic profit/WACC)	1,480.4	2,781.9	2,933.8	1,928.9	2,271.8
Capital employed	613.8	698.6	566.7	478.0	492.2
Implied enterprise value (EVA®)	2,094.2	3,480.5	3,500.5	2,406.9	2,764.0
Less gross financial debt	293.3	354.8	251.3	196.4	220.4
Plus cash and cash equivalents	52.2	35.8	34.1	40.7	32.7
Economic book value at Dec. 31	1,853.1	3,161.5	3,283.3	2,251.2	2,576.3
Market valuation and key ratios					
Share price at Dec. 31 in CHF	221.0	199.8	328.5	178.4	174.7
Market capitalization	1,702.0	1,537.7	2,529.2	1,372.1	1,344.4
Net financial debt	241.1	319.0	217.2	155.7	187.7
Enterprise value (EV)	1,943.1	1,856.7	2,746.4	1,527.8	1,532.1
EV in % of net sales	181.8	160.9	276.0	188.0	174.9
EV/EBITDA	14.1	11.2	18.9	14.4	13.5
EV/EBIT	17.2	13.1	22.4	17.7	16.0
EV/NOPAT	22.3	16.9	27.6	21.5	19.6
Price/book value per share	4.6	4.1	7.2	4.3	4.4
Return on equity in %	20.4	29.0	29.2	21.6	24.7

EBIT	Earnings Before Interest and Taxes
NOPAT	Net Operating Profit After Taxes
ROCE	Return On Capital Employed
WACC	Weighted Average Cost of Capital
EV	Enterprise Value
EVA	Economic Value Added
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization

Share price development 2019–2023

Valor: 23862714, ISIN CH0238627142/BOSN



9 Competitive Landscape

9.1 Company-wide competition

The distribution market for industrial fasteners and C-parts is highly fragmented with thousands of firms competing worldwide without any having a dominant market share. Barriers to entry and price intensity can be low, especially when it comes to standard products or large-volume bulk goods without any value added services like Bossard offers. Bossard competes mostly with SMEs, often family-owned with only a limited overlap of product ranges and end-market exposures. In each of the three business regions there are many small but also some larger, partially comparable fastening distributors such as Fastenal (USA), Würth (Germany) or Bufab (Sweden) which have also internationalized their operations.



INVESTOR MANUAL

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