Bystronic

Your best choice.

Sustainability Report 2024

Report on non-financial matters[1]

1 Environmental, Social and Governance (ESG) at Bystronic

1.1 Introduction

Bystronic takes a holistic approach to sustainability. ESG criteria (Environmental, Social, Governance) are an integral part of our business strategy. In line with our principle, “Creating impact for a sustainable future with sheet metal and beyond," our goal is to make sheet metal a material of the future. We want to make a decisive contribution to strengthening sustainability – for our company, our customers, the environment and our ecosystem.

We strive to lead our industry towards net zero emissions. We are working hard to improve energy and resource efficiency. We are proud that our employees propose and implement initiatives that drive our sustainability forward. We also look externally for innovative solutions and work with start-ups to make sheet metal processing more sustainable. We are exploring new possibilities, such as the use of less energy-intensive materials, and we are developing solutions to extend the service life of our products while also reducing energy requirements.

The year 2024 was an important milestone on our sustainability journey. By integrating and operationalizing ESG into all areas of our organization, we were able to make tremendous progress.

To make the most impact as fast as possible, we established five sustainability targets for the year 2030 (baseline 2021):

- 42% reduction in Scope 1 and Scope 2 emissions
- 25% reduction in Scope 3 emissions
- 25% women in management positions
- Industry leader in occupational safety (Total Recordable Injuries TRI[2] ≤ 0.8)
- 20% reduction of waste

To ensure that we achieve these goals, we are managing our progress with our own ESG performance management system.

[1] This section of the Annual Report is intended to provide an overview of the disclosures in connection with Articles 964a –964c and 964j –964l of the Swiss CO

[2] Number of injuries per 100 full-time employees (100 full-time employees * 50 weeks * 8 hours * 5 days/week = 200,000 worked hours).

1.2 Highlights

In 2024, we made significant progress in our sustainability efforts. We advanced our strategy to phase out fossil fuels and we implemented a wide array of measures to improve sustainability from a social perspective:

- **Further infrastructure development:** At our headquarters in Niederönz (Switzerland) and in our manufacturing plants in Tianjin (China), we installed additional solar panels. We also renovated the heating system in Niederönz and installed a geothermal heating system, eliminating the need for natural gas.
- **100% solar energy in the USA as of 2025:** We've prepared a Power Purchase Agreement (PPA) at our manufacturing plant in Hoffman Estates (USA), ensuring that 100% of its electricity needs will be met with solar energy from 2025 onwards.
- **Lighthouse program with focus on circular economy:** To encourage our supply chain to adapt a circular model, we have partnered with ZHAW School of Management and Law in Switzerland and various partners in the mechanical and electrical engineering (MEM) industry in a lighthouse program. This four-year project will be supported by Innosuisse, the Swiss agency for promotion of innovation.
- **Better risk management in the supply chain:** We added new suppliers in the EcoVadis platform. The companies represented there now account for 20% of the total purchase value in Bystronic's supply chain.
- **Publication of human rights policy:** Bystronic reinforced in 2024 its commitment to the highest human rights standards with the publication of a human rights policy. We also established a Standard Operating Procedure (SOP) for conducting regular Human Rights Due Diligence (HRDD) risk analyses.
- **Combating child labor and conflict minerals:** Our Global Supply Chain department carried out risk assessments relating to child labor and conflict minerals. We also increased the share of suppliers that signed our supplier code of conduct, which was introduced in 2023.
- **Certification of workplace safety:** As part of our ongoing effort to improve workplace safety, our laser manufacturing site in Niederönz received ISO 45001 certification.

Our social and ecological engagement in recent years is having an impact. We are on a positive path with our 2030 sustainability goals. We were pleased to have exceeded most of our 2024 environmental targets, which was due, in part to our lower production volume.

STATUS ON TARGETS	2024 targets	Status	2024	2023	2022	2021
Scope 1 & 2 -42% reduction in 2030 vs 2021 (tCO_2e)	10,344	OK	10,127	10,510	11,413	12,028
Scope 3 -25% reduction in 2030 vs 2021 (tCO_2e)	1,446,812	OK	1,015,518	1,117,132	1,391,743	1,578,340
25% Women in management positions in 2030 (%)	21%	NOK	19%	20%		
Industry leader in occupational safety (TRI ≤ 0.8)	0.80	NOK	1.59	1.94	1.40	1.59
20% reduction of waste in 2030 vs 2021 (tons)	3,413	OK	2,288	3,323	3,860	4,267

1.3 Sustainability strategy

Bystronic's sustainability strategy has been developed after conducting a comprehensive materiality and impact assessment together with our stakeholders. The resulting material topics form the three pillars of our sustainability strategy:

