



SUSTAINABILITY REPORT 2023

CLOSING DATE 11-30-2023

EDITORIAL



Dear readers,

As a family-run business with a history that goes back over 135 years, BAUMANN Federn AG (hereinafter referred to as BAUMANN) is aware of the necessity for sustainable solutions. For companies which assume an important function in society, maintaining the balance between the three systems, economy, ecology and social affairs, in the long term is of central significance. Profits are only possible in the long term, for example, when social harmony is safeguarded

and the environment is sustainably protected. The BAUMANN mindset considers and understands economy, ecology and social affairs not, however, as contrary but as complementary systems. It is therefore less a question of how the greatest possible profit can be achieved with the least possible damage for man and the environment than rather, with which business model a positive effect can be achieved in all three systems.

In pursuit of this principle, the field of sustainability was incorporated as a central aspect into BAUMANN's corporate strategy in 2022. With this Sustainability Report, compiled in compliance with the internationally recognized Global Reporting Initiative (GRI) standard, we would like to inform you transparently about BAUMANN's sustainability goals and milestones.

As a sponsor to the strategic "Sustainable" initiative, it is my personal wish that BAUMANN will work proactively for a more sustainable economy with all the means available to them. I am delighted to welcome you aboard our sustainability voyage. I also look forward to receiving your remarks and suggestions regarding our activities. On that note, I hope you enjoy reading the report.

A handwritten signature in blue ink, appearing to read 'M. Würsten', written in a cursive style.

Matthias Ch. Würsten, Dr. oec. HSG

Head Strategy & Communication,
Lead Group Sustainability

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FOREWORD



Dear readers,

As CEO and representative of the fifth generation of BAUMANN, it is my great pleasure to present you BAUMANN's very first Sustainability Report. For more than 135 years, our springs, stampings and bent parts have been increasing the comfort, efficiency and safety of a considerable number of people. We are proud of our products because they keep the world in motion — and they do this without ever receiving appreciation. BAUMANN has a worldwide

reputation for extraordinary precision, long life and quality of its products. The main reason for this is that our success is not counted in months or years but in generations. However, our commitment goes way beyond the mere product quality. It embraces a much profounder vision of responsible control and ethical leadership. In today's rapidly developing environment, sustainability is no longer just an option; it is a strategic imperative. The global community is facing unprecedented challenges, from climate change and exhaustion of resources through to social inequality and economic instability. As a future-oriented enterprise, we are aware that our actions have far reaching effects and we see ourselves as a catalyst for positive changes.

Commitment to protecting the environment is the central point of our sustainability strategy. We are well aware of the radical effects that our activities can have on the planet — from the consumption of resources and energy and creation of waste through to the CO₂e emissions. We have therefore begun with the structural measurement of our ecological footprint and are defining and implementing measures to reduce it. Equally important is our commitment to social responsibility

and ethical conduct. It is our opinion that sustainable business practices must put the well-being of all those involved, including our staff, clients, suppliers and the communities in which we are active, first. From the promotion of a secure and integrative working environment to the furtherance of fair working practices and the protection of human rights, we strive to meet the highest standards of Corporate Citizenship.

As an integral part of the automotive, industrial and medical branch, we are conscious of the decisive role that we play in the promotion of innovations and technological solutions for coping with pressing social challenges. By declaring sustainability as our guiding principle, we not only protect our business from future risks but also grasp new opportunities for growth and distinction.

I am confident that our commitment to sustainability will bring us further forward on the next leg of our journey. We can create a better future for the generations to come by staying true to our values, pursuing innovations and promoting cooperation. Let us lead by example and inspire others to join us on this transformative road towards a more sustainable and better world.

Thank you for your continuing support and commitment to our common vision.

Thomas H. Rüegg
President of the Board and Chief Executive Officer

GLOBAL REPORTING INITIATIVE (GRI)

The Sustainability Report of BAUMANN Federn AG (hereinafter referred to as BAUMANN) comes out for the first time as a separate report in 2024 and will appear annually in future. It describes BAUMANN's goals and progress in the field of sustainability for the financial year 2023. Both the Sustainability Report (public) and the Business Report (non-public) cover the same reporting period (December 1, 2022 to November 30, 2023).

This Sustainability Report complies with the internationally recognized reporting standard of the Global Reporting Initiative (GRI). Unless stated otherwise, all the information in this report refers to the BAUMANN Group. It includes the consolidated information of the companies in the table on the right. BAUMANN Federn AG directly or indirectly holds all interests in the group companies.

CONSOLIDATION CIRCLE

Company		Headquarters
BAUMANN Federn AG*	BRU	CH-Eschenbach
Prodotti BAUMANN S.R.L.	BNA	I-Brescia
BAUMANN GmbH	BLI	D-Lichtenstein
BAUMANN Schlegel GmbH**	BSC	D-Lichtenstein
BAUMANN Muelles S.A.	BLE	E-Legutiano
BAUMANN Ressorts S.A.S.	BRF	F-Cranves Sales
BAUMANN Springs s.r.o.	BCZ	CZ-Karvina Nove Mesto
BAUMANN Springs USA. INC.	BST	USA-Grand Prairie
BAUMANN Springs León S. De R.L. De C.V.	BSL	MX-León
BAUMANN Spring Co. (S) Pte. Ltd.	BSI	SG-Singapore
BAUMANN Springs (Shanghai) Co. Ltd.	BCH	CN-Shanghai
BAUMANN Springs & Coating Pvt. Ltd.	BPU	IN-Pune

* BAUMANN Federn AG holds all interests in the group companies

** Interest held by BAUMANN GmbH

Since the report is appearing for this first time in this form, there are no new data to be reported in comparison with the previous year. This applies for all contents of the report. This Sustainability Report has been reviewed and approved by the management and the board of directors. No committee was appointed to examine the Sustainability Report. No external examination authority was consulted. Parts of the report have been compiled with the assistance of ChatGPT (OpenAI, V3.5, 2024). For better readability, the Sustainability Report uses the masculine form — female and other persons can be considered included.

SUSTAINABILITY GOALS

LONG-TERM AMBITION

We endeavor to become the global expert for sustainable and circular solutions. We strive to become Net Zero as a company.

GOAL 2026

Our goal by the end of 2026 is to belong to the leading companies in the spring industry in the field of sustainability.

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDG)

BAUMANN Springs Ltd. supports the Sustainable Development Goals (SDGs). We make a contribution to the goals of the SDGs in our material topics (see the figure on the right).

EXTERNAL SUSTAINABILITY RATING

Ecovadis (35/100 points, 2023)

BAUMANN SUSTAINABLE GOALS

SUSTAINABLE DEVELOPMENT GOALS

Contribution to Sustainable Development Goals

Material topics: Track record 2023

Climate Change

- Introduction of CO₂e footprint measurement
- Emissions Scope 1 and 2: -2.7 %



Affordable and clean energy



Climate action

Business Integrity

- Introduction of global SpeakUp! process



Peace, justice and strong institutions

Employee Well-Being & Development

- Preparation of the database



Decent work and economic growth



Reduce inequalities

Sustainable Innovation

- Preparations for renewing the innovation process



Industry, innovation and infrastructure



Responsible consumption and production

COMPANY PROFILE

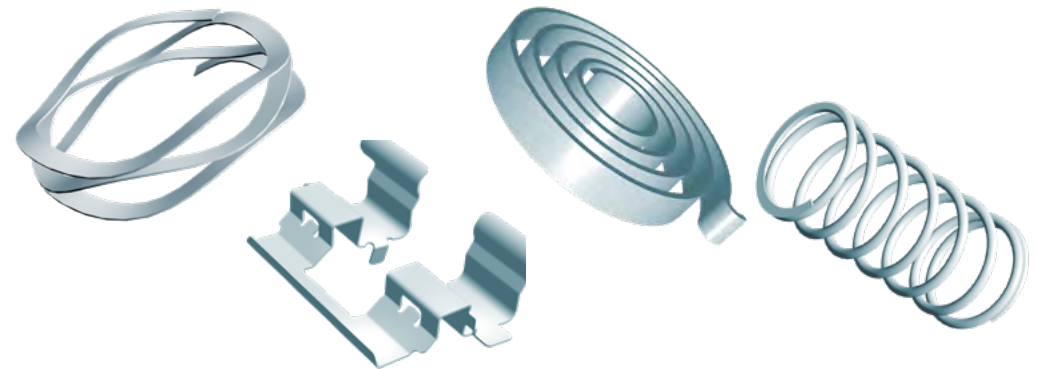
ORGANIZATION

BAUMANN is a family-run business rich in tradition with its headquarters in Ermenswil, Switzerland and a history that stretches back over 135 years. As of November 30, 2023 BAUMANN employed 1,452 people worldwide. Under 5th generation management, BAUMANN produces springs, stampings and bent parts for applications in the automotive, medical and industrial branches (NOGA classification: 259300) at a total of ten sites in nine countries (Switzerland, Germany, Italy, Spain, Czech Republic, China, Singapore, Mexico and the USA). Essentially, BAUMANN has specialized in the global, large-scale production of cold-formed spring and stamping solutions for demanding applications (safety-relevant, low tolerance ranges and/or inhospitable environments such as heat, corrosion).



