

Non-financial report 2023

Bobst Group SA

CONTENTS

Message from our Chairman	3
Introduction	4
Sustainability governance	5
Governance process	5
Standards and benchmarks	6
Report on Business	7
Our business model and key figures	8
Effects of activities on non-financial matters	8
Applied regulations and standards	10
Report on non-financial matters	12
Environment	13
Social matters	17
Employees related and labor matters	17
Respect of human rights	21
Combatting corruption	21
Sustainable purchasing	23
Reporting on child labor	25
Reporting on conflict minerals	25
Whistleblowing	26

CHAIRMAN'S MESSAGE

At BOBST, we recognize the importance of environmental and social responsibility in all aspects of our operations from the supply chain to our manufacturing processes.

Sustainability and social responsibility are not just words, they have been part of BOBST's commitment for decades and are embedded in our values (Trust, Respect, Passion and Performance) and at the heart of our business principles.

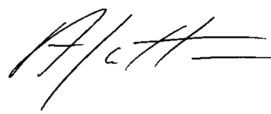
Our business decisions should be carefully considered as they sometimes have unexpected consequences for the planet or on the population where our business operates. We are committed to reducing our impact on the planet, respecting nature and people, while also creating long-term value for our stakeholders.

BOBST is committed to sustainability throughout its operations and beyond. Success is based not only on good products but also on the ethical business practices in our entire value chain.

Our core values and behaviors support establishing a strong company culture which encourages our employees to act with integrity, accountability, and respect throughout our operations.

We firmly believe that our commitment to sustainability will bear fruit in the long run, leading to increases in our business and brand reputation and attractiveness as an employer.

As Chairman of the Board and Board members, it is our duty to ensure that the organization through its executive team and sustainable strategy embarks on this continuous improvement journey to create sustainable and successful business results.



Alain Guttmann
Chairman of the Board



Jürgen Brandt
Member of the Board

INTRODUCTION

This non-financial report has been established in accordance with Art 964a et seq. of the Swiss Code of Obligations (CO). It focuses on BOBST's environmental, social, human rights, employees and anti-corruption focus and targets. The structure and content of this report is based on the current legal requirement set out by the CO. We are actively monitoring the legislative and jurisprudential developments, to continually adapt as the legal landscape of ESG is rapidly changing.

In Q3 2024, we will publish a detailed 2023 sustainability report with additional information and data.

1. SUSTAINABILITY GOVERNANCE

There may be adverse impacts caused by our activities and products that we are not always able to avoid, but we are engaged in caring and acting to minimize the potential impacts throughout our value chain.

Over the past years, BOBST has established a strategy and a governance to address ESG topics in a systematic and organized way. BOBST strategy is articulated across three main streams covering:

- **BOBST Operations.** To provide work and life conditions within the company and along the supply chain which are ethical, supportive and respectful of the environment.
- **BOBST Equipment.** To reduce the environmental and social impacts of future and existing packaging machines at the customers' sites, improving machines' performances and services.
- **Packaging use and end of life.** To contribute to the development of environmentally improved packaging solutions in collaboration with the main actors of the value chain. Reducing the environmental impact of packaging and improving the end-of-life management (recyclability).

There is an inverse relationship between BOBST's scope of action and the sustainability impact of packaging in general. The highest impact occurs downstream in the value chain, where BOBST has little leverage.

BOBST is committed to make progress in the three streams with relevant business indicators.

2. GOVERNANCE PROCESS

The Board of Directors (BoD) overlooks BOBST's corporate strategy and is responsible for the general risk evaluation process as well as the internal control system. The BoD supervises and validates the ESG Strategy, prepared and endorsed by the Group Executive and the Head of Corporate Sustainability. The Head of Corporate sustainability, reporting directly to the CEO, leads the ESG strategic agenda and supports the three stream leaders in the deployment of the specific roadmap and agenda per stream.

The BoD is regularly updated on the progress and reviews bi-annually the results.

The Audit Committee reviews and validates the sustainability & non-financial annual reports. The BoD signs and approves the reports based on the Audit Committee recommendations.

Outlook

To successfully address ESG impacts in our operations, BOBST will continuously adapt roles, responsibilities, and reporting processes where relevant. Following our materiality assessment which has been key to establish our sustainability strategy, we are planning in 2024 to perform a double materiality assessment which will be the base moving toward

Corporate Sustainability Reporting Directive (CSRD) and identifying the appropriated European Sustainability Reporting Standards (ESRS) to report on.

Further, specific training sessions on the topic will be held at the executive and board level to foster their knowledge and support their responsibilities.

3. STANDARDS, BENCHMARKS AND INITIATIVES

Understanding how BOBST is progressing compared to other external organizations and applying global standards is key to support us in our journey. We are applying the highest standards described below.