- Sustainable solutions
- Engaged employees
- Responsible business

1.3.1 Double materiality

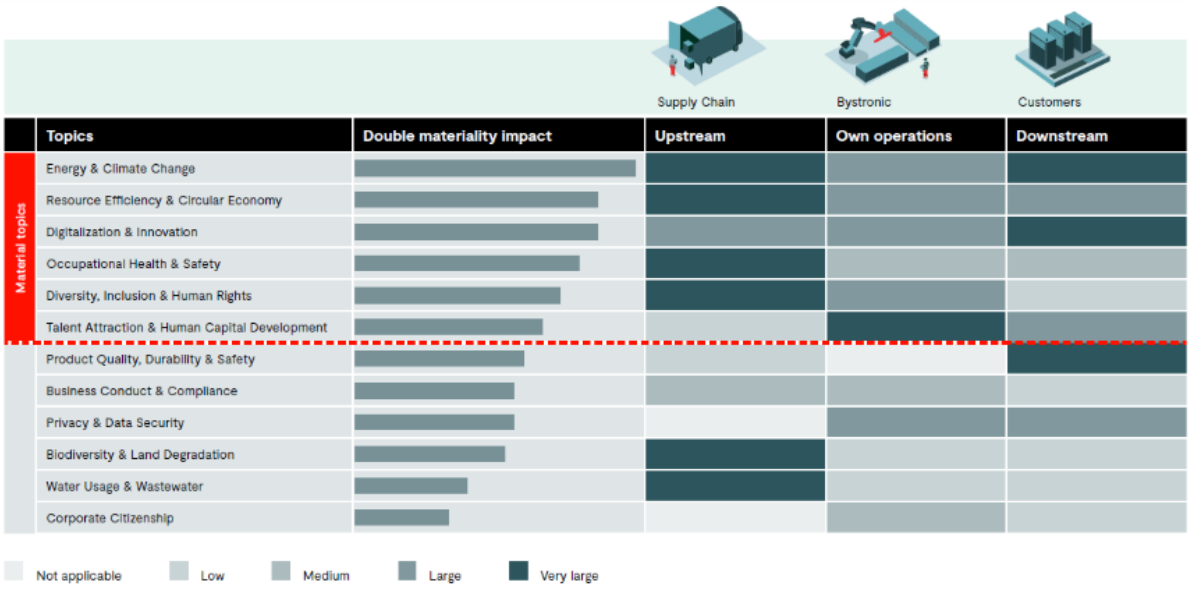
Bystronic's impact goes far beyond our own operations and is directly tied to the operations of our suppliers and customers. Around 70% of the company's value chain emissions are generated by our customers' use of our products. By taking the value chain into account in analyzing and evaluating key sustainability issues, Bystronic can identify a broader range of risks, impacts and opportunities.

To identify and prioritize the most critical sustainability issues, we use a double materiality assessment process, which is based on input from various stakeholders, such as industry associations, suppliers, customers, employees and investors. We engage with these stakeholder groups in a variety of ways. Internally, the Bystronic Sustainability Council connects with the Executive Board, the Board of Directors, and various corporate functions. Externally, our sales representatives interact regularly with our customers and participate in industry events.

Our Supply Chain Management team works closely with our suppliers to ensure sustainability in the supply chain. The Investor Relations function ensures we meet our shareholders' expectations, engaging with them directly through multiple events, such as our Capital Markets Days. We also actively participate in associations to connect with other companies and to drive change throughout the entire industry.

The following topics have been identified as material:

- Energy and climate change
- Resource efficiency and the circular economy
- Digitalization and innovation
- Occupational health and safety in the workplace
- Diversity, inclusion and human rights
- Talent attraction and human capital development



1.3.2 Sustainability governance

We recognize that effective governance is crucial to achieving our 2030 sustainability mid-term targets. Since the start of our sustainability journey in 2021, the company has been taking steps to continuously improve our approach to governance.

Bystronic has set specific goals and established corporate policies. Our sustainability disclosures are based on the reporting frameworks Global Reporting Initiative (GRI),[3] Carbon Disclosure Project (CDP)[4] and the Swiss climate ordinance.[5]

Sustainability cascades throughout all levels of the organization, from the CEO to the ESG Officer and the Sustainability Council, all the way to the corporate functions and plant managers that coordinate sustainability initiatives at the operational level. The rolls are divided as follows:

- **The Board of Directors** is responsible for the supervision and control of the Group and its management and monitors compliance with regulations. This includes oversight of risks and opportunities, including climate-related topics. The Board determines the Group's strategic targets and the financial and human resources necessary to achieve those targets. Additionally, the Board reviews the strategy and goals in the context of sustainability. The Board is also responsible for the review and approval of reported information (incl. material topics) and is informed in writing and verbally of the company's strategies, plans and results. This includes regular updates on sustainability improvements. At least one Board member is closely involved in all sustainability matters via regular dialogue with the ESG Officer. At least two Board members are also members of Boards of other companies with long-standing experience in sustainability and climate target setting.
- **The CEO** is the driving force behind Bystronic's integrated sustainability strategy and is deeply committed to all climate change and social issues.
- **The ESG Officer** oversees sustainability issues, including climate-related activities, and coordinates the overall sustainability strategy and implementation of action plans with various corporate functions.
- **The Sustainability Council** implements Bystronic's integrated sustainability strategy.

3) Global Reporting Initiative: https://www.globalreporting.org/

4) Carbon Disclosure Project: https://www.cdp.net/en

5) Swiss Ordinance on Climate Disclosures: https://www.fedlex.admin.ch/eli/oc/2022/747/de (German)

2 Environmental matters

2.1 Sustainable solutions

Bystronic applies due diligence in environmental matters. Relevant impacts, risks and opportunities are regularly assessed, and appropriate policies implemented. As part of the double materiality assessment, Bystronic evaluates the potential positive and negative impacts its business activities have on the environment.

The most important risks to the environment are:

- Rising energy costs
- Stricter environmental regulations
- Availability of raw materials and spare parts

Bystronic also sees multiple environmental opportunities, such as:

- The development of new, energy-efficient technologies
- Rising demand for environmentally friendly products
- The growing popularity of circular economy principles

Bystronic has integrated climate-related risks into its risk management. Further information can be found in the Task Force on Climate Related Disclosures (TCFD) report.[1]

The company's environmental strategy and guidelines define goals and obligations as well as measures and responsibilities related to a range of environmental issues. Measures are taken to reduce negative impacts on the environment.

The company's environmental goals include:

- Reduce greenhouse gas emissions in all areas in alignment with the net zero roadmap
- Reduce energy consumption and become a climate-neutral company
- Increase the energy efficiency of our products to assist with the decarbonization of customers
- Develop sustainable products and services to reduce/lower greenhouse gas (GHG) emissions
- Improve resource efficiency and reduce waste by using circular processes

The company published an environmental policy in 2024 reinforcing its commitment to the highest environmental standards regarding climate action, energy efficiency, circular economy, product design, pollution, waste management, biodiversity, and deforestation in operations and in the value chain.