BAUMANN is represented with production sites in nine countries.

The basic raw materials for the production of spring, stamping and bent parts solutions are different kinds (form, alloy, diameter, coating) of steel wire or steel strip. BAUMANN procures these from various global manufacturers of steel wire and strip. Handling of the different raw materials and production processes demands many years of experience which is guaranteed, on the one hand, by the two departments "Research & Development" and "Tooling & Equipment Technology (TET)" and, on the other hand, by the own engineering organization. This enables BAUMANN to develop optimized and customized production processes in cooperation with clients and to offer the client a wide range of spring and stamping solutions. BAUMANN can draw on an established network of external partners for the manufacture of special products (e.g., silver-plated parts).



Examples from the BAUMANN product portfolio: wave springs, stampings, spiral springs, compression springs.

In order to attend to clients individually in the different markets, BAUMANN is organized into two separate divisions (Division Automotive & Industrial, Division Medical). In many cases, BAUMANN supplies suppliers of OEMs (Original Equipment Manufacturers). In the automotive division, for example, BAUMANN produces long special compression springs for global clients which are an integral part of spindle drive solutions in the tailgate opening of vehicles. The Industrial sector supplies clients, among other things, with large contact elements which enable a stable and space-saving power transmission. In the Medical Division, BAUMANN especially supplies global clients with spring solutions that are used in medical devices for physicians and patients.



Examples of applications which BAUMANN serves with its products: Long compression springs in tailgate opening systems, spring solutions in medical applications, contact elements for electrical transmission in the industrial environment and automotive sector.

COMPANY MANAGEMENT

BAUMANN has been a family-run business under private ownership since its founding in 1886. As per November 30, 2023, BAUMANN has a total of 23 shareholders. The expectations and interests of the shareholders are recorded in a ownership strategy and serve the board of directors as a guideline for their actions. Clear goals in the areas of economy, ecology and social affairs are recorded in the ownership strategy (active since November 2023). The board of directors implements the ownership strategy within the scope of the legal and statutory conditions.

The shareholders appoint the board of directors as the supreme supervisory and advisory body of the limited company for a period of three years by means of a resolution at the general meeting. The board of directors suggests possible candidates for election to the shareholders. Central factors for the choice of possible candidates are management and industrial experience, independence, network and capacity for teamwork. The President of the Board is appointed by the same procedure by the shareholders at the general meeting. The board of directors' council determines the type and number of committees and their members. As per November 30, 2023, the board of directors of BAUMANN is made up of five persons. It has appointed two committees: "Nomination & Compensation Committee" and "Audit Committee". No formal process for a performance rating of the board of directors exists.

Thomas H. Rüegg holds the double function as Group CEO and President of the Board at BAUMANN. The advantages of the double function for the BAUMANN shareholders to whom Thomas H. Rüegg belongs are rated higher than the potential disadvantages resulting from this constellation. Risks arising from this double function are minimized by various mechanisms (external directors, Nomination & Compensation Committee, annual performance rating of the Group CEO, organization and expenses regulations).

The composition of the board of directors is shown below. No member of the board of directors belongs to an underrepresented social group. The President of the Board is responsible for identifying and assessing existing and potential conflicts of interest at regular intervals. As a family-run business, BAUMANN abstains from releasing the names of the individual members:

BAUMANN BOARD OF DIRECTORS AS PER NOVEMBER 30, 2023

Name and position	Director since	Commitments	Gender	Representative Stakeholder
Thomas H. Rüegg President of the Board (executive, not independent)	2011	Group CEO BAUMANN Other board of director mandates	male	Shareholder
Person II Vice President of the Board (non-executive, independent)	2010	Owner Manager Other board of director mandates	male	–
Person III Member of the Board (non-executive, not independent)	2017	Management position, large-scale enterprise	male	Shareholder
Person IV Member of the Board (non-executive, independent)	2019	Owner Manager Other board of director mandates	male	–
Person V Member of the Board (non-executive, independent)	2023	Professional director Other board of director mandates	male	–

The board of directors appoints the executive team who is responsible for operative management of the company. As per November 30, 2023, the executive team of BAUMANN is made up of four positions: Group CEO, Group CFO & CHRO, CEO Division Automotive & Industrial, CEO Division Medical.

As the supreme supervisory and advisory body, the board of directors has the inalienable and non-transferable responsibility for overall management of the company. In its role, the board of directors determines the strategic direction of BAUMANN. It commissions the Group Management with the development and implementation of the strategy. Sustainability has been anchored as an initiative in the BAUMANN strategy since 2022. Matthias Würsten, Head of Strategy & Communication, is responsible for the initiative as a sponsor at group level and supervises its practical implementation.

A report on the achievement of the initiative goals is submitted to Group Management at least every 3 months. In addition, both the short-term and mid-term goals of the initiative are submitted to the board of directors annually for examination. Furthermore, the board of directors will be informed at least every six months about the achievement of goals of all strategic initiatives, also including sustainability. They are supported here by information from an external sustainability rating. This takes the requirements of different stakeholders of BAUMANN into consideration and covers a number of sustainability aspects. The board of directors can therefore rely both on internal and external information for the effective performance of BAUMANN in the field of sustainability.

The BAUMANN board of directors is experienced in the handling of sustainability in the corporate environment. BAUMANN promotes interaction in the board of directors on new developments in the field of sustainability.

ETHICS AND INTEGRITY

BAUMANN commits itself to responsible business practices and acts in compliance with the corporate code of conduct as well as the applicable laws and regulations. Two instruments for maintaining ethical management and integrity are described below non-conclusively — the code of conduct and the Speak-Up! process.

CODE OF CONDUCT

As a leading international manufacturer of springs, stampings and bent parts, BAUMANN's behavior towards all its stakeholders is always in compliance with the highest ethical standards. All staff and suppliers undertake to strictly apply the respective applicable laws. In addition, they are required to observe the standards and rules specified in the BAUMANN code of conduct. The code of conduct forms the non-negotiable framework for cooperation with and dealings at BAUMANN. It is an integral part of the BAUMANN identity and is therefore incorporated into all company issues (e.g. strategy, goals, supplier audits).

The BAUMANN code of conduct covers a wide range of topics. The application of elementary human rights is non-negotiable for BAUMANN. These include, for example, the fight against discrimination (e.g. origin, gender, religion, sexual orientation), the guaranteeing of physical and mental integrity, the prohibition of child labor (ILO Convention 138) and the prohibition of corruption and bribery. Moreover, the code of conduct obliges one to protect the safety and health of the employees. It also draws reference to environmental protection. Finally, it instructs the suppliers to implement the aspects mentioned in the code of conduct in their companies and respective supply chains.

The code of conduct is accessible to the public on the BAUMANN website (baumann-group.com/en/downloads). In addition, all BAUMANN employees are trained in the contents of the code of conduct. No standardized process for transferring the contents from the code of conduct to the individual organizational units exists. Suppliers will receive it for examination and approval. The code of conduct was issued in December 2017 and passed by the President of the Board, Thomas H. Rüegg. It is planned to update the code of conduct in 2024 and to ensure its incorporation into the organization with training and workshops.

SPEAKUP! PROCESS — PROCESS FOR REPORTING CONCERNS

BAUMANN shall ensure that both external and internal stakeholders can report violations of the code of conduct or applicable legal norms or signal other ethical concerns. The Head of the Contract and Risk Management department carries the responsibility within the group for handling reports of critical concerns. He heads the Integrity Office which comprises the Group CEO, the Head Group HR and the Head Group Contract and Risk Management. As of 2024, the Integrity Office will submit an anonymized report of the number, type and status of the reported cases to the board of directors and the shareholders.

It is part of the BAUMANN culture that cases of discrimination, violations of the code of conduct or other staff-related topics can be discussed transparently and openly. BAUMANN is, however, aware that it is not always possible or appropriate to address problems directly. BAUMANN has, therefore, operated the SpeakUp! process since the fall of 2023. This ensures that violations of the code of conduct and applicable legal norms or ethical concerns can be reported through various channels (e.g., anonymously or via the SpeakUp! hotline).