UN Global Compact

Over time, BOBST has supported the 17 Sustainable Development Goals of the Agenda 2030 and embedded the Ten Principles of the UN Global Compact into strategies and operations. BOBST committed to respecting human and labor rights, safeguarding the environment, and working against corruption in all its forms.

In 2023, BOBST officially signed and committed to United Nations Global Compact initiative principles.

SBTi

On the climate change issue, BOBST committed to the Science Based Targets initiative (SBTi) in 2022. This means BOBST is regularly monitoring its carbon footprint, evaluating and deploying transition plans covering scope 1, 2 and 3 emissions, setting out short-term milestones and ensuring effective board-level governance.

Short-term targets of emissions reductions will be validated with SBTi early 2024 and monitored and communicated publicly thereafter.

Ecovadis

EcoVadis is used as an independent and well recognized organization to get a global overview on how BOBST stands in terms of ESG indicators. They also monitor our progress compared to external practices and benchmarks.

EcoVadis requires filling in a detailed questionnaire with proof of what is stated by the company to evaluate the organization and its progress. It determines how advanced an organization is on the broad scope of ESG topics. At BOBST, such an evaluation is conducted every year to track progress and improvement areas.

In November 2023, BOBST received a rating of 63/100 along with a silver medal placing it in the Top 20% of audited companies in the Machine manufacturing field. This shows an improvement of 14 points compared to the previous year.

BOBST is also using Ecovadis methodology and platform to screen our suppliers base, gradually asking minimum scores from them and embarking them on a collaborative approach to improve our supply chain impacts on ESG topics.

GRI

Since 2021, BOBST has published annual Sustainability reports using the GRI standard, spanning all major areas relevant to its activities. Be it on environmental, social or governance issues, the data collection and monitoring has been improving since then and we are now able to compare our year-on-year performance and to limit gaps against the standard to a minimum. The improvement of data collection will continue in the coming years as it is a key element to proper reporting and for the monitoring of progress on sustainability matters.

REPORT ON BUSINESS

4. OUR BUSINESS MODEL AND KEY FIGURES

BOBST is one of the world's leading suppliers of substrate processing, printing, and converting equipment and services for the label, flexible packaging, folding carton and corrugated board industries.

We are shaping the future of the packaging world, and we do our utmost to help the packaging sector to deliver better quality, efficiency, control, in a sustainable manner at a time when these qualities have never been more important.

If you want to discover more about BOBST business model and key 2023 financial figures, please refer to our 2023 annual report.

5. EFFECTS OF ACTIVITIES ON NON-FINANCIAL MATTERS

Environmental matters

Our operational activities mainly impact Greenhouse gas emissions (GHG) and in a limited way water resources and waste production.

Energy and Greenhouse gas emissions (GHG)

Since 2019, BOBST reports its emissions based on the GHG protocol. In 2022 BOBST committed to the Science Based Target initiative (SBTi) methodology. BOBST's Greenhouse gas (GHG) inventory shows that most carbon emissions occur downstream in its value chain.

Water

Water management is carefully performed even though we have a limited consumption and impact on this resource.

Waste

Our activities generate several types of waste. These are mainly metal residues linked to machining operations, but also paper and cardboard, and plastics used for packaging and transport of components and machines as well as for shipping spare parts to the Group's customers throughout the world.

Packaging and substrate

Our machines contribute to the packaging value chain and production of packaging. There is an inverse relationship between BOBST's scope of action and the sustainability impact of packaging in general. However, the biggest waste impact occurs downstream our value chain: it is the considerable waste quantity generated by the packaging produced by BOBST machines when it comes to its end-of-life. While BOBST has little leverage on this impact, BOBST is dedicated to contributing to more sustainable solutions and substrate in collaboration with the other actors of the value chain.

Social Matters

Our production activities have a positive impact on local communities and contribute to work opportunities and local society development.

Employee-related Issues

Our activities can have an impact on employees' health and safety through the nature of our production work, which requires an extensive handling, manual activities, and machine tools, exposing the workforce to potential sources of accidents.

Statistically, the most frequently injured body parts in the workshops are the fingers, hands, and eyes. The main hazards identified that can lead to major injuries are lifting loads, working at heights, using handling equipment (forklifts and pallet trucks), moving mechanical parts, and working near live parts.

Human rights

Our activities may influence human rights in our workplace and in our supply chain. We have zero tolerance for any breach of human rights. This is clearly framed in our human rights policy, our code of conduct and supplier code of conduct.

Combating Corruption

We operate all around the world where business customs can vary in terms of transparency and practices. We have no tolerance for any kind of bribery and miss-business conduct. This is clearly framed in our codes of conduct and compliance regulations.