[1] Climate Related Disclosures (TCFD) report is available online.

2.2 Environmental initiatives

2.2.1 Renewable Energy
Bystronic is enhancing its sustainability efforts by installing solar panels at key production sites and converting its largest plants to renewable electricity where feasible. Additionally, the company is introducing ISO 14001 certification at new plants, electrifying the heating systems and increasing the share of electric vehicles in the fleet.

2.2.2 Cleantech solutions
Through its commitment to sustainability-led innovation, Bystronic focuses on material and energy efficiency in all of its customer quotes. We conduct life cycle analyses (LCAs) and use eco-design principles in the development of products. Our cleantech solutions portfolio encompasses a range of systems, services, and software that increase material and energy efficiency. These include products such as laser sources and chiller systems that save energy, and metal bending and cutting technologies that reduce waste.

2.2.3 Service and maintenance
Bystronic is adopting circular approaches to extend product lifespans and boost resource efficiency. Service packages like ByCare keep machines in optimal condition and extend their service life and resale value, while also reducing errors, downtime and waste. Key initiatives include the proactive maintenance and refurbishing of machines and components, thereby preserving the energy and materials from the initial production. Preventive service programs identify and address issues early, enhancing longevity and productivity. Modular designs allow easy upgrades and repairs, further extending machine lifespans. Digitalization, through tools like BySoft Suite, also enhances material efficiency by streamlining operations.

2.2.4 Research and Development
Bystronic's modular machine and solutions design approach paves the way for future upgrades and modernization, which are vital for maintaining the value and efficiency of the machinery over time. By enabling the seamless integration of new technologies and components, Bystronic ensures that its machines keep pace with evolving industry standards and customer needs without needing to be completely replaced. New systems like ByCut Star and ByCut Smart exemplify this modular design approach. As part of the OnePlatform project, modularity in these machines ensures common parts are used, simplifying repair and spare part logistics, enhancing efficiency, and extending product lifespan. Moreover, the modular nature of Bystronic's machines allows for tailored configurations to meet specific customer requirements and ensures they can be optimized for different production environments. For example, our ByTrans Modular system provides scalable material handling solutions that grow with the customers' needs.

2.2.5 Innovative functions for sustainable sheet metal processing
Bystronic's commitment to improving operational efficiency and sustainability is visible in the resource and energy efficiency features integrated into our fiber laser cutting and bending machines, which are designed to optimize material use, reduce waste, and increase productivity.

- **Nesting Software:** Our software that optimizes fiber laser cutting and reduces metal consumption up to 14% for the same production volume. The software optimizes the cutting plan by narrowing web widths, increasing the number of parts on the cutting plan, and adjusting the cutting path to minimize waste. Additionally, it adjusts laser power and speed based on the material and sheet thickness. By analyzing the size and shape of residual sheets, the software identifies the most efficient way to use them in subsequent cutting processes.
- **Intelligent Cutting Process (ICP):** A coaxial camera monitors the cutting process through the nozzle of the fiber laser and ensures reliability through proactive and reactive measures. This reduces downtime and material waste in case of nozzle loss. By preventing unrecognized cut interruptions, the ICP feature helps minimize waste.
- **Parameter Wizard with Artificial Intelligence (AI):** This feature combines intelligent human-machine interaction and AI-based optimization to support the operator when a new type of metal is introduced. Leveraging AI helps to quickly and precisely define the correct parameters to optimize cutting quality, eliminating the need for time-consuming trial and error methods.
- **Nozzle Control Tool (NCT) & KerfScan:** NCT enables automatic nozzle centering in seconds and monitors nozzle condition and type. KerfScan examines the oxygen cut to detect residual slag inside the cutting gap/kerf, which allows parts to be recut as needed. This combination ensures a consistent, high-quality cutting process that reduces waste and rejected parts.
- **Laser Angle Measurement System (LAMS):** This feature ensures precision and productivity in the bending process by eliminating the need for time-intensive measuring and part correcting. LAMS optimizes metal waste reduction by achieving precise angles and minimizing misshaping, ensuring that the first bend is flawless.
- **Nitrogen generators:** Nitrogen generators, like NitroCube and Airco System, enable in-house production of high-purity nitrogen for fiber laser cutting systems, reducing energy use and carbon emissions. In Bystronic's life cycle assessment, nitrogen use was the largest contributor to indirect CO_2 emissions. Traditional methods require substantial power and transportation, increasing the carbon footprint. In-house generation eliminates the need for transport and allows efficient, on-demand nitrogen production, offering environmental and financial benefits.
- **Laser sources and chiller systems:** Laser sources and chiller systems are the core of our laser cutting machines. They are also the main drivers of energy consumption and carbon emissions. As part of our commitment to deliver cleantech solutions, we have identified significant potential in optimizing the energy performance of our laser sources and chiller systems, which we aim to explore with our R&D.

2.3 Decarbonization

Energy and climate change are key topics with global impact along the value chain. This has led us to step up our decarbonization efforts. The most important climate risks are (as described in our TCFD report):

- Risk of increasing operational costs due to carbon pricing (€50 to €150 per ton), new taxes (the EU Carbon Border Adjustment Mechanism: CBAM), new regulations (EU eco-design rules), and new efficiency targets (energy label)
- Risk of an increase in energy costs, which impacts machine use and production
- Risk of extreme weather events that damage infrastructure, equipment or material.

In 2023, we joined the Science Based Targets initiative (SBTi), to further reduce the carbon emissions of our business, our suppliers, and our customers. Our goal is to achieve net-zero operations and to achieve a net zero value chain by 2050.