The Integrity Office, which analyzes and assesses all reports, is governed by the principles of impartiality, the presumption of innocence and confidentiality. All employees are familiar with the SpeakUp! process from their obligatory participation in the digital training on the topic. Apart from the SpeakUp! process, no standardized, separate process for handling complaints and eliminating negative effects exists.

When a report is received, the Integrity Office determines the suitable procedure and appoints the responsible investigator. The Integrity Office shall determine suitable measures (e.g., disciplinary measures or mediation) based on the results of the formal investigation procedure. In addition, it will issue information in good time about the status of the complaint, insofar as this is not restricted or prohibited by confidentiality, protection of privacy or by the legal rights of the parties involved. The rights of the persons who are accused or otherwise involved in a case must be strictly protected. Information is therefore shared only with persons who absolutely need to know.

The table on the right shows an overview of the reported cases since the implementation of the SpeakUp! process (August 1 to November 30, 2023). Due to the short time since implementation of the process, no report was compiled for the board of directors and shareholders for 2023.

SPEAKUP! PROCESS

REPORTS IN THE PERIOD FROM 08-01-2023 TO 11-30-2023

#	Type	Status as per 11-30-2023
1	Abuse of power	completed
2	Unfair treatment	in progress
3	Work conditions	in progress

SpeakUp! reporting platform:



baumann.speakup.report/en-GB/baumann/home

STAKEHOLDERS

IDENTIFICATION AND INCORPORATION OF STAKEHOLDERS

In the annual Context and Risk Management process, BAUMANN elicits the relevant stakeholders and their general expectations of BAUMANN in an interdisciplinary team. In addition to those identified, other stakeholders may also have expectations of BAUMANN. The following stakeholders were identified at group level:

BAUMANN STAKEHOLDERS (IN ALPHABETICAL ORDER)

Authorities and legislators

Banks

Customers

Employees

Non-government organizations

Public & media

Shareholders

Suppliers

Unions

Incorporation takes place in different forms (e.g., participation, consultation, information) and cycles (annual, every six months, continuous) depending on the stakeholder. The incorporation of stakeholders serves at least two purposes on the whole. On the one hand, the legal rights of stakeholders can be satisfied (e.g., the shareholders' right to vote at the general meeting). On the other hand, it enables existing and potential effects of the business activities of BAUMANN to be identified and measures for the prevention or reduction of negative effects to be defined.¹

BAUMANN generally takes the interests of all stakeholders seriously and attempts to involve these by an integrative, respectful approach. Various communication channels are available to BAUMANN for this purpose which accommodate the different cultural backgrounds and languages of the stakeholders. Whenever possible, BAUMANN strives towards a collaborative cooperation and respectful intercourse with its stakeholders.

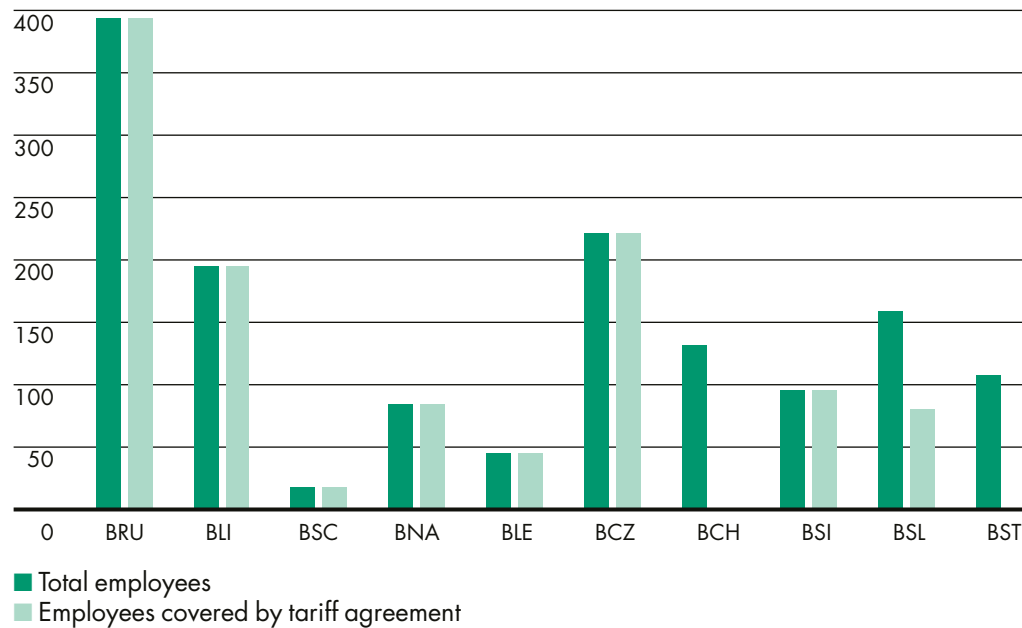
COLLECTIVE LABOR AGREEMENT/TARIFF AGREEMENTS

As of November 30, 2023, 1,452 people were employed by BAUMANN of whom 78 % were covered by a tariff agreement. The factories in China and the USA have no tariff agreements. About 50 % of the employees at the site in Mexico are covered by a tariff agreement.

¹ See also further instructions for GRI 2-29a/ii

OVERVIEW OF TARIFF AGREEMENTS

NUMBER OF EMPLOYEES PER FACTORY



MEMBERSHIP IN ASSOCIATIONS AND INTEREST GROUPS

BAUMANN participates in various industrial associations and special interest groups which support the implementation of the corporate strategy. The following table (in alphabetical order) is a representative selection of these memberships.

Organizations	Type
ANCCEM Associazione Mollifici Italiani / IT	Industrial representation/collaboration
ASEMU Asociación Española Muelles y Flejes / ES	Industrial collaboration
AVZO Arbeitgeberverband Zürcher Oberland / CH	Employer's representation
CANACINTRA National Camera of Transformation Industry / MX	Industrial representation/collaboration
Confindustria / IT	Employer's representation
Ecovadis SAS / FR	Independent third party assessment
Electrical Equipment Industry Association / CN	Industrial representation/collaboration
ESF European Spring Federation / EU	Industrial representation/collaboration
Fundación San Prudencio / ES	Industrial collaboration
High-voltage Switch Branch of China / CN	Industrial representation/collaboration
IG Metall Verein / DE	Industrial Trade Union
IST The Institute of Spring Technology / UK	Industrial representation/collaboration
Shanghai Automotive Parts Industry Association / CN	Industrial representation/collaboration
Shanghai Jiading Fire-fighting Association / CN	Industrial representation/collaboration
Stiftung Familienunternehmen / DE	Industrial representation/collaboration
Stiftung zur Förderung von Technologiemanagement, Technologiepolitik und Technologietransfer, Universität St. Gallen / CH	Industrial representation/collaboration
Swissmem Verband für Firmen der Schweizer MEM-Industrie / CH	Industrial representation/collaboration
VDFI Verband der Deutschen Federnindustrie / DE	Industrial representation/collaboration

SUSTAINABILITY STRATEGY

The area of sustainability is an integral part of BAUMANN's strategic five-year plan (2022–2026) and is led as a strategic initiative by the Head of Strategy & Communications, Matthias Würsten. The initiative is promoted by an interdisciplinary management committee made up of different technical departments, called the Sustainability Council. The table below shows the composition of the Sustainability Council.

Name	Function
Matthias Würsten*	Head of Strategy & Communications Lead Group Sustainability
Samuel Küng	Head of Group Controlling
Raluca Voicu	Global Head of Business Development & Transformation Division Automotive & Industrial
David Pircher	Head of Business Development Division Medical
Karolína Aniolová	Global HR Specialist & HR Project Manager
Marco Mantovani	Head of Group Contract & Risk Management

*Sponsor Sustainability Initiative

The Sustainability Council meets every six weeks. The meetings serve for internal reporting, technical exchange and definition of the next steps. Goal achievement of the initiative is presented to the management at quarterly intervals.

GOALS OF THE INITIATIVE BY 2026

BAUMANN's long-term goal in the field of sustainability is to become the global expert for sustainable and circular solutions. As an intermediate step and concrete aim by the end of 2026, the end of the strategic period, BAUMANN has set the goal of becoming one of the leading companies in the spring industry in the field of sustainability. Two indicators will be applied to achieve this goal: The performance assessment in the external sustainability rating Ecovadis and the CO₂e emissions in the Scopes 1 and 2. The aim as far as the external sustainability rating Ecovadis is concerned is to improve our own performance by 2026 by 40 % (actual state 2023 = 35 points; target state 2026 = 50 points). In a direct industrial comparison, the sustainability performance of BAUMANN would therefore be above the industrial average (industrial average 2023 = 44 points). In the area of CO₂e emissions, BAUMANN has set the goal of reducing these in the Scopes 1 and 2 for all factories by 2026 (reference year: 2022) by 10 % relative to the weight of the produced articles. In order to achieve the goals of the initiative by 2026, the material topics in the field of sustainability have been identified and goals per subject area defined. The process for determining the material topics and their control is described below.