APPLIED REGULATIONS AND STANDARDS

This report is based on the following existing and future Swiss legislations:

Swiss Code of Obligations (CO)

- Articles 964 (a), (b), and (c) of the CO introduce transparency requirements related to non-financial matters. These provisions primarily address environmental concerns, including CO₂ reduction goals, social issues, employee welfare, respect for human rights, and anti-corruption measures.
- Companies falling within the scope must annually prepare a comprehensive report on non-financial matters. This report requires approval and signature from the supreme management or governing body and endorsement from the body responsible for approving the annual accounts.
- The resulting Non-Financial Report is published online after approval and remains accessible to the public for at least 10 years.

Ordinance on Climate Disclosures (OCD)

- The Swiss Federal Council enacted the OCD, which took effect on 1 January, 2024. This ordinance is linked to the indirect counterproposal to the Responsible Business Initiative (RBI).
- Aimed at large Swiss public companies, the OCD provides guidance on climate reporting. It ensures that disclosures related to climate impact and financial risks associated with climate change are transparent and comparable.
- Notably, the OCD aligns with the recommendations of the Task Force on Climate related Financial Disclosure (TCFD), a globally accepted framework for climate-related financial disclosures.
- Our 2023 sustainability report will contain a TCFD information.

Ordinance on Due Diligence and Transparency (ODiTr)

- Articles 964 (j), (k), and (l) of the CO pertain to due diligence and transparency regarding minerals and metals sourced from conflict-affected regions and child labor.
- The ODiTr establishes obligations for companies falling under these provisions. It ensures responsible practices in supply chains and underscores the importance of ethical sourcing.

These regulations and standards collectively enhance corporate accountability, foster sustainability, and contribute to a more responsible business environment in Switzerland.

REPORT ON NON-FINANCIAL MATTERS

6. ENVIRONMENT

Greenhouse gas emissions

Objectives

Short-term targets that align with the Paris Agreements and Swiss climate goals have been submitted to SBTi and will be reviewed and validated in Q2 2024. This means decarbonization targets at the Group level by 2030 are set both on direct BOBST Operations (scopes 1&2) as well as on extended impacts including procurement and product use (scope 3). BOBST will officially communicate its validated carbon emissions reduction targets in its sustainability report 2023.

Process /Actions

BOBST carbon accounting is performed based on GHG protocol on a yearly basis. Data quality and accounting processes are continuously improved, especially in terms of scope 3 emission calculations. Recalculation of past emissions may happen when needed based on the recalculation policy.

BOBST's GHG inventory shows that most carbon emissions occur downstream in its value chain: indeed, emissions related to the use phase of the machines over their lifetime at the converters' plants represent the most significant fraction of the carbon footprint of the Group. Two main reasons explain the importance of GHG emissions related to the equipment sold by BOBST. First, a packaging machine consumes energy while operating. Second, a BOBST machine is designed to last (15 to 30 years), and thanks to the maintenance programs and solutions provided by BOBST services the machines can function optimally and for a long time.

The knowledge that most of the emissions occur during machine use time has motivated a renewed focus on improving the efficiency of the machines. In 2022, two people were appointed to further the work on the environmental efficiency of BOBST machines. In 2023, product line R&D and management have been extensively engaged through training and workshops to encourage further achievements in terms of energy efficiency of new machines and ensure that BOBST GHG emission reduction on scope 3 can be met.

In parallel, action plans are developed to reduce scope 1&2 emissions.

In the next years, we will monitor and report on our progress and achievements. Additionally, based on the annual risk identification and assessment process results (which will be published later in the context of TCFD), BOBST will also consider additional metrics and targets each year to reduce climate-related risks and leverage climate-related opportunities.

Performance indicators
2023 Results of GHG emissions

Scope	2019		2021		2022		2023		Variation 2022/2023
	tCO ₂	% (total scope 1,2,3)	tCO ₂	% (total scope 1,2,3)	tCO ₂	% (total scope 1,2,3)	tCO ₂	% (total scope 1,2,3)	%
Scope 1	9 175	0.3%	8 469	0.2%	9 546	0.2%	7 422	0.2%	-22.2%
Scope 2	5 898	0.2%	5 061	0.1%	4 895	0.1%	4 842	0.1%	-1.1%
Scope 3	3 002 772	99.5%	3 974 905	99.7%	3 807 343	99.6%	3 721 635	99.7%	-2.3%
Total	3 017 845	100%	3 988 435	100.0%	3 821 784	100.0%	3 733 900	100.0%	-2.3%

Databases, tools, standards, and methodologies used in the calculations

All gases mandatory to be reported by the GHG protocol were included in the count, i.e. carbon dioxide, methane, HFCs, nitrous oxide, nitrogen trifluoride, perfluorocarbons, and sulfur hexafluoride. Databases used: Ecoinvent 3.8, DEFRA 2021, and Exiobase Input-Output database.

Tools used: SIMAPro, excel.

Method of impact calculation: IPCC 2021 GWP100.