SCIENCE-BASED TARGET REDUCTION PLAN	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Scope 1 emissions (tCO_2e)	6,678	6,367	6,055	5,743	5,432	5,120	4,808	4,497	4,185	3,873
Scope 2 emissions (tCO_2e)	5,350	5,100	4,851	4,601	4,351	4,102	3,852	3,602	3,353	3,103
Scope 1+2 emissions (tCO_2e)	12,028	11,467	10,906	10,344	9,783	9,222	8,660	8,099	7,538	6,976
SBT reduction target %		−4.7%	−9.3%	−14%	−19%	−23%	−28%	−33%	−37%	−42%
SBT reduction target (tCO_2e)		−561	−1,123	−1,684	−2,245	−2,807	−3,368	−3,929	−4,491	−5,052
CURRENT REDUCTION PATHWAY										
Scope 1 emissions (tCO_2e)	6,678	7,110	6,126	5,559						
Scope 2 emissions (tCO_2e)	5,350	4,303	4,384	4,567						
Scope 1+2 emissions (tCO_2e)	12,028	11,413	10,510	10,127						
Current reduction pathway %		−5.1%	−13%	−16%						
Current reduction pathway (tCO_2e)		−615	−1,518	−1,902						

ENERGY CONSUMPTION	YoY	2024	2023	2022	2021
Total energy consumption (MWh)	**−3%**	**38,509**	**39,576**	**41,664**	**43,861**
Fuel for fleet (diesel, petrol, LPG)		15,139	14,268	15,042	14,949
Stationary energy for buildings (natural gas, fuel oil)		6,398	8,183	9,297	10,014
District heating		2,490	2,905	2,246	2,226
Non renewable electricity		8,168	7,708	7,680	14,759
Renewable electricity		6,314	6,513	7,399	1,912
Energy intensity per net sales (MWh/million CHF)		**59.4**	**42.6**	**41.0**	**46.7**
Share of renewable electricity consumption		44%	46%	49%	11%
Share of renewable energy consumption		**16%**	**16%**	**18%**	**4%**

At our headquarters in Niederönz, we replaced natural gas heating with geothermal heating, reducing natural gas usage. A milder winter in 2024 also reduced energy consumption for buildings and district heating. Additional photovoltaic panels boosted the production of renewable electricity. Increased machine deliveries from Chinese plants, however, led to higher non-renewable electricity consumption. The share of usage of renewable electricity will slightly increase in 2025 with the upcoming activation of the Power Purchase Agreement (PPA) for the US plant.

Scope 1 and 2 greenhouse gas emissions exceeded the 2024 science-based targets reduction (Target: 10,344 tCO_2e). This was mainly driven by reduced manufacturing activities.

GREENHOUSE GAS EMISSIONS (GHG) SCOPE 1&2	YoY	2024	2023	2022	2021
SCOPE 1 & 2 (market-based) (tCO_2e)	**–4%**	**10,127**	**10,510**	**11,413**	**12,028**
Scope 1: direct emissions		5,559	6,126	7,110	6,678
Scope 2: energy indirect emissions (market-based)		4,567	4,384	4,303	5,350
Scope 2: energy indirect emissions (location-based)		5,174	5,164	5,254	6,340
Fuel for fleet (diesel, petrol, LPG)		4,035	3,871	4,236	4,197
Stationary energy for buildings (natural gas, fuel oil)		1,428	1,836	2,119	2,265
Refrigerants		97	419	755	216
Scope 1: direct emissions	**–9%**	**5,559**	**6,126**	**7,110**	**6,678**
District heating		761	840	840	841
Non renewable electricity		3,807	3,543	3,464	4,509
Renewable lectricity		–	–	–	–
Scope 2: energy indirect emissions (market-based)	**4%**	**4,567**	**4,384**	**4,303**	**5,350**
Scope 1 & 2 Intensity per net sales (tCO_2e/million CHF)		15.6	11.3	11.2	12.8
GHG emissions per energy consumption (tCO_2e/MWh)		26%	27%	27%	27%

Scope 3 emissions account for over 99% of Bystronic's carbon footprint. With 74% from product use, Category 11 is the highest emission source. These emissions are based on electricity consumption throughout the entire product life cycle, according to GHG Protocol guidelines. 22% of Scope 3 emissions come from purchasing goods and services (Category 1). The year-over-year reduction of Scope 3 emissions was mainly due to reduced manufacturing activity.

GREENHOUSE GAS EMISSIONS SCOPE 3	YoY	2024	2023	2022	2021
Scope 3: Total emissions (tCO_2e)	**–9%**	**1,015,518**	**1,117,132**	**1,391,743**	**1,578,340**
Cat 1 - Purchased goods & services		224,629	302,927	338,080	302,812
Cat 2 - Capital goods		444	557		
Cat 3 - Fuel- and energy-related activities not included in Scope 1 or Scope 2		2,190	1,970		
Cat 4 - Upstream transportation and distribution		2,603	2,884		
Cat 5 - Waste generated in operations		130	157		
Cat 6 - Business travel		6,078	4,078		
Cat 7 - Employee commuting		8,617	10,049		
Scope 3: Upstream emissions		**244,691**	**322,623**		
Cat 9 - Downstream Transportation and Distribution		12,926	14,593		
Cat 11 - Use of sold products - customer country grid emission factor method		754,581	776,783	1,010,486	1,216,225
Cat 12 - End-of-life treatment of sold product		3,320	3,133		
Scope 3: Downstream emissions		**770,827**	**794,509**		
Scope 1, 2 & 3: Total emissions (tCO_2e)		**1,025,644**	**1,127,665**	**1,402,440**	**1,590,352**
Share of Scope 3 Cat 1 & Cat 11 in Scope 1, 2, 3 total emissions		96%	96%		
Scope 1 & 2 & 3: Intensity per net sales (tCO_2e/million CHF)		**1.582**	**1.212**	**1.381**	**1.693**

Further information on the system boundaries, assumptions and calculation methods are published in the "Data Calculation Methodology 2024" at the following link.