DETERMINATION OF MATERIAL TOPICS

BAUMANN conducted a comprehensive materiality assessment in the spring of 2022. In an materiality assessment, potential environment, social and corporate governance topics which could affect the company and its stakeholders are identified and evaluated. The elicited material topics form the nucleus of BAUMANN's sustainability strategy.

The materiality assessment followed a structured process. An interdisciplinary team consisting of five persons from the Sustainability Council compiled a detailed list with 41 topics which are relevant for BAUMANN and its stakeholders in the current business model and along the supply chain (ecological, economic, social). In the next step, the team members assessed the material topics according to the following criteria: “Importance for the BAUMANN stakeholders”, “Effect on BAUMANN’s supply chain”, “Strategic importance for the BAUMANN business model”. The list was reduced to 14 topics based on the team evaluation and by aggregation of related or similar topics. With the aim of improving understanding of the subject areas, the team compiled a list of possible indicators to measure the performance (KPI) per subject area. From the intensive discussion in the team with regard to the indicators, the list could be reduced to now only 11 material topics.

Then, a questionnaire was conducted with selected stakeholders of BAUMANN. A total of 68 persons participated in the questionnaire – 28 suppliers, 15 clients, 25 employees. In the questionnaire, the participants were asked to name the most important sustainability topics in their opinion, to rate the 11 material topics according to order of importance and to suggest other material topics for BAUMANN which are of central importance to them as stakeholders and in view of BAUMANN.

The evaluation of the questionnaire results showed that four subject areas (see the table below) are essential for BAUMANN and thus represent the nucleus of BAUMANN’s sustainability strategy. The material topics and the implemented GRI topic standards are described in detail below.

MATERIAL TOPICS

Climate Change	Business Integrity*	Employee Well-Being & Development	Sustainable Innovation*
			
GRI 302: Energy 2016 GRI 305: Emissions 2016		GRI 401: Employment 2016 GRI 405: Diversity and Equal Opportunities	

CLIMATE CHANGE

The subject area “Climate Change” includes all environment and climate effects caused by the business activities of BAUMANN. This perspective encompasses both the economic activities of BAUMANN and those of the upstream and downstream supply chains. The resulting wide spectrum of subject areas (e.g., materials, energy, water, biodiversity, chemicals, waste) demands additional focusing. Without disregarding other environment and climate effects, BAUMANN will be concentrating especially on the reduction of the CO₂e emissions until 2026. Hereby, BAUMANN follows the internationally recognized CO₂e balancing standard, the “GHG Protocol”. CO₂e emissions from their own as well as in upstream and downstream supply chains (Scope 1, 2, 3) are considered.

The effects of the CO₂e emissions caused by BAUMANN are explained below. In addition, the defined task and corresponding measures for reducing the negative effects are also described. Finally, the achieved successes are described.

EFFECTS

As a manufacturer of springs, stampings and bent parts solutions, BAUMANN is part of a global system of numerous supply and value chains that are required to produce a product for the end customer. CO₂e emissions can occur at various points along these supply chains. The applied processes from the raw material processing to the manufacture of steel wire, for example, are immensely energy-intensive. The iron and steel industry alone is estimated to be responsible for about 7 to 10 % of the worldwide CO₂e emissions. The manufacturing methods and processes in the BAUMANN supply chain also cause CO₂e emissions. The high electricity consumption (e.g., operation of production machines) and gas consumption (e.g., operation of furnaces), especially, are major causers of CO₂e emissions of BAUMANN in Scope 1 and 2. Finally, CO₂e emissions are caused in downstream supply chains (e.g., processing and assembly as an end product) and by the end customers in the utilization phase of the product (e.g., using an automobile).

As part of this system of numerous supply and value chains, BAUMANN has set the goal of sustainably reducing the CO₂e emissions caused by BAUMANN’s business activities. In this way, BAUMANN wants to contribute to limiting global warming due to greenhouse gases. The aim of reducing the CO₂e emissions is to limit the negative effects on nature (e.g., loss of biodiversity), man (e.g., periods of heat and drought, floods) and economy (e.g., interruption of global supply chains).

TASK

BAUMANN's long term goal in the field of Climate Change is to become a net zero company. BAUMANN has set the goal of significantly reducing the negative environment and climate effects caused by BAUMANN's business activities. Achievement of the goals is measured by two key performance indicators:

1. Increasing the percentage of green electricity from 20 % (2022) to 40 % (2026)
2. Relative reduction of the consumption of natural gas by 20 % (2030) in relation to 2022

The two indicators were chosen because they represent a prime motor of BAUMANN's CO₂e footprint (electricity and natural gas consumption). Together with other actions on a local level, aiming at a reduction of the emissions, BAUMANN wants to reduce 10 % of the emissions in Scope 1 and 2 (relative to the weight of produced articles) by 2026.

MEASURES

Methods for the structured measurement of the emissions are necessary to be able to define effective measures to reduce the CO₂e footprint. For this reason, the focus in the financial year 2023 was placed on the development of methods and the implementation of the software for measuring the CO₂e footprint per plant. BAUMANN conducts the measurement of the CO₂e emissions in accordance with the global standard of the GHG protocol. The performance indicators defined in the "Task" section on the left are based on the analysis of the CO₂e emissions which were measured for all factories for the first time in 2023.

For the financial years 2021, 2022 and 2023, the emissions in Scope 1, Scope 2 and for two categories in Scope 3 (category 3: Energy and fuel-related activities; category 6: Business Trips) were determined for the first time (see table "Overview of the current availability of the CO₂e emissions data" on page 18).

OVERVIEW OF THE CURRENT AVAILABILITY OF THE CO₂E EMISSIONS DATA

Area	Available data
SCOPE 1 (excl. ODS, NO _x , SO _x , POP, VOC, HAP, PM)	Yes
SCOPE 2	Yes
SCOPE 3 Upstream categories	
Purchased goods and services	No
Capital goods	No
Energy and fuel-related activities	Yes
Upstream transport and distribution	No
Waste	No
Business trips	Yes
Commuting	No
Hired or leased tangible assets	No
SCOPE 3 Downstream categories	
Downstream transport and distribution	No
Processing of sold products	No
Use/utilization of sold products	No
End-of-life treatment of sold products	No
Hire or leased tangible assets	No
Franchise	No
Investments	No

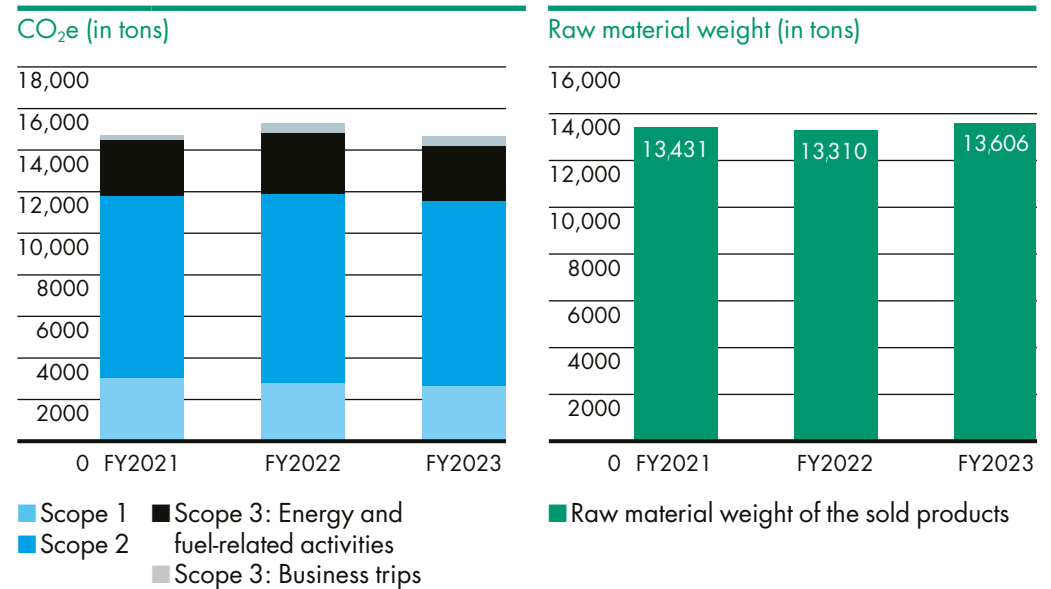
Various measures were defined for 2024 to increase the percentage of green electricity and reduce the consumption of natural gas. It is also planned to introduce the measurement of other categories in Scope 3 and the measurement of emissions per product during the financial year 2024.