Standard used: GHG protocol standard.

The methodology relies on the GHG protocol standard, based on physical flows, except for procurement where a spend-based method was applied. Other indirect (scope 3) GHG emissions categories and activities included in the calculation: procurement, energy upstream, waste, water, business travel, commute, transportation (distribution of machines and of spare parts) and machine use. In the carbon accounting for 2023, all local entities for which the Group has operational control have been taken into account, which are the BOBST-branded entities.

The main variations between 2022 and 2023 can be explained as follow:

Scopes 1&2

- Decrease of fuel consumption on the Mex site.

Scope 3

- The base of machines sold are heavier and more powerful than the ones in 2022.
- The dataset has evolved: data on weight and energy consumption of machines have been improved compared to data used in 2022 following the completion of additional Impact factsheets for machines. These methodological changes also contribute to the shown variation between 2022 and 2023. (2022 data not recalculated).

Water Management

Objectives

Due to the nature of our business, BOBST's operational activities have a limited impact on global water resources. Nevertheless, BOBST is committed to reducing its impact on water consumption.

Process /Actions

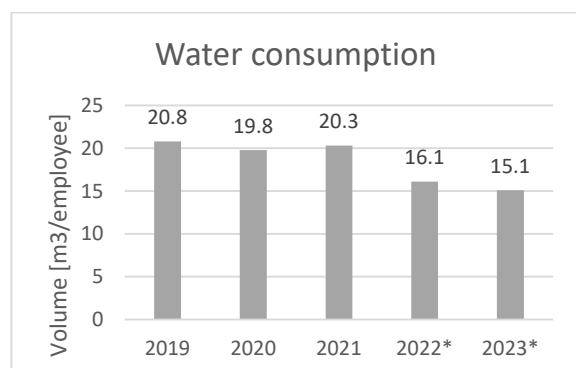
Water consumption mainly concerns industrial activities such as preparation of emulsions, degreasing of parts in open or closed-circuit installations and aqueous baths in a closed circuit in paint line for surface preparation. The rest of water consumption is limited to the use of sanitary facilities, cleaning of the premises and watering of the outdoor facilities.

Several sites are equipped with water consumption reduction devices such as waterless urinals, rainwater recovery systems and push-button or motion detection taps. A consumption monitoring system is in place in all production sites, allowing the manual detection of cases of over-consumption.

In addition to the water-saving measures mentioned above, the installation of a closed-circuit cooling system on a distilling machine mainly contributed to reducing the water consumption of the Group.

Performance indicators

Water withdrawal by source	All areas (metric tons)		Remark
	2022	2023	
Surface water (total)			
Freshwater (<= 1 000 mg/l total dissolved solids)	47 468	47 808	
Other water (> 1 000 mg/l total dissolved solids)	14 659	12 120	Rainwater harvesting for WC and gardening
Ground water (total)			
Freshwater (<= 1 000 mg/l total dissolved solids)	33 623	31 466	
Other water (> 1 000 mg/l total dissolved solids)	0	0	
Mix of ground and surface water			For three sites, the water supplied can come either from surface or ground water
Freshwater (<= 1 000 mg/l total dissolved solids)	872	969	
Other water (> 1 000 mg/l total dissolved solids)	0	0	
Total third-party water withdrawal in water stress areas			
Surface water	X	X	
Ground water	X	X	
Mix of ground and surface water	X	X	
Total water withdrawal	96 622	92 363	



* Until 2021 only production sites reported water consumption. Since 2022, services' legal entities are also integrated.

Waste Management

Objectives

Proper waste management is a key target in all our facilities and production sites. To limit its environmental footprint, the Group is working to reduce the quantity of its waste and to improve recycling (currently reaching 74%).

Process / Actions

We are deploying across the Group common industrial waste approaches and monitoring. We have a waste sorting concept that complies with the requirements of the countries where they operate and with the capacities of local recycling channels. The treatment of a part of the waste also has an economic interest, such as the recycling of metals whose resale offers a source of profit.

Common industrial waste

Depending on the country where the Group operates, local waste management systems dispose of the waste through two different methods: landfilling, and incineration.

Special waste

The construction of packaging machines requires the use of lubricants, coolants or chemicals. All residues of these industrial substances are collected separately and treated by specialized companies.

Organic waste

The packaging of components, modules and machines contains wood that must be eliminated. Two ways are used: recycling or thermal recovery depending on the country. Cardboard and paper are recycled according to the local recycling channels.

Performance indicators

The Group has set up an annual monitoring of the quantities of waste treated.