2.4 Resource efficiency and circularity

Bystronic's approach to circularity includes efforts to increase recycling, reuse and extended lifespan. With our positioning as a full solutions provider, we can make a significant contribution here. The most important risks related to circularity are (as described in our TCFD report):

- Risk that the logistic costs will impact material costs. Circularity must be embedded in the business model and the products to limit the increasing cost of purchases
- Risk of being late compared to the competition, commitment to climate targets and the positioning of Bystronic as a sustainability pioneer

We set a 2030 target to reduce waste by 20%. The reduced waste generation in 2024 compared to prior year is, however, partially due to reduced production activity.

WASTE IN MANUFACTURING PLANTS	YoY	2024	2023	2022	2021
Waste, Total amount in manufacturing plants (tons)	**–31%**	**2,288**	**3,323**	**3,860**	**4,267**
Non hazardous waste		2,241	3,266	3,785	4,266
Metals		1,593	2,400	2,989	3,253
Wood		176	375	465	575
Paper & Cardboard		102	117	137	218
Plastics		4	6	6	7
Domestic[1]		346	354	176	156
Special non hazardous waste		18	13	11	4
Hazardous waste & toxic material		47	57	75	54
Waste by disposal methods (%)					
Landfill		1%	1%	1%	
Incineration		4%	11%	12%	
Share of metal waste (mostly recycled)		70%	72%	77%	76%
Other disposal methods		26%	17%	10%	
Waste intensity per net sales (tons/million CHF)		2.9	3.6	3.8	4.5

[1] All non-metal waste at our US plant is reported under the domestic waste category from 2023.

In 2024, water consumption data was collected from 9 out of 10 manufacturing sites and 8 out of 29 sales entities. We are improving our data collection year-over-year and will soon include all company sites.

Although water use in our production facilities plays only a minor roll, the topic of water use in the machinery industry is important. Bystronic needs to investigate to what extent its supply chain may be impacted by water scarcity, floods, storms, and other weather and coastal disaster risks. With the help of the Aqueduct Water Risk Atlas of the World Resources Institute, Bystronic has assessed the water-related risks at its manufacturing plants. Special attention needs to be paid to the Tianjin production plant and its supply chain to avoid future disruption related to potential regional water quotas in Chinese industry.

WATER MANAGEMENT	YoY	2024	2023	2022	2021
Water consumption in manufacturing plants (m^3)	**–0%**	**23,562**	**23,664**	**12,274**	
Water withdrawal[1]		24,259	23,664	12,274	
Water discharged		**697**			
Water intensity per net sales (m^3)/million CHF)		36.3	25.4	12.1	

[1] Water withdrawal data was available for 7 out of 10 manufacturing sites and 8 out of 29 sales entities in 2024.

Details on data performance indicators and calculation methods can be found in the "Data Calculation Methodology 2024" online.

3 Social issues

3.1 Engaged employees

Bystronic applies due diligence in social issues. Relevant impacts, risks and opportunities are regularly assessed, and measures implemented.

The main risks related to wih social issues include: (Human rights risks are addressed in the chapter on "Responsible Business")

- **Safety**: Employee and customer injuries while operating machinery such as laser cutters and press brakes
- **Employees**: Shortage of skilled workers, the new work culture following the COVID pandemic in which more people want to work from home
- **Software & IT security/data protection**: Risk of cyberattacks against Bystronic and its customers, protection of customer data and compliance with data protection regulations.

The company's social strategy and guidelines define goals and obligations as well as measures and responsibilities with regard to a range of social issues. The HR Committee is responsible for initiatives that promote diversity and inclusion across all management levels within the Group and continuously reviews their effectiveness. Measures are taken to minimize negative impacts on social and employee matters.

The company's social ambitions include:

- Providing customers with safe technologies and high-quality products
- Continuously improving workplace safety and mental health wellness for all employees
- Attracting, developing and retaining the best employees
- Continuing to build and develop a diverse and inclusive workforce.

The company published an information security policy in 2022 reinforcing its commitment to the highest data protection standards – with regard to the protection of personal data, customer trust, the security culture, transparent and practiced responsibility, protection and shared use, appropriateness and efficiency, integrated security and international security standards.

3.2 Employee initiatives

In 2024, Bystronic underwent a significant restructuring to get closer to the customer and reduce fixed costs. This involved transitioning from a regional to a divisional organizational structure. Despite these changes, Bystronic continued different programs aimed at supporting engaged employee initiatives.

- **Employer branding**: Bystronic continues to work on its employer brand identity. It defines how we communicate as an employer both internally and externally. The launch included a comprehensive overhaul of both the content and look of our careers website. The principles of our employer brand reflect our commitment to diversity.
- **Integration in the workplace**: Bystronic is implementing measures that promote equality and integration in the workplace, such as offering flexible work arrangement and promoting a collaborative culture.
- **Adaptation of recruitment and promotion policies**: In job postings, Bystronic tries to be equally appealing to both women and men, and in direct search efforts, identifying female candidates is a priority. External recruiters are instructed to ensure diversity of the candidate pool, and, in the selection and promotion process, women are given priority over men when other things are equal. As a result, we have increased the share of new women hires consecutively in recent years.

	YoY	2024	2023	2022	2021
New employee hires	**–47%**	**253**	**474**	**739**	**858**
Male		77%	78%	81%	84%
Female	3%	23%	22%	19%	16%
Americas		15%	18%	20%	14%
EMEA		67%	65%	56%	42%
APAC		5%	7%	6%	5%
China		12%	10%	18%	39%

- **Workplace safety**: Bystronic is committed to a safe and healthy workplace for all employees. Measures promoting the health and safety of employees include a comprehensive Occupational Health and Safety

(OHS) program promoting the health and safety of employees with a focus ergonomics and safety in the workplace, the provision of safety equipment, and training in how to use the machinery.