Reporting to management on the goal achievement of the measures in 2024 will take place at least every 3 months. The CO₂e emissions per plant will be calculated and thus the effectiveness of the measures determined annually.

PERFORMANCE

In the financial year 2023, efforts were concentrated on the introduction of the process for measuring the CO₂e emissions for all factories. Following a pilot and training phase in the months between June and August, the process for calculating the CO₂e footprint was rolled out in all factories. All factories submitted their data for the financial years 2021, 2022 and 2023 by January 31, 2024. The graphic below shows the development of the absolute CO₂e emissions from 2021 to 2023 for the BAUMANN Group.

BAUMANN GROUP: DEVELOPMENT OF CO₂E EMISSIONS PER FINANCIAL YEAR (FY 2021–2023)



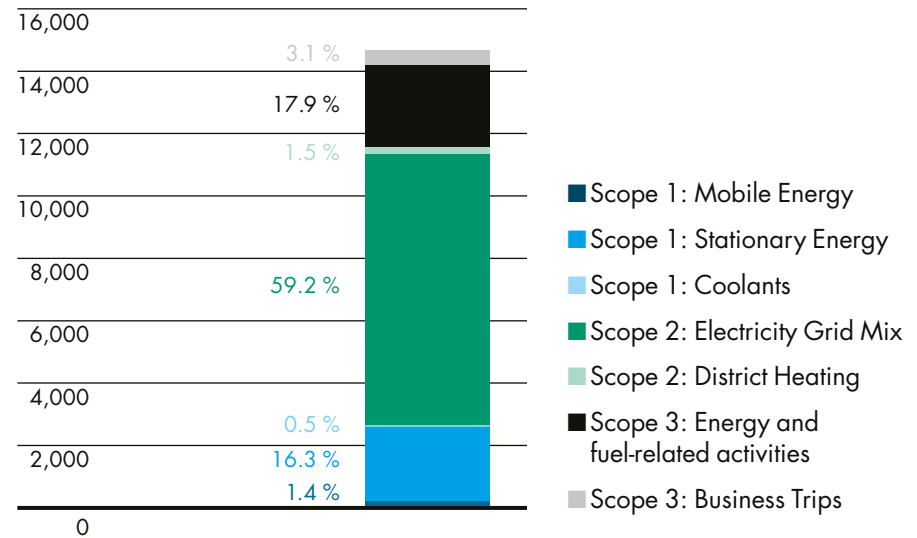
The data show that the absolute CO₂e footprint of the BAUMANN Group in the financial year 2022 increased in comparison with the previous year. This can be explained by the fact that the financial year 2021 was influenced by global measures for containment of the COVID19 pandemic. This situation resulted in a lower energy consumption and fewer business trips for BAUMANN. In the financial year 2022, after lifting of the COVID19 restrictions, business activities returned to normal and with them also the CO₂e emissions.

In the financial year 2023, the measured CO₂e emissions dropped by 4.2 % in comparison with the previous year. This reduction is due particularly to the drop in BAUMANN's electricity consumption of around 4 % in comparison with the previous year. At the same time, the percentage of green electricity at the Swiss site was increased by approximately 20 % in 2023. In addition, the natural gas consumption (especially for heat treatment and heating of the buildings) in the BAUMANN Group was reduced by 2.5 %.

On the whole, the CO₂e emissions in Scope 1 and 2 at BAUMANN are driven by the electricity consumption and mix as well as the stationary energy sector (especially natural gas, heating oil, diesel). The figure below shows the individual emission drivers per measured scope. Whilst the "Mobile Energy" section covers the fuel consumption of the company vehicle fleet, the "Stationary Energy" section contains the consumption of energy carriers at the workplaces (especially heating oil, natural gas, diesel, propane). The "Electricity Grid Mix" system includes all CO₂e emissions that are required for producing the electricity. In order to reduce emissions in this area, various possibilities are viable which need to be examined in the financial year 2024: Reduction of the electricity consumption, increase in the percentage of green electricity sources in the purchased electricity mix, production of green energy, e.g., by photovoltaic systems on the company roof. The "Energy and fuel-related activities" section covers the

CO₂e emissions which can occur in upstream value chains or due to network loss of energy and fuels (e.g. losses in the transfer of electricity, crude oil production). Such emissions can be effectively reduced with the reduction of fuels or the consumption of electricity. Finally, the "Business Trips" section covers especially emissions from business flights, hired automobiles and journeys by train.

CO₂E EMISSIONS IN FY 2023
IN TONS



BUSINESS INTEGRITY

The subject area “Business Integrity” encompasses all aspects which could potentially affect the integrity of BAUMANN. This perspective especially includes the immediate sphere of influence of the organization. Compliance with the regional, national and global regulatory specifications goes without saying for BAUMANN and is non-negotiable. Furthermore, BAUMANN is committed actively and unmistakably to the observance of basic human rights along the supply chain concerned. BAUMANN particularly represents the position of zero tolerance towards child labor, corruption and bribery. Finally, BAUMANN looks after the health and safety of its staff and minimizes possible stresses for man and the environment resulting from BAUMANN’s commercial activities. Below, it is explained what effects the adherence to ethical standards have on stakeholders. The defined task and corresponding measures are also described.

EFFECTS

BAUMANN is a globally active manufacturing company which connects numerous people, whether employees, business partners or other stakeholders, from many different regions and cultures with each other. BAUMANN acknowledges and accepts differences in the moral values, cultural conventions and ethical standards. The company’s own code of conduct serves as a recipe for successful cooperation at BAUMANN. This forms the mandatory framework for mutual interaction and cooperation. Violations of this BAUMANN code of conduct can have serious effects for man and the environment. To name just one example: The BAUMANN code of conduct regulates the handling of dangerous chemicals to minimize possible hazards to the health of the staff and for the surrounding countryside. BAUMANN expects strict compliance with the code of conduct from its staff and its immediate business partners.

TASK

BAUMANN commits itself to responsible business practices and acts in compliance with the corporate code of conduct as well as the applicable laws and regulations. The long-term aim of BAUMANN in the area of “Business Integrity” is, as a Swiss family-run business, to advocate responsible economic management and satisfy the highest business-ethical demands. Achievement of the goals is measured by three key performance indicators:

1. No violations of antitrust law in the direct context
2. No violations in the area of bribery in the direct context
3. Level of employee satisfaction with regard to the integrity of BAUMANN greater than 80 %

MEASURES AND PERFORMANCE

The SpeakUp! process (see the section “Ethics and Integrity”, page 10) for the BAUMANN Group was introduced in the financial year 2023. This allows violations of the code of conduct and applicable legal norms or ethical concerns to be reported through various channels (e.g., anonymously or via the Speak-Up! hotline). The table on page 11 shows an overview of the reported cases since the implementation of the process. Due to the short time since implementation of the process, no report was compiled for the board of directors and shareholders for 2023.

For the financial year 2024 it is planned to create an even greater awareness for the SpeakUp! process among the staff and business partners at BAUMANN. There are also plans to check and revise the existing code of conduct.

EMPLOYEE WELL-BEING & DEVELOPMENT

The subject area of “Employee Well-Being & Development” covers all aspects which influence the well-being of the employees as well as their personal and professional development. This perspective particularly but not ultimately includes important aspects such as safety and health at the workplace, basic and further training possibilities, diversity and equal opportunities or a discrimination-free working environment. Because this is such a broad subject area, the relevant data on the employees and their diversity were collected in an initial step. For the coming year it is planned to develop a global strategy for the long-term improvement of the well-being of the employees.

Below, it is explained how BAUMANN influences the well-being of employees and their personal and professional development. The defined task and corresponding measures are also described.

EFFECTS

As an employer, BAUMANN has a central responsibility towards its employees who put their time and skills and their families at the company’s disposal. In addition to wages in conformity with the market and fair working conditions, the physical and mental integrity of the employees, for example, is within BAUMANN’s area of responsibility. In addition, a working environment, especially, in which one is able to fully exploit one’s own performance potential can contribute to the well-being of employees. This includes, for example, comfortable facilities (e.g., light conditions, climatic conditions), the corporate culture (e.g.; culture of dialog, flat hierarchies) or equipment and aids (e.g., safety shoes and glasses in production). Lastly, basic and further training opportunities contribute to the well-being of an employee. Overall, therefore, BAUMANN as an employer has an influence on the well-being of its employees in difference places and indirectly on their families and friends.