Waste categories	2022		2023	
	Quantity (metric tons)	Percentage	Quantity (metric tons)	Percentage
Metal	1 368	30.1	1 436	27.6
Cardboard, paper	408	9.0	533	10.2
PET, PVC, other plastics	246	5.4	395	7.6
Special / hazardous waste (chemicals)	572	12.6	654	12.6
Urban waste	531	11.7	682	13.1
Wood	1 382	30.4	1 494	28.7
Other	43	0.9	16	0.3
Total	4 549	100	5 209	100
Recycled waste in percent	75%		74%	

In 2023, some one-off events contributed to increase the waste production (i.e. flooding in Bobst Firenze) but the main increase is due to the higher volume of installed machines. The ratio between the waste amount and the weight of installed machines remains flat (2022: 22.0% / 2023: 22.1%).

7. SOCIAL MATTERS

Supporting local communities

Objectives

At BOBST, we have a long history of supporting local communities where we operate. It is part of our values and practices to support our employees and families beyond the scope of work. We are building long term relationships with the communities where we operate, being a respectful and trusted local employer.

Process / actions

Each local BOBST entity is autonomous in supporting local communities and raise / give donations to specific projects. We do not yet collect and consolidate an exhaustive list of all local activities.

Performance indicators

No consolidated information available on local activities.

8. EMPLOYEES-RELATED AND LABOR MATTERS

Women & youth, diversity & equal opportunity

Objectives

We promote diversity and equal opportunities, particularly for women and youth. Diversity is a fundamental focus both as a vector of performance and as a tool for valuing and retaining our employees. Diversity in our company brings a wealth of experience, skills and perspectives to the Group, helping to foster teamwork and cooperation, and improving staff efficiency.

Our main asset is our people: diversity will always be part of our culture and workforce, promoting innovation, fostering corporate culture across regions, and positively impacting management and leadership styles. BOBST wishes to create an equitable and good environment for our society, committing to offering equal working opportunities and remuneration to employees for equal responsibilities throughout the Group. We promote family welfare with childcare centers and flexible working hours for parents.

We commit to nurturing the next generation of leaders and promoting their talents, providing comprehensive training in managerial skills.

Process / actions

Talent Management

Talent has become an essential issue for any organization. When companies develop a compelling reputation for their products and services and a genuine commitment to improving their customers' business and sustainable needs, they are more likely to attract and retain employees.

Our organization enjoys remarkable loyalty from its employees. On the other hand this brings with it the demographic challenge with baby boomers retiring in the coming next 7-10 years, which is a key priority for us to tackle. At the same time, the younger generations, especially the Generation Z, appear to be staying on average less than three years within companies. We will need to manage this effect with a solid career planning for each individual. This must include a perspective of growth within our organization.

To meet our demographic challenge and our need for talents, we are working on our visibility as an Employer of choice and on internal initiatives and achievements promoting diversity and equal opportunities, particularly for women and youth.

Youth Committee

The establishment of the Youth Committee underlines BOBST's commitment to nurturing young talent and integrating them into leadership positions within the company. This committee comprises young and diverse employees aged between 25 and 35, from all business areas of a local entity, chosen by their management for their talents and development potential. They are entrusted with specific projects aimed at continuous improvement with a cross-functional approach and collaborate closely with top management, fostering a dynamic and inclusive environment within the organization.

The Youth Committee has been steadily expanding its role, actively organizing events, fostering a vibrant social atmosphere within the company, and increasingly representing the organization externally.

In 2023, BOBST decided to deploy the Youth Committee concept in all regions and interconnect them to create a community around the world. This process is underway and will be deployed fully in 2024.

Apprenticeship

Our longstanding apprenticeship program exemplifies our dedication to passing on skills and values to the younger generation, ensuring their holistic development for the company's future success.

For over 130 years, BOBST has ensured this transmission of skills and values from one generation to the next. In specially designed vocational training centers, apprentices acquire technical, methodological, social, and personal skills to build the company's future. More than 3 500 apprentices have successfully been trained since 1929.

In 2023, BOBST was proud to count a total of 50 successful apprentices, including seven women, being certified and more than 150 apprentices in ongoing training.

Young leaders' development program

Our Young Leaders Development Program demonstrates our proactive approach to developing young talents. The program involves 20 young talents (max. 35 years old) in each session with a notable emphasis on diversity (38% of women on the program in 2023 compared to 16% of women in the Group) and with a diverse representation of countries, cultures and functions.

Since the launch of the program, more than 60 young talents have participated in the program. In 2023, we have initiated a regional version of this program which will be launched in Asia in 2024.

Equal remuneration of women to men

Over the past years, BOBST has embarked on a pivotal journey towards equal remuneration for men and women, confirming our engagement and the importance of equitable compensation. By end of 2025 we will perform an internal analysis in all our entities to confirm our equal remuneration policy.

Several BOBST entities have already been certified by local authorities and government bodies completing a certification on equal remuneration underwritten by external authorities.

This commitment underscores our dedication not only to internal fairness but also to upholding legal standards and promoting equality in all aspects of our operations.