Occupational health and safety is a crucial component of Bystronic's overall management system. Our safety regulations apply to all individuals on our premises, including employees, customers, suppliers and visitors. These regulations are outlined in workplace guidelines that are accessible to all employees. Employees receive training on workplace-specific hazards when necessary.

Bystronic's safety training courses are detailed in the training manual, which is reviewed annually by the occupational health protection and laser safety officers, as well as the safety teams. Risk analyses are carried out by external specialists at least every five years, and resulting measures are coordinated and monitored through corrective and preventive action. The HR department reports and evaluates all occupational and non-occupational incidents.

- **Employee health and well-being**: The health and well-being of our employees is a priority. The importance of this topic was reflected in our 2023 global employee engagement survey. We are increasing our efforts to support employee well-being. These include remote work and flexible hours, parental leave and temporary leave (based on country regulations).

  In 2024, the number of injuries decreased. The occupational health and safety system of our laser production sites at our headquarters in Niederönz (Switzerland) were ISO 45001 certified.

WORKPLACE SAFETY	YoY	2024	2023	2022	2021
TRI Rate of recordable injuries (# Injuries/200,000 hours)[1]	**–18%**	**1.59**	**1.94**	**1.40**	**1.59**
Number of recordable injuries in manufacturing plants[1]		25	35	27	31
Number of high-consequence recordable injuries			–	1	
Fatalities		–	1	–	–
Number of worked hours in manufacturing plants		3,136,998	3,603,464	3,863,592	3,911,171

[1] See definition in Glossary document available here : https://sustainability.bystronic.com/en/downloads.

PSYCHOLOGICAL SAFETY	Notes	YoY	2024	2023	2022	2021
Psychological safety survey result (Scale 1 to 100)			No survey	81	No survey	80

- **Talent management**: We offer our employees competitive remuneration and benefits packages; training and development programs, on-the-job, classroom and online training; international experiences for qualified employees; and leadership courses for young and experienced talents. Our performance management system is designed to help employees realize their full potential. We offer an open communication and a feedback culture that encourages employees to share their ideas and concerns and to provide feedback to their supervisors. Internal communication channels, such as town hall meetings and our intranet help employees stay informed about news and developments within the company.

  The most important ongoing programs and models:
  - **Talent development and retention**: Our learning and development model, known as the 70–20–10, helps employees access a combination of learning sources. This model calls for 70% of learning to come from challenging assignments, 20% from relationships, and 10% from formal training. Our employees have access to a variety of educational initiatives – from specialized courses and PhD programs to our company-wide learning management system called MyLearning. We also provide comprehensive onboarding for new employees to ensure an optimal start.
  - **Career advancement and leadership courses**: We place great value on supporting our employees' personal development. Bystronic has been offering vocational training for over 20 years. More than 300 young people have benefited from such training. Our global succession program aims to identify internal candidates for future roles and provides them with personalized training. ByAcademy, our internal learning and development platform, focuses on technical and soft skill development for our Global Service Business Unit employees. Our leadership development programs cater to different employee levels. The Leadership Development Program 1 (LDP 1) prepares junior employees for future managerial roles. Our Leadership Development Program 2 (LDP 2) is tailored for senior leaders, and aims to foster a common understanding of leadership, as well as promote creativity and entrepreneurship. LDP 2 is the key to effective succession planning within our organization.

Training and education	2024
Number of training hours[1]	74,104
Average training hours by employee	23
Male	26
Female	10

[1] Number from ByAcademy Service including all employee Instructor-Led and Online trainings.

- **Employee engagement**: To continuously enhance our processes and address employee feedback, Bystronic conducts a global employee engagement survey every two years. Our goal is to gather insights that are relevant to leadership development and that would enhance employee engagement at all our business locations.
- **Bystronic Leadership Conference**: We implemented new panel discussions on Group priorities at the Bystronic Leadership Conference. Employees from many different levels and a variety of functions actively contributed.
- **One Bystronic Ambassador Network**: We have built a global network of over 50 “One Bystronic” ambassadors from 22 subsidiaries. These ambassadors serve as a link between employees and management, enhancing communication, culture and collaboration.

3.3 Customer initiatives

Enhanced CRM system
By consistently monitoring our Net Promoter Score (NPS) and the feedback of critical customers, Bystronic was able to uncover several problems in 2024, including technical errors, technician availability, long resolution times, as well as improvement potential with regard to process reliability and communication. Bystronic closely monitors all safety concerns reported by our customers. In 2024, only two injuries were reported by our customers.

CUSTOMER CARE & SAFETY	2024	2023	2022	2021
Number of customer requests in CRM[1] (maintenance, issues, installation)	100,864	105,000	100,000	98,000
Annual fines and penalties	–	–	–	–
Number of customer injuries reported	2	1	1	3

[1] Customer Relationship Management system.

Service programs
In 2024, Bystronic continued its modular service programs, which include regular maintenance, service level agreements and extended warranties. These programs help minimize operational disruptions for our customers.

Customer training
Bystronic offers comprehensive machine and software training to improve our customers’ productivity. This leads to increased uptime, improved overall effectiveness of the equipment, and a higher level of safety for the employees.

4 Combating corruption and safeguarding human rights

4.1 Responsible corporate governance

Our stakeholders expect us to maintain high ethical standards and integrity across our business activities. Responsible business, the governance pillar of our sustainability strategy framework, represents our approach to meeting these expectations and underpins our efforts to achieve our 2030 sustainability goals.

The main risks related to corruption and human rights issues include:

- Corruption: failing to prevent bribery and kickbacks, accepting inappropriate gifts or hospitality, and keeping inaccurate financial records
- Human rights issues related to electronic equipment manufacturing, poor working conditions in the supply chain and child labor in raw material extraction.

The company's anti-corruption and human rights strategies and guidelines define goals and obligations as well as measures and responsibilities related to a range of such issues. The Executive Board oversees the initiatives to prevent corruption and to safeguard human rights and continuously reviews their effectiveness. Measures are taken to reduce any negative impacts.