TASK

The BAUMANN employees are the bedrock of long-term company success. They form the core of the strategic five-year plan which aims at achieving success through competent employees in the appropriate positions. In addition to gender-independent salaries for the employees in conformity with the market, BAUMANN aspires to a performance-oriented working environment and culture which is supported by an appropriate working environment as well as basic and further training opportunities. Achievement of the goals is measured by three key performance indicators:

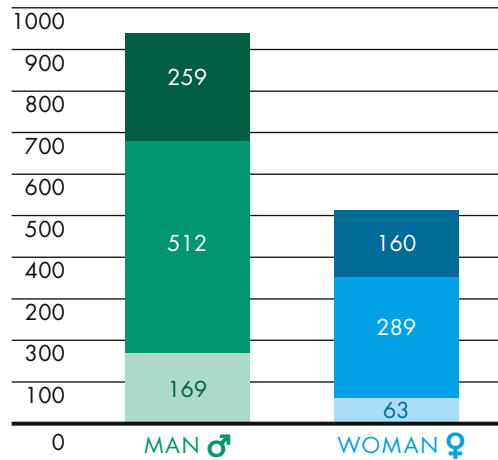
1. 100 % of the employees know and implement the contents of the code of conduct
2. Qualitative estimation of the achievement of trouble-free, global HR processes
3. Expansion of the internal, digital course offer for further training purposes

MEASURES & PERFORMANCE

In the financial year 2023, the relevant data were gathered to create transparency with regard to the composition, fluctuation and payment of the staff. The complete data list can be found in the "Performance Tables" section (pages 25–33). The figures below show the composition of the staff according to gender and age group as well as the number of persons per work time type.

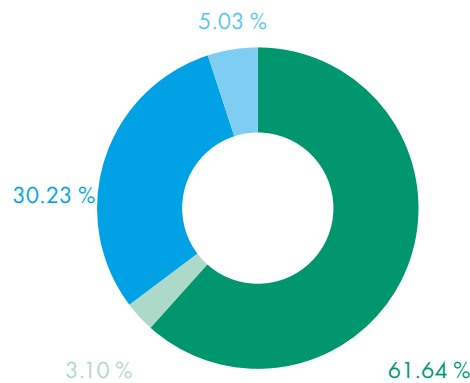
NUMBER OF EMPLOYEES

per age group FY23



- under 31 years
- 31–50 years
- over 50 years

per work time type and gender



- ♂ Full time
- ♂ Part time
- ♀ Full time
- ♀ Part time

The staff composition shows that about one third of the personnel are female. They are underrepresented especially in management functions (Board of Directors, Group Management and Group Leaders). Of the 1,452 employees at BAUMANN, about 92 % work full time.

The planned measures for 2024 focus on the development of a global strategy for the long-term improvement of the well-being of the employees. In addition, BAUMANN aims to extend the company-internal offer of subject-specific courses and thus make the start at BAUMANN for new employees easier and provide further internal training opportunities for existing employees. All these measures will enable BAUMANN to also report according to GRI 404 (basic and further training) in addition to the reported subject standards (GRI 2–7, GRI 401, GRI 405).

SUSTAINABLE INNOVATION

The subject area “Sustainable Innovation” covers innovation projects of BAUMANN which pursue an additional sustainability purpose in addition to their business-related value. This perspective encompasses innovation projects in the areas of environment, social and corporate governance. BAUMANN employees should be given the chance to present, develop and finalize their ideas on the subject of sustainability. The “Sustainable Innovation” subject area therefore provides a platform for living sustainability.

TASK

In the field of “Sustainable Innovation” BAUMANN strives to achieve positive effects on the environment, man and the economy by sustainable innovations. BAUMANN hopes to have achieved an effective and efficient “ecosystem” for sustainable innovations by the end of the strategic period (2026). This includes the building up of an cross-organizational innovation process which considers and promotes sustainability aspects.

Achievement of the goals is measured by one key performance indicator:

At least one sustainability innovation started

Further indicators will be developed during the financial year 2024 which will allow additional statements on the efficiency or effectiveness of the innovation process to be made.

MEASURES & PERFORMANCE

No actions were started yet in the financial year 2023 and therefore no performances achieved. For the financial year 2024 it is planned to renew the innovation process at the Swiss site to the effect that sustainability aspects are taken into adequate consideration in the process. It is also planned to examine possibilities in the field of biodegradable packing solutions. Further measures for 2024 are the conducting of a detailed analysis of the life cycle of BAUMANN products as well as the conducting of an analysis of the global market for green steel.

PERFORMANCE TABLES

ENVIRONMENTAL REPORTING SCOPE

The scope of the illustrated environmental data covers the whole BAUMANN Group with all its sites and applies the Operational Control Approach. The legal units in France (BRF) and India (BPU) which do not represent production sites and employ no staff were consciously excluded from the area of application. The data were collected and the emissions calculated by the software solution from Sphera Solutions Inc., USA. Wherever possible, the environmental data were adapted to BAUMANN's financial year (December to November).

EMISSION FACTORS AND GLOBAL WARMING POTENTIALS

The Emission Factors and Global Warming Potentials correspond to the Library "Defra v12 (09/2023)".

PERFORMANCE TABLES ENVIRONMENT

DIRECT & INDIRECT EMISSIONS (TONNES CO₂E) GRI 305-1; 305-2

	FY21	FY22	FY23
Scope 1: Direct Emissions	3,036	2,779	2,674
Scope 2: Indirect Emissions (Location-Based)	8,762	9,127	8,908
Total Scope 1 & 2 Emissions (Location-Based)	11,798	11,906	11,582
CO ₂ e Emissions from biogenic sources	not available	not available	not available

OTHER INDIRECT EMISSIONS (TONNES CO₂E) GRI 305-3

	FY21	FY22	FY23
Upstream categories			
Purchased goods and services	not available	not available	not available
Capital goods	not available	not available	not available
Fuel- and energy-related activities	2,710	2,936	2,624
Upstream transportation and distribution	not available	not available	not available
Waste generated in operations	not available	not available	not available
Business travel	208	459	454
Employee commuting	not available	not available	not available
Upstream leased assets	not available	not available	not available
Downstream categories			
Downstream transportation and distribution	not available	not available	not available
Processing of sold products	not available	not available	not available
Use of sold products	not available	not available	not available
End-of-life treatment of sold products	not available	not available	not available
Downstream leased assets	not available	not available	not available
Franchises	not available	not available	not available
Investments	not available	not available	not available
Total Scope 3 Emissions	2,918	3,396	3,078

GHG EMISSION INTENSITY (TONNES CO₂E-EMISSIONS / TONNES RAW MATERIAL WEIGHT OF SOLD GOODS) GRI 305-4

	FY21	FY22	FY23
Raw material weight of sold goods (tonnes)	13,431	13,310	13,606
Scope 1: Direct Emissions	0.23	0.21	0.20
Scope 2: Indirect Emissions (Location-Based)	0.65	0.69	0.65
Total Scope 1&2 Emissions (Location-Based)	0.88	0.89	0.85

OTHER GRI 305-6; GRI 305-7

Other	not available	not available	not available
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ENERGY (GJ) GRI 302-1

	FY21	FY22	FY23
Total Direct Energy	46,826	45,518	44,924
Gasoline/Petrol	933	905	993
Natural Gas	43,588	39,512	38,521
Diesel	1,566	2,004	2,397
Fuel Oil	0	2,538	2,342
Propane	70	56	79
Kerosene	30	24	30
Liquid Petroleum Gas (LPG)	468	267	142
Wood or wood waste	172	213	421
Self generated electricity (wind or solar)	0	0	0
Total Indirect Energy Purchased	112,458	116,868	111,925
Electricity (grid mix)	108,586	111,868	101,338
Green electricity (certified)	0	0	5,868
District heating	3,872	5,000	4,717
Electric Vehicles (charged outside company property)	0	0	2
Total Energy Sold	1,072	981	821
Energy Sold	1,072	981	821
Total Energy	158,212	161,406	156,029

**ENERGY INTENSITY (ENERGY IN GJ /
TONNES RAW MATERIAL WEIGHT OF SOLD GOODS) GRI 302-3**

	FY21	FY22	FY23
Raw material weight of sold goods (tonnes)	13,431	13,310	13,606
Total Direct Energy (GJ) / Raw material weight of sold goods (tonnes)	3.49	3.42	3.30
Total Indirect Energy (GJ) / Raw material weight of sold goods (tonnes)	8.37	8.78	8.23

PERFORMANCE TABLES HR

WORKFORCE TRENDS GRI2-7

	FY21	%	FY22	%	FY23	%
Total workforce at the end of reporting period						
men	943	66.32	952	64.98	940	64.74
Total workforce at the end of reporting period						
women	479	33.68	513	35.02	512	35.26
Total	1422		1465		1452	