Performance indicators

Overall gender diversity indicators

Year	Gender	Employee	VPP employee	Middle management	Senior management	Executive & extended management	Board of Directors	Total
2023	Women	14%	18%	19%	16%	13%	17%	16%
	Men	86%	82%	81%	84%	87%	83%	84%

BOBST's employee's status is based on professional levels of function. The level of function depends on the requirements of the position. Employee (employee without a variable part, i.e. a bonus), Employee VPP (employee with a variable pay part, i.e. a bonus), Middle management (managing a team or expert role), Senior management (managing managers or expert roles), Group Executive and Extended management team, Board of Directors.

In 2023, we made good progress in fostering gender diversity by hiring 10% more women which increased the total number of women in the organization by 5.6% compared to 2022. A key milestone achieved during this period was the appointment of a woman at the Board level and a woman at the executive team level, reflecting our dedication to promoting gender diversity at all levels of leadership.

Women currently represent 16% of our total workforce. If we deep dive into the different functions, we have a representation of women above parity in the following functions (more than 50%) in Legal (80%), Human Resources (60%), Communication (58%), Health & Safety (53%), and Finance (51%).

Between 20% and 50% of women occupy positions in marketing (33%), purchasing (32%), general services (31%), customer project management (27%), supply chain (27%), IT (21%) and sales (21%).

The figure is below 20% for more technical and production functions such as project management (17%), engineering & R&D (16%), technical customer service (11%), quality (10%), and production (3%), which reflects broader societal norms that have been slow to evolve within our industry.

While the imbalance in gender representation exists within the company, we are actively striving to address this issue through initiatives aimed at promoting diversity and inclusion within our workforce.

Occupational health & safety

Objective

Employees' physical and moral integrity in all their professional activities is an absolute priority. Bobst Group defines, in a dedicated charter, (EHS policy 2020), the framework and policy for its actions in the field of safety, health at work, and environmental protection. Management recognizes its responsibility in these areas and treats them with the same consideration as economic matters.

Actions / Processes

To achieve its commitments, BOBST relies on integrated management systems, with respect to the legal requirements of the countries where its local entities are located and involves its employees in its thinking.

Each local entity deploys the charter within its organization using its resources. Production sites employ specialists and OHS management systems. The service centers organizations vary according to their size. But in all cases, they comply at least with the local safety at work legal requirements.

Production sites at Grenchen and Mex (Switzerland), Changzhou (China), San Giorgio Monferrato (Italy), and Lyon (France) are certified according to the ISO 45001 OHS management system.

BOBST carries out a risk analysis of workstations following local legal requirements or the ISO 45001 standard, conducted by OHS specialists and based on the knowledge of employees and managers. Each production entity has its own process for identifying hazardous situations.

Every accident is investigated to determine the root causes. The investigation is carried out by trained and qualified agents collaborating with employees and managers. Its conclusions include corrective measures and action plans. Preventive or corrective measures are listed in action plans monitored and implemented by OHS specialists.

In 2023 we delivered more than 16 480 hours of training on specific risky activities covering 3 141 employees and temporary staff.

A Group Occupational Health & Safety Lead was appointed in January 2023. An OHS network has been created within the 11 production sites of the BUPC to strengthen the OHS efficiency by sharing experiences and best practices, to harmonize OHS maturity by using common and recognized harmonized standards and to reduce safety risks by applying adequate and validated risk assessments and prevention measures. 15 people took part in four meetings to share experiences on KPI's, OHS local initiatives, organization and gap assessment.

Performance Indicators

In 2023, we faced two work-related accidents with serious consequences (more than six months of sick leave):

- One accident involving temporary staff (hand crushed between two rolls).
- One accident among employees as the result of a finger caught by a moving strap.

Accidents with work-related injuries involved 136 Group employees and 36 temporary employees.

Accident frequency rate evolution (number of accidents per 200 000 working hours):

Work-related accident by employees' category	2021	2022	2023
Frequency rate of accident at work with serious consequences among BOBST employees	0.02	0.02	0.02
Frequency rate of accident at work with serious consequences among temporary staff employed by BOBST	0.64	0.00	0.16
Frequency rate of accidents with injuries among BOBST employees	3.05	2.39	2.41
Frequency rate of accidents with injuries among temporary staff employed by BOBST	4.71	5.82	5.87
Injury frequency rate for BOBST employees and temporary staff employed by the Group	2.23	2.74	2.78
Fatalities	0.00	0.00	0.00

Outlook

We will accelerate the cooperation and sharing of experiences of the OHS network and define a new OHS vision based on a business driven and positive health and safety culture.

New OHS reporting will be implemented to improve OHS awareness and performance.

The Group OHS compliance will be integrated in the Corporate internal audit program.