The company's ambitions on these matters include:

– Supporting human rights and ethical procurement practices
– Being transparent on issue reporting
– Ensuring ethical conduct across all operations.

4.2 The fight against corruption

Policy
Bystronic fights corruption in all areas of its business activities. A number of policies and practices are in place to prevent and detect corruption. The company's anti-corruption policy is set out in the Code of Conduct and in a dedicated Combating Corruption Policy. The policy prohibits all forms of bribery and other corrupt practices.

Due diligence
Bystronic carefully examines suppliers and business partners to ensure that they are not involved in corrupt practices. The company applies various practices to prevent corruption, including training of all employees on anti-corruption policies and procedures.

Training
Training covers topics such as recognizing and reporting corruption, whistleblowing procedures, ethical competition, and the consequences of corruption.

Monitoring
Bystronic also monitors its business activities and relationships with suppliers and business partners for signs of corruption. This includes reviewing transactions, conducting internal investigations, and receiving and investigating whistleblower complaints. Bystronic regularly reviews its policies and practices and makes adjustments where necessary.

Reporting
Bystronic investigates any suspicion of corruption. In 2024, four cases of potential non-compliance were reported through Bystronic's Business Ethics Hotline. None of them related to corruption.

4.3 Human rights and a sustainable supply chain

Policy
The company published a human rights policy in 2024 reinforcing our commitment to the highest human rights standards – with regard to non-discrimination and equality; freedom from forced labor and human trafficking; child labor prohibition; fair wages and working conditions; health, safety and well-being; respect for freedom of association and collective bargaining; women's rights; supplier due diligence; access to a grievance mechanism and non-retaliation; continuous improvement and training.

Due diligence
Bystronic carefully examines suppliers' documentation, conducts audits and verifies supplier certifications. Relevant impacts, risks and opportunities are assessed on an ongoing basis, and measures are implemented. Bystronic recognized the need for a standardized risk management process in its supply chain. Consequently, in 2024 a Standard Operating Procedure (SOP) was established for conducting regular Human Rights Due Diligence (HRDD) risk analyses. This SOP, developed through workshops and industry experience, aims to provide guidance on steps, responsibilities, and internal controls for analyzing risks and addressing potential issues within the supplier base. Training workshops focused on HRDD legislation and implementation have been conducted. Furthermore, in 2023, an EiQ[1] analysis was conducted covering 2,000+ suppliers for risks associated with conflict minerals, child labor and forced labor. The risk management process will continue to be implemented in 2025 to improve effective risk mitigation.

Supplier Code of Conduct
In 2023/2024, Bystronic implemented a comprehensive Supplier Code of Conduct requiring suppliers to adhere to strict standards regarding labor rights, environmental protection, and the fight against corruption. These standards are regularly monitored and enforced through audits and assessments.

The Supplier Code of Conduct outlines the expectations and requirements for our suppliers and their partners, as well as third parties, conducting business with Bystronic as a minimum standard. Suppliers are expected to comply with international human rights standards, labor regulations, environmental responsibilities, and fair business practices. Bystronic welcomes it if suppliers and business partners go beyond the minimum standards.

EcoVadis platform
Bystronic increased the number of suppliers represented in the EcoVadis platform in 2024. This tool provides a comprehensive assessment of suppliers' environmental, social and ethical practices.

Reporting
Reporting with regard to the Ordinance on Due Diligence and Transparency with respect to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDoTr): Based on the detailed analysis conducted and the ordinance's criteria, in 2024, Bystronic concluded that the company is exempt from due diligence and reporting obligations with regard to both conflict minerals and child labor. Bystronic has done a risk assessment in human rights: The last audit that looked for child labor or risk materials in the supply chain did not find any issues. As Bystronic sources components from many countries around the world, the company is working to develop a robust risk management system and to improve remediation and prevention processes.

[1] The LRQA EiQ platform enables a tailored, risk-based program aligned with the supply chains of each individual business and a range of audit results.

RESPONSIBLE BUSINESS	2024	2023	2022	2021
Purchase share of suppliers in EcoVadis platform	20%	10%	5%	
EcoVadis OEM score (scale 1 to 100)	46	46	35	
Number of incidents reported to Bystronic's Business ethics hotline	4	4	-	
Number of corruption incidents	-	-	-	
Number of human right identified issues in supply chain	-	-		

About this report

This Sustainability Report has been prepared using GRI Standards and covers the period from January 1 to December 31, 2024. Since 2021, Bystronic has published a Sustainability Report on an annual basis. As of 2025, sustainability reporting will be integrated into the annual report as a non-financial section, and on the sustainability section of the Bystronic website. The calculation of Scope 1, 2, and 3 emissions for the entire company has been assured by Swiss Climate AG.