WORKFORCE TRENDS (FTE) GRI2-7

	FY21	%	FY22	%	FY23	%
FTE workforce						
men	915.77	68.29	922.77	66.53	916.33	66.41
FTE workforce						
women	425.3	31.71	464.33	33.47	463.57	33.59
Total	1341.07		1387.10		1379.90	

WORKFORCE BY PLANT AND GENDER FY23 GRI2-7

	Man	%	Women	%	Total by plant
BRU	299	75.89	95	24.11	394
BLI	154	78.97	41	21.03	195
BSC	9	50.00	9	50.00	18
BNA	64	76.19	20	23.81	84
BLE	35	77.78	10	22.22	45
BCZ	92	41.63	129	58.37	221
BCH	86	65.15	46	34.85	132
BSI	70	72.92	26	27.08	96
BSL	73	45.91	86	54.09	159
BST	58	53.70	50	46.30	108
Total	940	64.74	512	35.26	1452

EMPLOYEES BY AGE GROUP FY23 GRI2-7

	Man	%	Women	% by age category	Total
below 31 y	169	72.84	63	27.16	232
31–50 y	512	63.92	289	36.08	801
above 50 y	259	61.81	160	38.19	419

WORKFORCE BY EMPLOYEE CATEGORY AND GENDER

GRI405-1B

	below 31 y	%	31-50 y	%	above 50 y	%
Group Management	0	0.00	3	75.00	1	25.00
Group Leader	0	0.00	19	67.86	9	32.14
White Collar	64	13.70	296	63.38	107	22.91
Blue Collar	168	17.63	483	50.68	302	31.69

WORKFORCE BY EMPLOYEE CATEGORY AND GENDER FY23

GRI405-1B

	Men	%	Women	%
Group Management	4	100.00	0	0.00
Group Leader	24	85.71	4	14.29
White Collar	300	64.24	167	35.76
Blue Collar	612	64.22	341	35.78
Total	940	64.74	512	35.26

WORKFORCE BY TYPE OF WEEKLY WORKING TIME AND GENDER

GRI405-1B, GRI2-7

	FY23	%
Number of men full-time	895	61.64
Number of men part-time	45	3.10
Number of women full-time	439	30.23
Number of women part-time	73	5.03

COLLECTIVE BARGAINING FIGURES FY23

GRI2-30

	Total FTE	FTE covered by collective agreement	% covered by collective agreement
BRU	394	394	100.00
BLI	195	195	100.00
BSC	18	18	100.00
BNA	84	84	100.00
BLE	45	45	100.00
BCZ	221	221	100.00
BCH	132	0	0.00
BSI	96	96	100.00
BSL	159	80	50.31
BST	108	0	0.00
Total	1452	1133	85.83

Comment required for disclosure 2-30b

BCH: BCH: There is no union organization for the plant.

BST: There is no union organization for the plant.

BSL: 80 of 159 FTEs are covered by a collective agreement. Employees who are covered by the collective agreement receive salary increases as agreed in the agreement. For employees who are not covered by the collective agreement, the salary increases stipulated in the collective agreement can be used as a benchmark to implement the salary increases for these employees.

NEW EMPLOYEE HIRES FY23 — MEN

GRI401-1

	below 31 y	%	31–50 y	%	above 50 y	%
BRU	13	36.11	19	52.78	4	11.11
BLI	0	0.00	0	0.00	0	0.00
BSC	0	0.00	0	0.00	0	0.00
BNA	6	37.50	6	37.50	4	25.00
BLE	0	0.00	0	0.00	0	0.00
BCZ	15	40.54	20	54.05	2	5.41
BCH	2	33.33	3	50.00	1	16.67
BSI	4	40.00	4	40.00	2	20.00
BSL	22	59.46	15	40.54	0	0.00
BST	3	23.08	6	46.15	4	30.77
Total	65		73		17	

NEW EMPLOYEE HIRES FY23 — WOMEN

GRI401-1

	below 31 y	%	31–50 y	%	above 50 y	%
BRU	3	37.50	5	62.50	0	0.00
BLI	0	0.00	0	0.00	0	0.00
BSC	0	0.00	0	0.00	0	0.00
BNA	2	22.22	6	66.67	1	11.11
BLE	0	0.00	0	0.00	0	0.00
BCZ	12	28.57	24	57.14	6	14.29
BCH	0	0.00	4	100.00	0	0.00
BSI	1	11.11	6	66.67	2	22.22
BSL	26	33.77	41	53.25	10	12.99
BST	5	33.33	7	46.67	3	20.00
Total	49		93		22	

EXECUTIVE BOARD BY AGE GROUP AND GENDER FY23 GRI405-1A

	Men	%	Women	%	Total Executive board members
below 31 y	0	0.00	0	0.00	0
31–50 y	2	100.00	0	0.00	2
above 50 y	3	100.00	0	0.00	3
Total	5	100.00	0	0.00	5

TURNOVER BY GENDER AND AGE GROUP FY23 GRI401-1

	Men %	Women %
below 31 y	17.21	45.16
31–50 y	11.70	24.70
above 50 y	5.08	9.43

TURNOVER BY REGION AND AGE GROUP FY23 GRI401-1

	below 31 y %	31–50 y %	above 50 y %	Total %
BRU	10.43	11.60	4.07	9.09
BLI	7.50	3.87	2.44	4.01
BSC	0.00	20.00	0.00	5.26
BNA	7.41	28.17	6.67	16.46
BLE	66.67	0.00	0.00	2.20
BCZ	8.70	10.57	0.00	8.27
BCH	44.44	7.20	0.00	8.03
BSI	28.57	25.00	31.58	27.45
BSL	71.11	55.56	10.17	51.67
BST	23.53	15.56	14.58	16.36
Total	24.68	16.36	6.75	14.94

TURNOVER BY REGION AND GENDER FY23 GRI401-1

	Men %	Women %
BRU	10.33	5.21
BLI	3.19	6.98
BSC	10.53	0.00
BNA	14.63	22.86
BLE	2.82	0.00
BCZ	10.53	6.67
BCH	7.87	8.33
BSI	21.33	44.44
BSL	26.32	73.86
BST	7.08	26.17
Total	10.89	22.44

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN
(average pay woman / average pay men) GRI405-2

	Group Management	Group Leader	White Collar	Blue Collar
BRU	–	–	0.86	0.89
BLI	–	–	0.67	0.81
BSC	–	–	0.79	0.80
BNA	–	–	0.81	0.89
BLE	–	–	1.19	0.96
BCZ	–	–	0.68	0.72
BCH	–	–	0.71	0.71
BSI	–	–	0.79	0.75
BSL	–	–	1.04	0.65
BST	–	–	0.89	0.84

Comment

The above table does not indicate whether female employees at BAUMANN earn less or more than their male colleagues for the same work. Within the employee categories mentioned (e.g. white collar), employees with different work profiles and from different hierarchical levels are summarised.

GRI INDEX

GRI 1 used:	GRI 1: Grundlagen 2021
Statement of use:	BAUMANN Springs Ltd. has reported in accordance with the GRI Standards for the period 1.12.2022–30.11.2023.
Relevant industry standards:	–
Reasons for omission:	According to comments in the GRI Content

GRI 2: GENERAL DISCLOSURES 2021

GRI Number	GRI Definition	Chapter and Page
GRI 2-1a	Organizational details	Page 5, Page 7, Page 8
GRI 2-1b	Organizational details	Page 7, Page 8
GRI 2-1c	Organizational details	Page 7, Page 8
GRI 2-1d	Organizational details	Page 7, Page 8
GRI 2-2a	Entities included in the organization's sustainability reporting	Page 5
GRI 2-2b	Entities included in the organization's sustainability reporting	Not applicable: Annual report of BAUMANN Springs Ltd. is not public
GRI 2-2c	Entities included in the organization's sustainability reporting	Page 5
GRI 2-3	Reporting period, frequency and contact point	Page 1, Page 5, Page 39 (Impressum)
GRI 2-4a	Restatements of information	Page 5
GRI 2-5a	External assurance	Page 5
GRI 2-5b	External assurance	Not applicable: No external assurance conducted
GRI 2-6a-c	Activities, value chain, and other business relationships	Page 7, Page 8
GRI 2-6d	Activities, value chain, and other business relationships	Page 5
GRI 2-7a	Employees	Pages 25–33 (Performance Tables)
GRI 2-8a-c	Workers who are not employees	Information unavailable / incomplete for BAUMANN Springs Ltd.
GRI 2-9a-c	Governance structure and composition	Page 8, Page 9
GRI 2-10a	Nomination and selection of the highest governance body	Page 8, Page 9
GRI 2-10b/i	Nomination and selection of the highest governance body	Page 8, Page 9 — shareholder view is included through the selection process