9. RESPECT OF HUMAN RIGHTS

Objectives

Social responsibility is essential to sustainable business, alongside economic and environmental accountability. BOBST sees it as a duty to respect fundamental human rights and corporate values.

The Group's anti-corruption policy, the Employee Code of Conduct and the Human Rights Policy provide principles of high ethical standards by which Bobst Group and its employees are expected to conduct business and behave internally and with external business partners.

The reputation and image of a company are largely determined by compliance with the law and the ethical behavior of its managers, employees, and those with fiduciary responsibilities.

Actions / Processes

Bobst Group has always considered it important to interact with its stakeholders – colleagues, customers, suppliers, and authorities in a responsible manner. To formalize this, Bobst Group launched a Worldwide Code of Employee and Business Conduct in 2017 which has been updated regularly to reflect changes in the business environment. The most recent update was in 2023.

The same principles guide BOBST in selecting its business partners and are the basis for evaluating a supplier selection and performance. As a multinational corporation with global operations, BOBST considers that aligned and coherent values throughout its brands and local entities are an asset for the Group's image and successfully achieving laid out goals.

Human Rights Policy

In 2023, BOBST approved its Human Rights Policy to implement good practices in human rights, in accordance with BOBST Worldwide Code of Employee and Business Conduct applicable to the activities of Bobst Group SA and the companies affiliated to it. BOBST is committed to respecting and protecting human rights by implementing its Code of Conduct and the Human Rights Policy, and along its supply chain with the Supplier's Code of Conduct.

Performance Indicators

Please refer to Sustainable Purchasing section for more details.

10. COMBATTING CORRUPTION

Objectives

Trust and respect are two of the core values defined by BOBST. In addition, the Worldwide Code of Employee and Business Conduct defines the principles to be followed for behaving internally and with external business partners. These principles include anti-corruption topics stating that the Group does not tolerate any activity related to corruption in any part of its value chain. Anti-corruption is an essential part of the Group's overall compliance program.

Actions / Processes

Group Compliance Program.

BOBST's due diligence process helps identify any related risks arising from using third parties and concerns all local entities covered by this sustainability report. Group Compliance sets out the review criteria for acceptance or rejection of third parties.

Risk management and anti-corruption policy

BOBST continuously assesses its value chain and takes appropriate measures to identify and prevent corruption risks. Everyone employed at BOBST and having fiduciary duty towards BOBST is expected to be alert and take steps to prevent corruption. The Group Compliance Officer supports the business in the fight against corruption by creating relevant policies and increasing awareness of such requirements.

BOBST's supplier code of conduct touches upon several key RBI (counterproposal to the Responsible Business Initiative adopted by the Swiss Federal Council) topics, and includes anticorruption, antitrust, employment, human rights, environment, health and safety, IP and data protection, global trade compliance, responsible sourcing of minerals, management system, supply chain monitoring and reporting line. It also provides information about Bobst Group Integrity Line, the internal reporting channel for potentially unethical behaviors in the organization, which is also open to suppliers.

The Supplier Code of Conduct is part of every contractual relationship and exists in more than ten languages.

BOBST's has elaborated the anti-corruption principle in the Worldwide Code of Employee and Business Conduct in a dedicated Anti-corruption policy. Regular compliance training is done globally and includes anti-corruption training.

Furthermore, all agents and intermediaries receive the policy as part of their contracts and are subject to compliance due diligence before being hired by BOBST (and upon renewal).

Performance Indicators

Group Compliance reports bi-annually on training to the Audit Committee of the Supervisory Board. Nevertheless, at this point, it is not possible to publish complete figures due to the multiplicity of processes and systems used globally. However, Group Compliance is in contact with the owners of such processes/systems to find a harmonized way of recording and reporting data in the future.

Outlook

As part of continuous improvement, BOBST aims to increase business ethics awareness by periodically training new employees and (re-)training the target population on relevant topics such as bribery, conflicts of interest, and ethical decision-making.

The Group wide compliance and governance framework is assessed, and a risk-based approach is used to enhance awareness and training.

SUSTAINABLE PURCHASING

Objectives

BOBST established a global sustainable procurement organization that encompasses all BOBST production plants and involves the entire purchasing community worldwide (comprising 150 individuals). The sustainable procurement organization has the objective to ensure due diligence in the supply chain and to reduce the environmental and social impacts in the supply chain. The organization's actions and strategies are coordinated quarterly through a steering committee including the Chief Procurement Officer (CPO) and the Head of Group Corporate Sustainability.

Actions / Processes

In 2023, BOBST introduced a vision and policy on Sustainable Procurement, which is publicly accessible on the BOBST website. These initiatives received approval from both the Group Executive Committee (GEC) and the Board of Directors.

BOBST is working on 11 sustainable procurement targets, collaborating with both internal and external stakeholders to contribute to the company's goals. These goals include improving machinery, monitoring supply chain risks, ensuring that suppliers used for new projects align with minimum sustainability standards, and promoting social initiatives with sheltered workshops.