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Zurich, February 27, 2025

Dr. Heinz O. Baumgartner
Chairman of the Board of Directors

Dr. Roland Abt
Chairman of the Audit Committee

Annex

GRI-Index

GRI	Disclosure	Location
General disclosures		
GRI 2: General disclosures 2021	The organization and its reporting practices	
	2-1 Organizational details	in the Corporate Governance Report
	2-2 Entities included in the organization's sustainability reporting	Section 4.3 "Group companies" of the Financial Report
	2-3 Reporting period, frequency and contact point	"About this report"
	2-4 Restatements of information	"About this report"
	2-5 External assurance	"Assurance Statement 2024": https://sustainability.bystronic.com/en/downloads
Activities and workers		
GRI 2: General disclosures 2021	2-6 Activities, value chain, and other business relationships	Section 1.1 "Introduction"
	2-7 Employees	"ESG Data 2024 Report": https://sustainability.bystronic.com/en/downloads
	2-8 Workers who are not employees[1]	
Governance		
GRI 2: General disclosures 2021	2-9 Governance structure and composition	in the Corporate Governance Report
	2-10 Nomination and selection of the highest governance body	Section 3.1 "Members of the Board of Directors" of the Corporate Governance Report
	2-11 Chair of the highest governance body	Section 3.1 "Members of the Board of Directors" of the Corporate Governance Report
	2-12 Role of the highest governance body in overseeing the management of impacts	Section 1.3.2 "Sustainability governance"
	2-13 Delegation of responsibility for managing impacts	Section 1.3.2 "Sustainability governance"
	2-14 Role of the highest governance body in sustainability reporting	Section 1.3.2 "Sustainability governance"
	2-15 Conflicts of interest	"Code of Conduct": https://ir.bystronic.com/de/corporate-governance/business-ethics
	2-16 Communication of Critical Concerns[2]	
	2-17 Collective knowledge of the highest governance body	Section 1.3.2 "Sustainability governance"
	2-18 Evaluation of the performance of the highest governance body	in the Compensation Report
	2-19 Remuneration policies	in the Compensation Report
	2-20 Process to determine remuneration	in the Compensation Report
	2-21 Annual total compensation ratio	"ESG Data 2024 Report": https://sustainability.bystronic.com/en/downloads

[1] Bystronic does not have workers who are not employees.

[2] Information unavailable/incomplete: We are working on a closer alignment with GRI in the next reporting years.

GRI	Disclosure	Location
Strategy, policies and practices		
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	Section 1.3 "Sustainability strategy"
	2-23 Policy commitments	Section 1.1 "Introduction", Section 4.1 "Responsible corporate governance"
	2-24 Embedding policy commitments	Section 1.1 "Introduction", Section 4.1 "Responsible corporate governance"
	2-25 Processes to remediate negative impacts	Section 4.1 "Responsible corporate governance"
	2-26 Mechanisms for seeking advice and raising concerns	Section 4.1 "Responsible corporate governance"
	2-27 Compliance with laws and regulations	Section 4.1 "Responsible corporate governance"
	2-28 Membership associations	Section 1.3.1 "Double materiality"
Stakeholder engagement		
GRI 2: General disclosures 2021	2-29 Approach to stakeholder engagement	Section 1.3.1 "Double materiality"
	2-30 Collective bargaining agreements	"ESG Data 2024 Report": https://sustainability.bystronic.com/en/downloads
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Section 1.3.1 "Double materiality"
	3-2 List of material topics	Section 1.3.1 "Double materiality"
Energy & Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 2.1 "Sustainable solutions"
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Section 2.3 "Decarbonization"
	302-1 Renewable energy consumption within the organization	Section 2.3 "Decarbonization"
	302-3 Energy intensity	Section 2.3 "Decarbonization"
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Section 2.3 "Decarbonization"
	305-2 Energy indirect (Scope 2) GHG emissions	Section 2.3 "Decarbonization"
	305-3 Other indirect (Scope 3) GHG emissions	Section 2.3 "Decarbonization"
	305-4 GHG emissions intensity	Section 2.3 "Decarbonization"
Own disclosure	Total electricity consumption	Section 2.3 "Decarbonization"
Circular Economy & Resource Efficiency		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 301: Materials 2016	301-2 Recycled input materials used	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
	306-2 Management of significant waste-related impacts	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
	306-3 Waste generated[3]	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"
Own disclosure	Number of refurbished machines	Section 2.1 "Sustainable solutions", Section 2.4 "Resource efficiency and circularity"

[3] Information unavailable/incomplete: Our waste data management system is currently not fully aligned with the categorization proposed by GRI. We are working on a closer alignment with GRI in the next reporting years.

GRI	Disclosure	Location
Diversity & Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Section 3.2 "Employee initiatives"
Talent Attraction & Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Section 3.2 "Employee initiatives"
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	Section 3.2 "Employee initiatives"
Own disclosure	Employee NPS	"ESG Data 2024 Report": https://sustainability.bystronic.com/en/downloads
Own disclosure	Employee engagement score	"ESG Data 2024 Report": https://sustainability.bystronic.com/en/downloads
Occupational Health & Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 3.1 "Engaged employees"
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Section 3.2 "Employee initiatives"
	403-2 Hazard identification, risk assessment, and incident investigation	Section 3.2 "Employee initiatives"
	403-3 Occupational health services	Section 3.2 "Employee initiatives"
	403-4 Worker participation, consultation, and communication on occupational health and safety	Section 3.2 "Employee initiatives"
	403-5 Worker training on occupational health and safety	Section 3.2 "Employee initiatives"
	403-6 Promotion of worker health	Section 3.2 "Employee initiatives"
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section 3.2 "Employee initiatives"
	403-8 Workers covered by an occupational health and safety management system	Section 3.2 "Employee initiatives"
	403-9 Work-related injuries	Section 3.2 "Employee initiatives"
	403-10 Work-related ill health[4]	
GRI 416: Customer Health and Safety	416-2: Incidents concerning the health and safety impacts of products and services	Section 3.2 "Employee initiatives"

[4] Information unavailable /incomplete: We do currently not track work-related ill health but intend to improve our tracking system in the coming years.

OR 964

Disclosures in accordance with Art. 964 Swiss Code of Obligations	
Art. 964 CO requirement	**Location**
General Information	
	Section 1.1 "Introduction", Section 1.3 "Sustainability strategy", Section 1.3.1 "Double materiality"
Non-financial matters	
Environmental matters	Section 2.1 "Sustainable solutions", Section 2.3 "Decarbonization", Section 2.4 "Resource efficiency and circularity"
Social issues	Section 4.1 "Responsible corporate governance", Section 3.3 "Customer initiatives"
Employee-related issues	Section 3.2 "Employee initiatives"
Respect for human rights	Section 4.1 "Responsible corporate governance"
Combating corruption	Section 4.1 "Responsible corporate governance"