GRI 2: GENERAL DISCLOSURES 2021

GRI Number	GRI Definition	Chapter and Page
GRI 2-10b/ii	Nomination and selection of the highest governance body	Page 8, Page 9 – diversity in terms of gender or ethnic background is not a selection criteria
GRI 2-10b/iii-iv	Nomination and selection of the highest governance body	Page 8, Page 9
GRI 2-11a-b	Chair of the highest governance body	Page 8, Page 9
GRI 2-12a-c	Role of the highest governance body in overseeing the management of impacts	Page 9
GRI 2-13a-b	Delegation of responsibility for managing impacts	Page 9
GRI 2-14a-b	Role of the highest governance body in sustainability reporting	Page 5
GRI 2-15a-b	Conflicts of interest	Page 9
GRI 2-16a-b	Communication of critical concerns	Page 10, Page 11
GRI 2-17a	Collective knowledge of the highest governance body	Page 9
GRI 2-18a-c	Evaluation of the performance of the highest governance body	Page 8
GRI 2-19a-b	Remuneration policies	Confidentiality constraints: As a private firm, BAUMANN Springs Ltd. does not publish its remuneration policy
GRI 2-20a-b	Process to determine remuneration	Confidentiality constraints: As a private firm, BAUMANN Springs Ltd. does not publish its remuneration policy. The responsibility lies with the Nomination & Compensation Committee.

GRI Number	GRI Definition	Chapter and Page
GRI 2-21a-c	Annual total compensation ratio	Confidentiality constraints: As a private firm, BAUMANN Springs Ltd. does not publish data on compensation ratio
GRI 2-22a	Statement on sustainable development strategy	Page 4
GRI 2-23a-f	Policy commitments	Page 9
GRI 2-24a	Embedding policy commitments	Page 9
GRI 2-25a-e	Processes to remediate negative impacts	Page 10, Page 11
GRI 2-26a	Mechanisms for seeking advice and raising concerns	Page 10, Page 11
GRI 2-27a-d	Compliance with laws and regulations	Information unavailable / incomplete for BAUMANN Springs Ltd. Compliance with laws and regulations is tracked and ensured by the local entities and part of the requirements for IATF 16949. For BAUMANN Group there is no process in place yet to aggregate and steer this topic.
GRI 2-28a	Membership associations	Page 13
GRI 2-29a	Approach to stakeholder engagement	Page 12
GRI 2-30a-b	Collective bargaining agreements	Page 12, Page 13, Pages 25–33 (Performance Tables)

GRI 3: MATERIAL TOPICS 2021

GRI Number	GRI Definition	Chapter and Page
GRI 3-1a-b	Membership associations	Page 14, Page 15
GRI 3-2a-b	Approach to stakeholder engagement	Page 6, Page 15
GRI 3-3a-f	Collective bargaining agreements	Pages 16–24
CLIMATE CHANGE		
GRI 302-1a-g	Energy consumption within the organization	Pages 25–33 (Performance Tables)
GRI 302-2a-c	Energy consumption outside of the organization	Information unavailable / incomplete: BAUMANN targets to collect data on all scope 3 emissions in 2024
GRI 302-3a-d	Energy intensity	Pages 25–33 (Performance Tables)
GRI 302-4a-d	Reduction of energy consumption	Not applicable: No measures implemented yet
GRI 302-5a-c	Reductions in energy requirements of products and services	Not applicable: No measures implemented yet
GRI 305-1a-g	Direct (Scope 1) GHG emissions	Pages 25–33 (Performance Tables)
GRI 305-2a-g	Energy indirect (Scope 2) GHG emissions	Pages 25–33 (Performance Tables)
GRI 305-3a-g	Other indirect (Scope 3) GHG emissions	Pages 25–33 (Performance Tables)
GRI 305-4a-d	GHG emissions intensity	Pages 25–33 (Performance Tables)
GRI 305-5a-e	Reduction of GHG emissions	Not applicable: No measures implemented yet
GRI 305-6	Emissions of ozone-depleting substances (ODS)	Pages 25–33 (Performance Tables)
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Pages 25–33 (Performance Tables)

GRI Number	GRI Definition	Chapter and Page
BUSINESS INTEGRITY		
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EMPLOYEE WELL-BEING & DEVELOPMENT		
GRI 401-1a-b	New employee hires and employee turnover	Pages 25–33 (Performance Tables)
GRI 401-2a-b	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Information unavailable / incomplete: BAUMANN targets to collect data in 2024
GRI 401-3	Parental leave	Information unavailable / incomplete: BAUMANN targets to collect data in 2024
GRI 405-a-b	Diversity of governance bodies and employees	Pages 25–33 (Performance Tables)
GRI 405-2	Ratio of basic salary and remuneration of women to men	Performance Tables; Limitation: Workforce categories “group management” and “group leader” could not be reported caused by a small sample size in some locations which would allow inferences on individuals.
SUSTAINABLE INNOVATION		
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FAQS ABOUT THE SUSTAINABILITY REPORT

1. WHAT DO THE ABBREVIATIONS ESG, GRI, SDG, ECOVADIS STAND FOR?

- ESG stands for Environment, Social and Governance. It refers to the three central categories by which companies assess their sustainability and social responsibility. Environmental aspects include topics such as climate change, consumption of resources and environmental pollution. Social aspects include topics such as human rights, working conditions and diversity. Governance refers to the company management, transparency and ethical conduct, including topics such as suppression of corruption or the structure of the board of directors.
- GRI stands for Global Reporting Initiative and is a prevalent framework for sustainability reporting which helps organizations to measure and publish their performances in the fields of environment, social and governance (ESG).
- UN SDGs refer to the goals for sustainable development of the United Nations, a series of 17 global goals aiming at dealing with urgent social, economic and ecological challenges by 2030.
- Ecovadis is a recognized service provider which provides sustainability ratings for companies based on their ecological, social and ethical performance throughout the whole supply chain.

2. WHAT ARE CO₂E EMISSIONS AND WHAT DOES THE “E” STAND FOR?

CO₂e is a metric that is used to express the effects of different greenhouse gases on the climate in the form of CO₂ amounts. The GHG protocol normally uses six main greenhouse gases (GHG) to calculate the CO₂e emissions. These are:

- Carbon dioxide (CO₂)
- Methane (CH₄)
- Nitrous oxide (N₂O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulfur hexafluoride (SF₆)

These gases are converted based on their Global Warming Potential (GWP) into CO₂-equivalents (CO₂e) which measure their relative contribution to global warming over a certain period of time, usually 100 years. This enables a standardized comparison of the warming effects of various gases.

3. WHY ARE CO₂E EMISSIONS MEASURED AND WHY IS IT IMPORTANT TO REDUCE THEM?

Measuring CO₂e emissions enables companies to understand and quantify their contribution to climate change. By reducing CO₂e emissions, companies can contribute to curbing climate change, using resources more efficiently, cutting costs, reducing the risk of effects on the environment and improving the image and competitiveness of the company.

4. WHAT DOES SCOPE 1, 2 OR 3 MEAN?

CO₂e emissions are divided into Scopes 1, 2 and 3 to create a comprehensive framework for understanding and controlling greenhouse gas emissions of an organization. Understanding these differences helps organizations to identify areas for reducing emissions.

- Scope 1 emissions: These are direct emissions from sources which are in the possession or under the control of the company, e.g., emissions from the combustion of fossil fuels on site, including emissions from company vehicles or industrial processes.
- Scope 2 emissions: These are indirect emissions in conjunction with the consumption of purchased electricity, heat or steam that are produced off-site but are used by the company. These also include emissions that occur in the production of the consumed energy.
- Scope 3 emissions: These are indirect emissions that occur through activities of the company but come from sources which do not belong to the company or are not controlled by them. These include emissions from activities such as business trips, transport, commuting of the staff and emissions in conjunction with the use of products sold by the company.

5. WHERE IS THE GREATEST POTENTIAL FOR REDUCING CO₂E EMISSIONS FOR A PRODUCING COMPANY LIKE BAUMANN?

The greatest emission reduction potential for producing companies often lies in the areas of energy efficiency, raw material utilization, waste management and logistics. This can affect all three scopes, including:

- Scope 1: Direct emissions can be reduced by changing over to renewable energies, optimizing production processes and using energy-efficient technologies.
- Scope 2: Changing over to renewable energies from the operation of production plants and buildings can reduce indirect emissions from energy production.
- Scope 3: Measures such as the optimization of transport routes, the reduction of packaging materials and the promotion of sustainable supply chains can contribute to reducing indirect emissions along the entire supply chain.

Edition notice

Published by:
BAUMANN Springs Ltd.
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8734 Ermenswil – CH

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Design:
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