In 2023, BOBST contacted 1500 suppliers to remind them of their obligation to comply with the REACH regulation, which is an EU regulation that mandates companies to identify, manage, and communicate the risks of the chemicals they manufacture and market, with the aim of protecting human health and the environment, particularly Article 33, and to inform us in case any products were affected. To date, 246 suppliers have responded. The company considered their responses and recorded them in its system. We will continue to monitor our supplier base.

Performance Indicators

In 2023, BOBST obtained information on more than 58% of its procurement spend (480 suppliers) regarding sustainability risks. All 480 suppliers have been through our "step approach": signing the Supplier Code of Conduct, conducting Supplier Risk Assessments, assessing the supplier by a 3rd party documentation, and, if necessary, performing an on-site assessment.

1	Commitment from Suppliers	Supplier Code of Conduct	Led by VAO With support of SPMM
2	Risk Assessments	Supplier Risk Assessment (SRA) filled by VAO	Led by VAO With training from SPMM
3	3 rd Party doc Assessments	Documentation assessment and 360° watch findings	ecovadis
4	Full assessment at suppliers'	Updated assessment including Sustainability	SDE and/or 3 rd party

As a result of this process, one supplier was identified as high-risk. It has been assessed and corrective actions are in progress.

11. REPORTING ON CHILD LABOR

Policy

BOBST informs its suppliers via the Supplier Code of Conduct that the use of child labor at any stage of their operations will not be tolerated. Suppliers are required to comply with applicable national minimum wage laws. Additionally, BOBST has established an Integrity Line to facilitate the reporting of concerns regarding child labor within its supply chain.

Traceability system & risk management

Following the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor, BOBST targeted major suppliers considered at risk, as identified in the Children's Rights and Business Atlas by UNICEF. In 2023, out of the 1108 suppliers linked to areas defined as high-risk by UNICEF, more than 95 were assessed using the Supplier Risk Assessment and the 4-steps approach, covering 39% of the expenditure. No major risks were identified. We will continue to monitor our supplier base.

12. REPORTING ON CONFLICT MINERALS

Policy

BOBST has investigated and confirms itself to be below the limit of import and processing quantities with regards to section 2, art. 3-4, related to minerals and metals from conflict and high-risk areas from the Ordinance. BOBST continues to inform its suppliers through the Supplier Code of Conduct that they must adhere to applicable laws and regulations concerning conflict minerals. Suppliers are required to have a policy in place to reasonably ensure that the tin, tungsten, tantalum, and gold in the products they manufacture do not directly or indirectly finance or benefit armed groups involved in serious human rights abuses. Suppliers are expected to conduct due diligence on the source and chain of custody of these minerals and, at a minimum, demand the same from their next-tier suppliers. Additionally, BOBST has established an Integrity Line to facilitate the reporting of concerns regarding conflict mineral within its supply chain.

Traceability system & risk management

Following the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor, BOBST worked in 2022 on defining the scope of suppliers relevant to this topic. We chose a product-focused approach, targeting all purchased products that might contain gold, tantalum, tin, and/or tungsten. In 2023, Out of the 732 suppliers identified on this topic link to the bought product, over 262 have been assessed the main suppliers with the Supplier Risk Assessment and the 4-steps approach (65% of the spend covered). No major risk has been identified. We will continue to monitor our supplier base. BOBST will implement in 2024 the CMRT (Conflict Minerals Reporting Template) form from RMI (Responsible Minerals Initiative) with these direct raw material suppliers.

13. WHISTLEBLOWING

Bobst Group has published a Code of Conduct which lays out principles which all employees and persons with fiduciary relationship with the company is expected to follow. These principles guide how everyone at BOBST interacts with each other and with external business partners. In case someone observes a violation or something which concerns them, they can raise their concern to their superiors up the chain of command, to Group Compliance or through an established whistleblowing hotline even anonymously, if is so desired. All reports are dealt with confidentially and taken seriously. All reports raised are investigated in a fair and timely manner. Based on the outcome of such investigation, necessary corrective measures are implemented. There is a strict no retaliation policy which ensures that any reporter who raises a concern in good faith, faces no negative consequence for raising such report. Our [Bobst Group Integrity Line](#) for reporting is also available for external parties.

Certain statements in the non-financial report, including but not limited to those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by "expects", "estimates", "forecasts" or similar expressions, are forward-looking statements. These statements are based on current decisions and plans as well as on currently known factors. They involve known and unknown risks and uncertainties which may cause the actual results to materially differ from the results currently expected by the company.

Potential risks and uncertainties include such factors as general economic conditions, foreign exchange rate and interest rate fluctuations, competitive product and pricing pressures, the company's operating conditions, and regulatory developments.

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